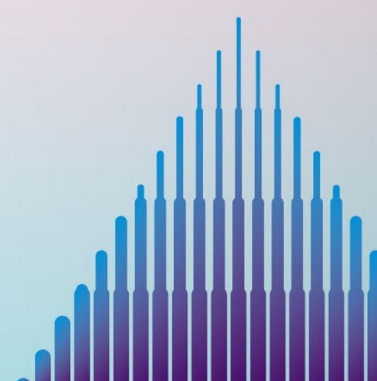




TaxNewsNow

Canada



February 15, 2022

CRA Prescribed Rate Holds Steady at 1% for Q2 2022

No changes to the CRA prescribed income tax interest rates from the previous quarter

There will be no changes to the CRA prescribed income tax interest rates for taxable benefits, overpaid taxes and underpaid taxes in the second quarter of 2022 (April 1, 2022 – June 30, 2022).

Currently, the interest rate on overdue income taxes and penalties is 5%. The prescribed rate for refunds of overpaid tax is 3% for non-corporate taxpayers (1% for corporate taxpayers) and the prescribed rate that applies to taxable benefits for employees and shareholders from interest-free and low-interest loans is 1%.

Prescribed rates for 2022 and 2021 are as follows:

	Taxable Benefits	Overpaid Taxes		Underpaid Taxes
		Corporations	Others	
2022				
April 1 – June 30	1%	1%	3%	5%
January 1 – March 31	1%	1%	3%	5%
2021				
October 1 – December 31	1%	1%	3%	5%
July 1 – September 30	1%	1%	3%	5%
April 1 – June 30	1%	1%	3%	5%
January 1 – March 31	1%	1%	3%	5%

For more information, contact your KPMG adviser.

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