

Personal Tax Rates

Quebec Refundable Tax Credit Rates and Amounts for 2022¹

	Tax rate	Max expense	Max credit
Medical expenses² Reduced by 5% of family income in excess of \$24,635 ³	25%	certain eligible medical expenses	\$ 1,274
Childcare expense credit⁴ The lesser of expenses incurred or: For a child who has a severe or prolonged mental or physical impairment For a child under the age of seven For a child under the age of sixteen	from 67% to 78%		
		14,605	
		10,675	
		5,375	
Adoption expense credit⁵	50%	20,000	10,000
Infertility treatment credit⁶	from 20% to 80%	20,000	16,000
Tax credit for caregivers^{3,7} Basic amount Reducible amount Reduced by 16% of the eligible care receiver's income over \$23,055 ³		1,299	1,299
Home support services for seniors⁸ Not recognized as dependent seniors Recognized as dependent seniors	36% 36%	19,500 25,500	7,020 9,180
Short-term transition of seniors in rehabilitation centre⁹	20%	costs incurred in maximum 60-day period	
Independent living for seniors¹⁰	20%	costs incurred in excess of \$250	
Residential waste water treatment system¹¹	20%	costs incurred in excess of \$2,500	5,500

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Notes

- (1) Quebec's credit rate, maximum expense eligible and method of calculation of the credit vary from one type of refundable credit to another. Quebec's credit rate is applied to the dollar amounts in the table to determine the maximum credit value. For example, the adoption expense credit amount of \$20,000 is multiplied by 50% to determine the maximum credit value of \$10,000. Some refundable credits are reduced when thresholds are exceeded.
- (2) Quebec provides a refundable tax credit equal to the total of 25% of medical expenses eligible for the non-refundable credit (see the table "Quebec Non-Refundable Tax Credit Rates and Amounts for 2022") and 25% of the amount deducted for disability support products and services. A minimum amount of work income has to be earned in order to claim the refundable tax credit: \$3,260 for 2022.
- (3) Quebec indexes various tax credits each year by using an inflation factor that is calculated based on the provincial rate of inflation, excluding changes in liquor and tobacco taxes. The Quebec inflation factor is 2.64% for 2022.
- (4) Unlike the federal treatment of qualifying childcare expenses, which are eligible for a deduction in computing net income, Quebec provides a refundable tax credit for such expenses. The rate of the tax credit falls as net family income rises.

In general, the maximum amount of expenses eligible for the credit in 2022 is the lesser of:

- The total of:
 - \$14,605 for an eligible child of any age who has a severe or prolonged mental or physical impairment
 - \$10,675 for an eligible child under the age of seven
 - \$5,375 for an eligible child aged 7 or more but under the age of 16 or an eligible child who has a mental or physical infirmity.
- The actual childcare expenses incurred in the year.

The definition of eligible expenses includes costs incurred during the period an individual receives benefits under the Quebec Parental Insurance Plan or the Employment Insurance Plan (see the table "Employment Withholdings—Quebec"). The childcare expenses are not limited by the earned income of the parent. For the purpose of calculating the refundable tax credit for childcare expenses, the definition of "eligible child" of an individual means a child of the individual or the individual's spouse, or a child who is a dependant of the individual or the individual's spouse and whose income for the year does not exceed \$11,081, if, in any case, at any time during the year, the child is under 16 years of age or is dependent on the individual or the individual's spouse and has a mental or physical infirmity.

- (5) Qualifying expenses include court and legal fees paid to obtain the final adoption order, travel and accommodation expenses for foreign adoptions, translation expenses, and fees charged by foreign and domestic social agencies.
- (6) The applicable tax credit rate varies from 20% to 80% of eligible infertility expenses, depending on family situation and income. The credit can be claimed on infertility expenses paid in the year of up to \$20,000.

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(7) The tax credit for caregivers consists of two components:

Component 1: A basic amount of \$1,299 for a caregiver providing care to a person aged 18 or older who has a severe and prolonged impairment and needs assistance in carrying out a basic activity of daily living and a reducible amount of up to \$1,299 is available where the caregiver co-resides with the eligible care receiver. Where the caregiver does not co-reside with the eligible care receiver aged 18 or older with a severe and prolonged impairment, then the caregiver is only eligible for the reducible amount of up to \$1,299. The reducible amount is reduced by 16% for each dollar of income of the eligible care receiver in excess of \$23,055 for 2022.

Component 2: A basic amount of \$1,299 for a caregiver who supports and co-resides with an eligible care receiver aged 70 or older.

For the purpose of the tax credit for caregivers, an eligible care receiver is a spouse, father, mother, grandparent, child, grandchild, nephew, niece, brother, sister, uncle, aunt, great-uncle, great-aunt or any other direct ascendant of the individual or the individual's spouse.

Quebec's 2020-2021 budget introduced a form to confirm ongoing assistance in carrying out a basic activity of daily living, where the eligible caregiver and care receiver have no family relationship but could qualify as an eligible care receiver for the purpose of Component 1.

The following table summarizes the maximum tax credit amount for caregivers for 2022:

Component 1: for caregiver to a care receiver with a severe and prolonged impairment		Component 2: for caregiver to a care receiver aged 70 or >	
Caregiver co-residing with an eligible care receiver of 18 or >	Caregiver does not reside with an eligible care receiver of 18 or >	Caregiver co-residing with an eligible care receiver aged 70 or >	
Basic amount	\$1,299	Not entitled	\$1,299
Reducible amount	\$1,299	\$1,299	Not entitled
Total - maximum	\$2,598	\$1,299	\$1,299

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- (8) The home-support services for seniors tax credit can be claimed by persons age 70 and over living in their home. The maximum home-support services for seniors tax credit is higher for an individual or a spouse who is considered a dependent senior. If the expense also qualifies for the non-refundable medical expense credit (see the table "Quebec Non-Refundable Tax Credit Rates and Amounts for 2022"), it cannot be claimed for this tax credit as well. Quebec introduced an enhanced tax credit rate of 1% in 2022, which increases by 1% per year until it reaches 5% in 2026. As a result, the combined tax credit rate will be 40% (i.e., a base tax credit rate of 35% plus an enhanced tax credit rate of 5%) in 2026. The tax credit is reduced as follows:
 - For dependent seniors, only the enhanced tax credit may be reduced. The enhanced tax credit is reduced by 3% for each dollar of family income in excess of the reduction threshold (\$61,725 in 2022).
 - For non-dependent seniors, the combined tax credit (i.e., both the base tax credit and the enhanced tax credit) may be reduced.
 - The combined tax credit is first reduced by 3% for each dollar of family income in excess of the first reduction threshold (\$61,725 in 2022), up to the second reduction threshold (\$100,000 in 2022).
 - The combined tax credit is further reduced by 7% for each dollar of family income in excess of the second reduction threshold (\$100,000 in 2022).
- (9) The rehabilitation centre tax credit can be claimed by seniors age 70 or older in respect of costs incurred for the first 60 days of any given stay in a public or private "functional rehabilitation transition unit". There is no limit to the number of stays that can be claimed.
- (10) The independent living tax credit can be claimed by seniors age 70 or older for the purchase or rental of eligible equipment (including installation costs) used to continue living independently. Examples of eligible equipment include remote monitoring systems, GPS tracking devices for persons, and walk-in bathtubs or showers.
- (11) The temporary refundable tax credit for the upgrading of residential waste water treatment systems of a principal residence or a cottage which includes the construction, renovation, modification or rebuilding of a system for the discharge, collection and disposal of waste water, toilet effluents or grey water, can be claimed if the work is carried out by a qualified contractor and paid under a service agreement entered into after March 31, 2017 and before April 1, 2027.

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