



# NEWS RELEASE

## B.C. now has 9<sup>th</sup> highest personal income tax rate North America

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For immediate release

**VANCOUVER**—British Columbia now has the ninth highest top combined personal income tax rate in Canada and the United States, hurting the province’s ability to compete with neighbouring jurisdictions for skilled-workers and investment, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“The B.C. government has recently made worse the province’s longstanding tax competitiveness problem with recent hikes to personal and corporate income taxes, payroll taxes, carbon taxes, vehicle taxes and property taxes—all of which make it harder to attract potential skilled-workers, investors and businesses,” said Ben Eisen, Fraser Institute senior fellow and co-author of *Assessing British Columbia’s Tax Competitiveness*.

Meanwhile, many U.S. states that compete directly with B.C.—including Washington and Alaska—don’t even have a state-level income tax.

The result?

B.C.’s top combined personal income tax rate of 49.8 per cent—which kicks in at \$150,000 of income—is about 13 percentage points higher than the rate in both Washington and Alaska (37 per cent).

In addition, B.C. has the highest taxes on business investment anywhere in Canada. In fact, when it comes to business investment per worker—an important indicator of worker prosperity and living standards—B.C. lags behind the national average.

“B.C.’s tax regime is simply uncompetitive with not only neighbouring U.S. states, but also several Canadian provinces,” Eisen said.

“This is a major policy problem that the government in Victoria should be trying to address—instead it has taken steps that have made matters worse.”

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