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**PARAMETERS OF
THE PERSONAL INCOME
TAX SYSTEM**

FOR 2024

Parameters of the Personal Income Tax System for 2024

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1. INDEXING OF THE PERSONAL INCOME TAX SYSTEM

Under the tax legislation, the main parameters of the personal income tax system are automatically indexed each year. Indexing applies to the taxable income bracket thresholds of the tax table and to the basic personal amount. It also applies to most parameters used to determine tax credits.

Indexing the personal income tax system helps keep the tax system up to date to reflect the annual rise in the price of goods and services. In concrete terms, indexing the tax system increases the amount of several deductions and tax credits by a rate determined on the basis of the rise in consumer prices in Québec.

□ Indexing rate for taxation year 2024

The indexing rate for 2024 corresponds to the percentage change in the consumer price index for Québec (Québec CPI), excluding alcoholic beverages, tobacco products and recreational cannabis, between the 12-month period ending September 30, 2023, and the 12-month period ending September 30, 2022.

According to the formula, the personal income tax system will be indexed at a rate of 5.08% for taxation year 2024.

Indexing formula
<p>The indexing formula set out in the <i>Taxation Act</i> is applied by multiplying the parameter to be indexed by the difference between A and B. The result obtained is rounded according to the applicable rule.</p> <ul style="list-style-type: none">– “A” is the overall average Québec CPI without alcoholic beverages, tobacco products and recreational cannabis for the 12-month period that ended on September 30 of the taxation year preceding that for which an amount is to be indexed.– “B” is the overall average Québec CPI without alcoholic beverages, tobacco products and recreational cannabis for the 12-month period that ended on September 30 of the taxation year immediately before the year preceding that for which an amount is to be indexed.

2. IMPACT OF INDEXING FOR THE GOVERNMENT

In 2024, the Québec government will index the personal income tax system at a cost of \$1.833 billion. Over the period 2016 to 2024, the cumulative impact will equal more than \$7.0 billion.

TABLE 1

Impact of indexing the personal income tax system

	2016	2017	2018	2019	2020	2021	2022	2023	2024
Indexing rate (%)	1.09	0.74	0.82	1.71	1.72	1.26	2.64	6.44	5.08
Impact (\$M)	295	199	229	488	527	424	898	2 152	1 833
Cumulative impact (\$M)	295	494	723	1 211	1 738	2 162	3 060	5 212	7 045

3. INCREASE IN THE WORK PREMIUM AND FAMILY ALLOWANCE

The indexing of the basic benefits of last resort financial assistance programs requires that a different method be applied to increase the reduction thresholds of the work premium and family allowance in order to maintain the harmonization of the tax system and income security programs.

Work premium

The general work premium is integrated with the last resort financial assistance program. It reaches its maximum at the income threshold at which a household fit for work is no longer eligible for last resort financial assistance. Above that income level, the general work premium is reduced.

Moreover, the first dollars of earned income, up to \$2 400 for a household consisting of one adult and \$3 600 for a household consisting of two adults, are excluded from the calculation of the general work premium.

Like the general work premium, the adapted work premium for individuals with a severely limited capacity for employment is integrated with the last resort financial assistance program. However, the parameters for calculating the adapted work premium are different from those used to determine the general work premium.

Family allowance

To integrate the family allowance with the work premium, the income threshold at which the work premium becomes zero corresponds to the threshold at which the family allowance begins to reduce based on income.

The maximum and minimum amount of the family allowance granted for each child are indexed according to the indexation rate provided for under the tax system.

4. COMPARISON OF INDEXING RATES OF THE QUÉBEC, FEDERAL AND PROVINCIAL TAX SYSTEMS

In 2024, the indexing rate of the Québec tax system (5.08%) will be higher than the indexing rates applied by the federal government and the governments of the other provinces that index their tax system, with the exception of Manitoba.

TABLE 2

**Indexing rates of the federal and provincial personal income tax systems
(per cent)**

	2016	2017	2018	2019	2020	2021	2022	2023	2024 ⁽¹⁾
Federal⁽²⁾	1.3	1.4	1.5	2.2	1.9	1.0	2.4	6.3	4.7
Provinces									
– Newfoundland and Labrador ⁽³⁾	0.4	2.0	3.0	1.8	0.9	0.4	2.8	5.9	4.2
– Prince Edward Island	—	—	—	—	—	—	—	—	—
– Nova Scotia	—	—	—	—	—	—	—	—	—
– New Brunswick ⁽²⁾	1.3	1.4	1.5	2.2	1.9	1.0	2.4	6.3	4.7
– Québec ⁽⁴⁾	1.09	0.74	0.82	1.71	1.72	1.26	2.64	6.44	5.08
– Ontario ⁽³⁾	1.5	1.6	1.8	2.2	1.9	0.9	2.4	6.5	4.5
– Manitoba ⁽⁵⁾	—	1.5	1.2	2.6	2.2	1.0	2.1	7.0	5.2
– Saskatchewan ^{(2),(6)}	1.3	1.4	—	—	—	1.0	2.4	6.3	4.7
– Alberta ^{(3),(7)}	1.3	1.3	1.2	2.4	—	—	2.3	6.0	4.2
– British Columbia ⁽³⁾	0.9	1.8	2.0	2.6	2.5	1.1	2.1	6.0	5.0

Note: An em dash (—) means the tax system was not indexed.

(1) The federal and provincial, other than Québec, indexing rates are projected by the Ministère des Finances du Québec according to the method usually used in the province or at the federal level.

(2) The indexing rate is calculated on the basis of Canada's consumer price index. It is rounded to the nearest decimal.

(3) The indexing rate is calculated on the basis of the consumer price index for the province.

(4) Since the 2005 taxation year, Québec's indexing rate is based on the consumer price index for Québec, excluding alcohol, tobacco and, since 2020, recreational cannabis.

(5) Since the 2017 taxation year, Manitoba's indexing rate is based on the consumer price index for Manitoba. The indexing rate is rounded to the nearest decimal.

(6) In Saskatchewan's 2017-2018 budget, the province announced the suspension of the indexation of the personal income tax system starting in 2018. In the 2020-2021 budget, Saskatchewan announced that the personal income tax parameters will be indexed again starting in 2021.

(7) In Alberta's 2019-2020 budget, the province announced the suspension of the indexation of the personal income tax system starting in 2020. In August 2022, the province announced that the personal income tax parameters would be indexed again starting in 2022.

5. TABLES OF PARAMETERS

TABLE 3

**Parameters of the personal income tax system subject to indexing
(dollars)**

	2023	2024
Tax table		
– Maximum threshold of first taxable income bracket	49 275	51 780
– Maximum threshold of second taxable income bracket	98 540	103 545
– Maximum threshold of third taxable income bracket	119 910	126 000
– Basic personal amount	17 183	18 056
Amount of recognized essential needs		
– Amount for person living alone		
▪ basic amount	1 969	2 069
▪ supplement for single-parent family	2 431	2 554
– Amount with respect to age	3 614	3 798
– Amount for retirement income	3 211	3 374
– Amount of transfer of the recognized parental contribution		
▪ maximum amount of recognized needs ⁽¹⁾	12 638	13 280
▪ reduction where only one term of studies is completed ⁽¹⁾	3 537	3 717
– Amount for a minor child enrolled in vocational training or post-secondary studies (per term, maximum of two terms) ⁽¹⁾	3 537	3 717
– Amount respecting other dependents ⁽¹⁾	5 154	5 416
– Amount for a severe and prolonged impairment in mental or physical functions	3 815	4 009
Certain deductions and exemptions		
– Maximum amount of the deduction for workers	1 315	1 380
– Amount of the personal contribution for the purposes of the deduction for the purchase of tradespersons' tools	1 325	1 390
– Maximum amount of the exemption relating to amounts paid to emergency services volunteers	1 315	1 380
– Maximum monthly amount for the exemption of certain allowances for room and board paid to young athletes	410	430
– Volunteer firefighters' amount ⁽¹⁾	5 000	5 254
– Search and rescue volunteers' amount ⁽¹⁾	5 000	5 254
Reduction thresholds		
– Reduction threshold of the tax credit for a person living alone, for age and for retirement income	38 945	40 925
– Reduction threshold of the tax credit for career extension	38 945	40 925
– Reduction thresholds of the refundable tax credit for home-support services for seniors		
▪ First reduction threshold	65 700	69 040
▪ Second reduction threshold	106 440	111 845

(1) The amounts include the enhancement announced in the 2023-2024 budget.

TABLE 3

Parameters of the personal income tax system subject to indexing (cont.)
 (dollars)

	2023	2024
Maximum income to qualify for certain tax credits		
– Maximum family income to qualify for the tax credit for youth activities	155 880	163 800
– Maximum family income to qualify for the grant for seniors to offset a municipal tax increase	58 200	61 200
Refundable tax credit for childcare expenses⁽²⁾		
– Limit on fees in respect of children under 7 years of age	11 360	11 935
– Limit on fees in respect of children with disabilities	15 545	16 335
– Limit on fees in respect of another child (under 16 years of age or who has an infirmity)	5 720	6 010
– Eligible child – Maximum income ⁽³⁾	12 638	13 280
Certain refundable tax credits		
– Tax credit for medical expenses		
▪ maximum amount	1 356	1 425
▪ minimum amount of work income	3 470	3 645
▪ reduction threshold	26 220	27 550
– Tax credit for caregivers		
▪ universal basic amount (co-residency)	1 383	1 453
▪ reducible amount based on the care receiver's income	1 383	1 453
▪ reduction threshold	24 540	25 785
– Québec education savings incentive		
▪ first income threshold for purposes of calculating the increase amount	49 275	51 780
▪ second income threshold for purposes of calculating the increase amount	98 540	103 545
– Senior assistance amount		
▪ reduction threshold for a single senior	25 755	27 065
▪ reduction threshold for a couple	41 885	44 015
▪ reduction rate (%) ⁽⁴⁾	5.16	5.31
1% contribution by individuals to the Health Services Fund		
– Maximum threshold of first income bracket	16 780	17 630
– Maximum threshold of second income bracket	58 350	61 315

(2) Indexing of family income thresholds for the refundable tax credit for childcare expenses is presented on page 13.

(3) The amounts include the enhancement announced in the 2023-2024 budget.

(4) This rate is revalued each year.

TABLE 3

Parameters of the personal income tax system subject to indexing (cont.)
 (dollars)

	2023	2024
Refundable tax credit granting an allowance to families		
– Family allowance		
▪ Maximum amounts		
◦ each child	2 782	2 923
◦ single-parent family	976	1 026
▪ Reduction threshold ⁽⁵⁾		
◦ single-parent family	40 168	42 136
◦ couple	55 183	57 822
▪ Minimum amounts		
◦ each child	1 107	1 163
◦ single-parent family	389	409
– Supplement for the purchase of school supplies	115	121
– Monthly amount of the supplement for handicapped children	218	229
– Monthly amount of the supplement for handicapped children requiring exceptional care – Level 1	1 102	1 158
– Monthly amount of the supplement for handicapped children requiring exceptional care – Level 2	733	770
General work premium⁽⁵⁾		
– Maximum amounts		
▪ person living alone	1 095.27	1 152.34
▪ couple without children	1 709.61	1 797.07
▪ single-parent family	2 832.60	2 980.20
▪ couple with children	3 684.50	3 873.00
– Reduction threshold		
▪ one adult	11 842	12 334
▪ couple	18 338	19 092
Adapted work premium for persons with a severely limited capacity for employment⁽⁵⁾		
– Maximum amounts		
▪ person living alone	2 101.74	2 200.21
▪ couple without children	3 263.73	3 414.96
▪ single-parent family	3 863.50	4 044.50
▪ couple with children	4 799.60	5 022.00
– Reduction threshold		
▪ one adult	16 654	17 378
▪ couple	25 198	26 310

(5) The increase in the parameter values is based on a revaluation formula that considers, among other things, the indexing of last resort financial assistance benefits.

TABLE 4

**Parameters of the personal income tax system subject to indexing
(dollars)**

	July 2023 to June 2024	July 2024 to June 2025
Solidarity tax credit		
– Amounts for the QST		
▪ basic amount	329	346
▪ amount for spouse	329	346
▪ additional amount for a person living alone	156	164
– Amounts for housing		
▪ amount for a couple ⁽¹⁾	821	863
▪ amount for a person living alone or a single-parent family ⁽¹⁾	677	711
▪ amount for each dependent child ⁽¹⁾	144	151
– Amounts for individuals living in a northern village		
▪ amount per adult	1 935	2 033
▪ amount for each dependent child	418	439
– Solidarity tax credit reduction threshold	39 160	41 150
– Maximum family income threshold at which only 50% of the solidarity tax credit amount can be allocated to the payment of a debt to the State	23 750	24 955

(1) The amounts include the enhancement announced in the 2023-2024 budget.

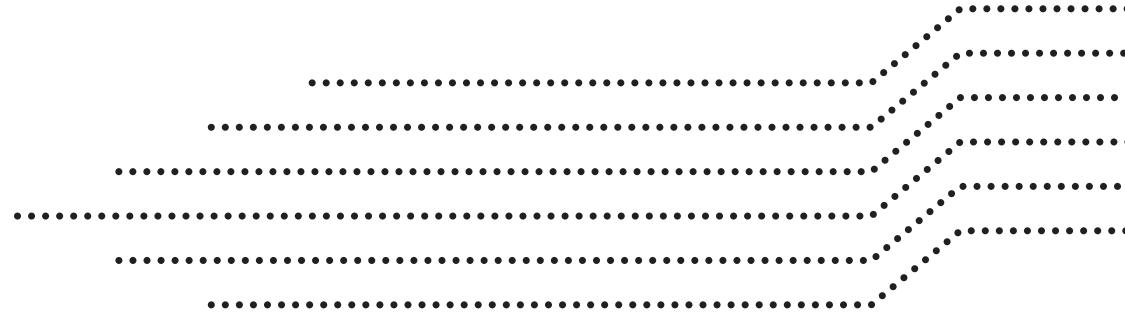
Indexing period for the parameters of the solidarity tax credit

The parameters of the solidarity tax credit are indexed each year on July 1 instead of on January 1. They remain unchanged from July of a given year to June of the following year.

TABLE 5

Parameters of the refundable tax credit for childcare expenses

Taxation year 2023			Taxation year 2024		
Family income (\$)			Family income (\$)		
Greater than	Without exceeding	Tax credit rate (%)	Greater than	Without exceeding	Tax credit rate (%)
—	22 945	78	—	24 110	78
22 945	40 460	75	24 110	42 515	75
40 460	41 955	74	42 515	44 085	74
41 955	43 460	73	44 085	45 670	73
43 460	44 940	72	45 670	47 225	72
44 940	46 445	71	47 225	48 805	71
46 445	110 880	70	48 805	116 515	70
110 880	or more	67	116 515	or more	67



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