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**TO:** All Employees and Pensioners

**FROM:** Kelly Martin, Payroll Manager

**RE:** 2023 Tax Changes

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The following are the rates for federal and provincial income tax along with CPP, EI and pension contributions for 2023.

## Federal income tax:

The federal tax rates are unchanged. The brackets have been updated as follows:

For income of:	To income of:	Federal Tax Rate
\$0	\$53,359	15%
\$53,359	\$106,717	20.5%
\$106,717	\$165,430	26%
\$165,430	\$235,675	29%
\$235,675		33%

The federal basic personal amount has been increased to \$15,000, up from \$14,398 in 2022.

The Canada Employment Amount has been increased to \$1,368, up from \$1,287 in 2022.

## Provincial income tax:

The provincial tax rates are unchanged. The brackets have been updated as follows:

For income of:	To income of:	Provincial Tax Rate
\$0	\$41,457	8.7%
\$41,457	\$82,913	14.5%
\$82,913	\$148,027	15.8%
\$148,027	\$207,239	17.8%
\$207,239	\$264,750	19.8%
\$264,750	\$529,500	20.8%
\$529,500	\$1,059,000	21.3%
\$1,059,000		21.8%

The provincial basic personal amount has been increased to \$10,382, up from \$9,803 in 2022.

## ***2023 Tax Changes***

### **Canada Pension Plan:**

For 2023, the Canada Pension Plan maximum pensionable amount is \$66,600. The basic exemption remains at \$3,500. The contribution rate is increasing to 5.95%; therefore, the maximum employee contribution for the year is \$3,754.45, up from \$3,499.80 in 2022.

The increase in contribution rate is part of the Federal Government's CPP enhancement plan. Further details can be found [here](#).

### **Employment Insurance:**

For 2023, the maximum insurable earnings amount is \$61,500, and the premium rate is 1.63%, for a maximum annual premium of \$1,002.45, up from \$952.74 in 2022.

### **Memorial University Pension Plan**

Contributions to the pension plan on the first \$3,500 of earnings in the calendar year are at a rate of 11.4%, down from 11.8% in 2022. Contributions on the next \$63,100 are at 9.6%, down from 10%, and on earnings above \$66,600, the rate returns to 11.4%, down from 11.8%.

### **For More Information**

If you have questions about the 2023 tax, CPP, EI or pension rates and brackets, please email [MyHR@mun.ca](mailto:MyHR@mun.ca).