



## FAMILY LAW PRACTICE TIPS

## ISSUE No. 5A

**Topic:** "Marginal Rate Chart - 2015"  
**Opinion by:** Justice Doug Campbell

**Date:** December 5, 2014  
**See Also:** Issue No. 4: "Marginal Rates of Income Tax Simplified"  
Issue No. 5: "Marginal Rate Chart"

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*This memorandum was prepared by Justice Doug Campbell in reply to the request of ACJ O'Neil as outlined in his Notice to the Bar dated November 6, 2014. It represents Justice Campbell's personal viewpoint and may or may not require some adjustment to conform to the preferences or practices of individual Judges. That will be left up to the Judge and the lawyer, if any, involved. Readers who make use of the within material do so therefore at their own discretion and subject to their own judgment.*

**Formulation:** In Family Law Practice Tips: Issue No.5, the production of the Marginal Rate Chart for the year 2015 was deferred.

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Attached on a separate page is my compiled version of the combined Federal/provincial marginal tax rates for the year 2015.

## Nova Scotia 2015 Combined Federal / Provincial Marginal Tax Rates

Prepared November 28, 2014

by Doug Campbell

(using 2015 Estimates of brackets and rates)

Taxable Income Above	Basic Tax	Tax on Next	Marginal Rate
11,327	0	18,263	25.00%
29,590	4,066	29,590	33.50%
59,180	13,979	30,221	38.67%
89,401	25,665	49,185	43.10%
138,586	46,864	11,414	46.50%
150,000	52,172	remainder	50.00%

- Note 1: These are "ball park" brackets and rates for simplicity. Because the Federal brackets are indexed for inflation each year and the Provincial brackets are not, they spread apart from each other each year. This has the effect of creating a number of tiny "straddle" brackets in a Fed/ Prov combined chart. To avoid the nuisance of dealing with so many similar brackets, this chart condenses nearby brackets from 8 brackets to 5 simplified combined Fed/Prov brackets. The inaccuracy that this creates is minimal and is justified by the efficiency that it creates.
- 2: Marginal rate means the rate on the next (meaning "extra") dollars.
- 3: This chart takes a shortcut by assuming that the Personal Tax Credit, the CPP Tax Credit and the Canada Employment Tax Credit applies and so they are subtracted from the basic tax. No accounting for other tax credits/deduction are made.
- 4: Basic tax is shown above to be zero on taxable income of \$11,237 because all taxpayers have a personal tax credit which federally is actually \$11,237 and provincially is \$8,481. To avoid performing those two calculations, I have created a weighted average tax rate of 25% which will produce a roughly accurate tax payable (for exact tax payable calculations, go to [www.taxtips.ca](http://www.taxtips.ca) and click on Atlantic Provinces; then Nova Scotia; then NS Combined Fed/ Prov tax rates). The correction will be insignificant.