



## Finance and Treasury Board

Text Size: [A](#) [A](#) [A](#)[Contact Us](#) [Print](#)

[Taxation](#)[Insurance](#)[Pensions](#)[About Us](#)

### Taxation

#### Tax 101

[The Basics](#)[HST](#)[Personal Income Tax & Credits](#)[Business Tax & Credits](#)[Large Corporations Tax](#)[Tax Credits Issued](#)[Corporation Capital Tax](#)[Financial Institutions Capital Tax](#)[Insurance Premiums Tax](#)[Corporate Income Tax & Credits](#)[Harmonized Sales Tax & Rebates](#)[Non-resident Deed Transfer Tax](#)[Explore Regulations](#)[Explore Legislation](#)[Explore Fees](#)[The Division](#)

Use the [Services Directory](#) to quickly access information on all of the services provided by the NS Department of Finance and Treasury Board.

[Home](#) > [Taxation](#) > [Tax 101](#) > [Business Tax & Credits](#) > [Corporate Income Tax & Credits](#)

## Corporate Income Tax & Credits

Nova Scotia corporate income tax rates apply to companies with business activities in Nova Scotia. The provincial corporate income tax is calculated on taxable income amount. The federal government defines the calculation of taxable income including: net income, capital cost allowance and various tax deductions. Both federal and provincial corporate income taxes are collected through the annual tax return to the Canada Revenue Agency (CRA).

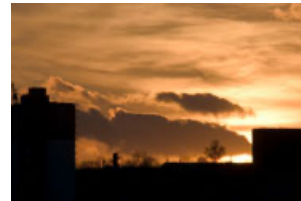
There are two corporate income tax rates in Nova Scotia:

- The lower corporate income tax rate is 3.0 per cent (as of the 2014 tax year). This rate applies to taxable income earned in the province of Canadian-controlled private corporation up to the Nova Scotia business limit of \$500,000. This rate is also known as the Small Business Rate and applies to all Canadian-controlled private corporation with limited taxable capital.
- The higher rate of income tax is 16 percent. This rate applies to taxable income earned in Nova Scotia that does not qualify for the lower rate.

Companies may be eligible for various provincial tax credits that can reduce their income tax payable:

- [Capital Investment Tax Credit \(CITC\)](#)
- [Film Tax Credit](#)
- [Digital Media Tax Credit](#)
- [Digital Animation Tax Credit](#)
- [Research and Development Tax Credit](#)
- [New Small Business Tax Deduction](#)
- [Donations and Gifts](#)
- [Foodbank Tax Credit for Farmers Guidelines](#)

[Credits issued under Film, Digital Media, Digital Animation, and Capital Investment Tax Credits](#)



For More  
Information

The [Canada Revenue Agency \(CRA\)](#) administers the corporate income tax and large corporation's tax on behalf of the Province. The CRA can answer your business income tax questions for both federal and provincial income tax systems.

**Toll-Free:** 1-800-959-5525

[Contact Us](#) | [News](#) | [Search](#) | [Privacy](#) | [Cookies](#) | [Terms](#) | [Sitemap](#) | [Routine Access Policy](#)  
Crown copyright © Province of Nova Scotia

Page last updated 2018-05-24