

Tax and Revenue Administration (TRA)

Alberta Corporate Tax Act

Special Notice Vol. 5 No. 58

Accelerated Job Creation Tax Cut

Issued: June 30, 2020

NOTE: This special notice is intended to explain legislation and provide specific information. Every effort has been made to ensure the contents are accurate. However, if a discrepancy should occur in interpretation between this special notice and governing legislation, the legislation takes precedence.

As announced in [Special Notice Vol. 5 No. 52, Job Creation Tax Cut](#), the general income tax rate on businesses was scheduled to be reduced from 10 per cent to 9 per cent effective January 1, 2021, and then to 8 per cent effective January 1, 2022. However, as part of [Alberta's Recovery Plan](#), the Job Creation Tax Cut will be accelerated in order to decrease the general income tax rate on businesses from 10 per cent to 8 per cent effective July 1, 2020.

To maintain the small business tax rate at 2 per cent, the specified percentage for the Alberta small business deduction that may be claimed by a Canadian-controlled private corporation on its qualifying amount will be reduced from 8 per cent to 6 per cent, effective July 1, 2020.

For a corporation whose taxation year includes days both before and after the effective date of July 1, 2020, the relevant tax rates or specified percentages are to be pro-rated based on the number of days in the corporation's taxation year that are before and after the effective date.

Additional Information

For additional Information on Alberta's corporate income tax program, refer to the [Corporate Income Tax](#) page of our website.

Contact Information and Useful Links

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| Email TRA: | TRA.Revenue@gov.ab.ca |
| Visit our website: | tra.alberta.ca |
| Subscribe to receive email updates: | tra.alberta.ca/subscribe.html |
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TAX AND REVENUE ADMINISTRATION
9811 - 109 STREET NW, EDMONTON AB T5K 2L5

- Email: TRA.Revenue@gov.ab.ca
- Website: tra.alberta.ca
- Phone: 780-427-3044
- Fax: 780-427-0348

Note: for toll-free service in Alberta, call 310-0000, then enter the number.

