

# NEWS RELEASE

## Ontario continues trend of uncompetitively high personal income tax rates

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For Immediate Release

**TORONTO**—Despite promises that provincial personal income tax increases in 2012 and 2013 would be temporary, successive governments have kept them in place for a decade, finds a new study released today by the Fraser Institute, an independent, non-partisan Canadian public policy think-tank.

“The recent history of personal income tax rates in Ontario is that tax increases governments promised would be temporary ended up being permanent,” said Ben Eisen, senior fellow at the Fraser Institute and co-author of *Broken Promises: The persistence of elevated personal and corporate income taxes in Ontario*.

As a result of both federal and provincial tax hikes, Ontario now has the third highest top combined federal/provincial-state personal income tax rate in Canada or the United States—having jumped from 46.41 per cent in 2012 to 53.53 per cent. Combined with federal increases, Ontario’s top income tax rate has increased by 7.12 percentage points.

“Contrary to their repeated promises not to increase taxes, Dalton McGuinty’s government enacted tax increases that raised the province’s top personal income tax rate, also promising the increase was temporary and would later be reversed—neither he nor his successor Premier Wynne made good on this commitment, just as the current Ontario government has failed to take any action,” Eisen said.

The current government has also failed to deliver on promises to go beyond simply undoing previous tax increases and actually reduce the tax burden on Ontarians. When running for office in 2018, the Ford government promised to reduce Ontario’s general corporate income tax rate, but failed to deliver on this commitment.

“The crux of Ontario’s personal and corporate income tax rates history is one of broken promises: governments keep promising to meaningfully reduce taxes on Ontarians, but their words have not been met with action,” Eisen commented.

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