



Canada Revenue
Agency

Agence du revenu
du Canada

Payroll Deductions Supplementary Tables

**In Canada Beyond the Limits of any
Province/Territory or Outside Canada**

**Effective
January 1, 2024**

What's new as of January 1, 2024

The major changes made to this guide since the last edition are outlined.

This guide reflects some income tax changes recently announced which, if enacted as proposed, would be effective January 1, 2024. At the time of publishing, some of these proposed changes were not law. We recommend that you use the new payroll deductions tables in this guide for withholding starting with the first payroll in January 2024.

Second additional CPP contributions (CPP2)

As per Canada Pension Plan Regulations Subsection 5.1 (1), for the year 2024 and each subsequent year, pensionable earnings between the Year's Maximum Pensionable Earnings (YMPE) and a second earnings ceiling, referred to as the Year's Additional Maximum Pensionable Earnings (YAMPE), are subject to CPP2 contributions. Therefore, in order to accurately calculate CPP2 contributions, users are required to keep track of the year-to-date pensionable income during the year.

A new table has been added to help users calculate the CPP2 contributions (Section B(ii)). Generally, users will be consulting the Section B(i) and Section B(ii) tables as follows:

Pensionable income	Contributions	Section
Up to \$68,500	CPP contributions	Section B(i)
\$68,500 to \$73,200	CPP2 contributions	Section B(ii)
Above \$73,200	-	-

See the T4032 for instructions.

Employee reports to your establishment

Starting January 1, 2024, a new administrative policy on province of employment will come into effect. Where a full-time remote work agreement was made, an employee will also be considered to report to your establishment where they are reasonably considered "attached to an establishment of the employer". For more information, visit our webpage on **Determine the province of employment (POE)**.

Payroll Deductions Tables

You can download Guides T4008, Payroll Deductions Supplementary Tables, and T4032, Payroll Deductions Tables, from our webpage at canada.ca/payroll. You can also choose to print only the pages or information that you need.

Payroll Deductions Online Calculator

For your 2024 payroll deductions we strongly recommend using our PDOC. This online calculator makes it faster and easier to calculate payroll deductions. The calculator also uses exact salary figures and provides more accurate calculations.

The calculator includes an option to help you make sure that enough Canada Pension Plan contributions and employment insurance premiums have been withheld for full-year employees. It calculates payroll deductions for the most common pay periods, as well as the applicable province (except Quebec) or territory.

The salary and the commission stream on PDOC will be updated to reflect the changes related to the CPP2 contributions.

PDOD is available at canada.ca/pdoc.

Let us notify you

We provide a digital service that can notify you immediately, **free of charge**, of any changes for payroll deductions.

To subscribe, visit our webpage at canada.ca/lists and enter your business's email address for each mailing list that you want to join.

Special Notice

Payroll Deductions Tables (T4032)

The Canada Revenue Agency is no longer publishing the paper and CD versions of the Guide T4032, Payroll Deductions Tables. The digital versions of the guides continue to be available on our website at canada.ca/payroll.

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This guide uses plain language to explain the most common tax situations. If you need more help, contact **1-800-959-5525**.

General information

This guide is a supplement to the Guide T4032, Payroll Deductions Tables. See the Payroll Deductions Tables for your province or territory if you need more information about:

- what's new for January 1, 2024
- how to calculate tax deductions when you cannot use the tables
- how to deduct income tax, Canada Pension Plan (CPP) contributions, and Employment Insurance (EI) premiums and
- the payroll deductions required for pay periods other than those included in this guide

For information on deducting, remitting, and reporting payroll deductions, refer to the following employers' guides:

- T4001, Employers' Guide – Payroll Deductions and Remittances
- T4130, Employers' Guide – Taxable Benefits and Allowances
- RC4110, Employee or Self-employed?
- RC4120, Employers' Guide – Filing the T4 Slip and Summary
- RC4157, Deducting Income Tax on Pension and Other Income, and Filing the T4A Slip and Summary

You can download and print a copy of the above noted guides. Our guides are available from our webpage at canada.ca/payroll. You can also use the **Payroll Deductions Online Calculator** free of charge.

The provincial and federal tables are designed to accurately calculate the deductions provided by the CPP additional contributions in most situations. However, for the following situations, we recommend using the PDOC for more accurate calculations:

- If at any point during the year, the employee reaches the YMPE of \$68,500 or;
- A payment of remuneration, if annualized by the number of pay periods in the cycle, is over the YMPE of \$68,500

If the tables are used in these situations, it may result in over or under deduction of federal and provincial taxes during the year.

Note

Refer to the 2023 edition of this guide to resolve any pensionable and insurable earnings review (PIER) deficiencies that may arise after we have processed your 2023 T4 return.

Claim codes

The total personal amount an employee claims on a TD1 form will determine which claim code you use. See Chart 1 below.

The claim codes and corresponding amounts do not appear on the TD1 form.

Explanation of claim codes

Claim code 0

This code represents **no claim amount**.

Claim codes 1 to 10

You match the total claim amount reported on your employee's or pensioner's TD1 forms with the appropriate claim codes. Then, you look up the tax for the employee's pay under the claim code in the federal tax tables for the pay period.

Indexing of federal claim codes amounts

The credits that apply to each federal claim code have been automatically increased in the tax tables by the indexing factor for the current year. If your employee did not complete the federal TD1 form for 2024, you continue to deduct tax using the same claim code that you used last year.

Chart 1 – 2024 Federal claim codes

Total claim amount (\$) from	Total claim amount (\$) to	Claim code
No claim amount	No claim amount	0
0.00	15,705.00	1
15,705.01	18,410.00	2
18,410.01	21,115.00	3
21,115.01	23,820.00	4
23,820.01	26,525.00	5
26,525.01	29,230.00	6
29,230.01	31,935.00	7
31,935.01	34,640.00	8
34,640.01	37,345.00	9
37,345.01	40,050.00	10

Employment income from all sources

On the federal and provincial TD1 forms, under the heading “Income from other employers or payers,” employees can indicate that their expected employment income from all sources will be less than their total claim amount. If an employee states that his or her total expected income will be less than the “Total claim amount” of the TD1 forms, do not deduct any federal or provincial tax.

However, as an employer, if you know that this statement is false, you must deduct federal and provincial tax from the salary. Deduct tax according to the claim code that applies to the “Total claim amount” of the TD1 forms.

It is a serious offence to knowingly accept a Form TD1 that contains false or deceptive statements. If you are not sure a statement is true, contact **1-800-959-5525**.