

MEMORandum

SLF

SLF Taxation Services

DATE April 3, 2018

OBJET Interest rates on refunds, instalments and underpaid amounts for corporations and individuals. Prescribed interest rates on loans to officers, employees and shareholders, in accordance with 80.4 ITA and 487.1 QTA.

PÉRIODE	FEDERAL			QUEBEC	
	Corp. Refunds / Non-Corp. Refunds / Instalments ⁽²⁾	Taxable benefit / Loans to shareholders (Prescribed Rate)	Income tax payable	Refunds / Instalments ⁽¹⁾ and Income tax payable	Taxable benefit / Loans to shareholders (Prescribed Rate)
Apr. – June 2018	2 % / 4 % / 6 %	2 %	6%	1.55% / 6%	2 %
Jan. – Mar. 2018	1 % / 3 % / 5 %	1 %	5 %	1.40% / 6%	1 %
Oct. - Dec. 2017	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
July – Sept. 2017	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
Apr. – June 2017	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
Jan. – Mar. 2017	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
Oct. – Dec. 2016	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
July – Sept. 2016	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
Apr. – June 2016	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
Jan. – Mar. 2016	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
Oct. – Dec. 2015	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
July – Sept. 2015	1 % / 3 % / 5 %	1 %	5 %	1.10% / 6%	1 %
Apr. – June 2015	1 % / 3 % / 5 %	1 %	5 %	1.40% / 6%	1 %
Jan. – Mar. 2015	1 % / 3 % / 5 %	1 %	5 %	1.40% / 6%	1 %
Oct. – Dec. 2014	1 % / 3 % / 5 %	1 %	5 %	1.40% / 6%	1 %
July – Sept. 2014	1 % / 3 % / 5 %	1 %	5 %	1.40% / 6%	1 %
Apr. – June 2014	1 % / 3 % / 5 %	1 %	5 %	1.25% / 6%	1 %
Jan. – Mar. 2014	1 % / 3 % / 5 %	1 %	5 %	1.25% / 6%	1 %

⁽¹⁾ In Québec, an additional interest at the rate of 10% per annum must be paid on all unpaid instalments that are less than 90% for corporations (75% for individuals) of the required payment (QTA 1040). **Example:** If the taxpayer does not pay an instalment for the period of April, May and June 2010, the interest will be 15% (5% + additional interest of 10%).

⁽²⁾ Effective July 1, 2010, interest rates on refunds for corporations and individuals are no longer the same. Note a penalty for late or deficient instalments may apply in certain situations under 163.1 of ITA.

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