



Taxation Notice

ComVida Payroll

Dec 2023

The following paragraphs are summarized and available from form T4127(E) Rev. 24 (23/11), *Payroll Deductions Formulas for Computer Programs, 119th Edition*, by following the link [T4127 Payroll Deductions Formulas for Computer Programs - Effective January 1, 2024](#).

NOTE: The Canada Revenue Agency uses the *cheque date* and NOT the pay period end date to determine when the new rates apply.

E.g., If your pay period end date is Dec 29th and your cheques are dated Jan 5th, 2024, you must install this tax update prior to running Calculate Period for the pay period ending Dec 29th, 2023.

1. Federal tax rates and brackets

Indexed to 4.7%.

2. CPP & EI

CPP contributions have been increased to 5.95% for both the employee and employer with the maximum contributory earnings of \$68,500 and a maximum contribution for the year of \$3867.50.

New: Second additional CPP contribution of 4.0% on income in excess of \$68,500 to a maximum of \$73,200. This CPP2 amount is calculated separately once the employee has reached the base and first additional CPP. The maximum for the second additional CPP contribution is \$188 per year.

EI is increased to 1.66% with maximum insurable earnings indexed to \$63,200 and a maximum annual premium of \$1049.12 for the employee.

3. Provincial and territorial changes

There are tax changes as a result of provincial and territorial budgets. The changes are summarized below:

Province	Basic Personal Amount*	Income Thresholds (Tax Brackets)	Tax rate
Alberta	Indexed increase of 4.2%	Indexed increase of 4.2%	n/c
British Columbia	Indexed increase of 5.0%	Indexed increase of 5.0%	n/c
Manitoba	Indexed increase of 5.2%	Indexed increase of 5.2%	n/c
New Brunswick	Indexed increase of 4.7%	Indexed increase of 4.7%	n/c

Province	Basic Personal Amount*	Income Thresholds (Tax Brackets)	Tax rate
Newfoundland & Labrador	Indexed increase of 4.2%	Indexed increase of 4.2%	n/c
NW Territories	Indexed increase of 4.7%	Indexed increase of 4.7%	n/c
Nova Scotia	BPANS - max of 11,481 based on income	n/c	n/c
Nunavut	Indexed increase of 4.7%	Indexed increase of 4.7%	n/c
Ontario	Indexed increase of 4.5%	Indexed increase of 4.5%	n/c
Prince Edward Island	Increased to 13,500	Increased and added new Income thresholds 1 st threshold increased to 32,656 2 nd threshold increased to 64,313 3 rd threshold increased to 105,000 4 th new threshold to 140,000 5 th new threshold for earnings above 140,000	New tax brackets: 1 st decreased to 9.65% 2 nd decreased to 13.63% 3 rd decreased to 16.65% 4 th new bracket at 18.00% 5 th new bracket at 18.75%
Saskatchewan	Indexed increase of 4.7%	Indexed by an increase of 4.7%	n/c
Yukon	Indexed increase of 4.7%	Indexed by an increase of 4.7%	n/c

* **Basic Personal Amount:** ComVida Payroll will automatically apply changes to the Basic Personal Amount for each employee when the **CLAIM** and **PRVCLAIM** numbers are set to zero. For employees claiming **other than Basic (Claim Code 1)**, you must manually adjust their claim amounts to reflect the indexed rates for 2024.

Disclaimer: This information is provided for your convenience only. For official changes to Payroll calculations please contact your local CRA office, or access their web site at <https://www.canada.ca/en/services/taxes.html>.