

# Low-Income Workers Tax Credit

If you're a low-income worker, find out if you could get personal income tax relief through the Low-Income Workers Tax Credit.

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## About the Low-Income Workers Tax Credit

Effective January 1, 2019, the Low-Income Workers Tax Credit provides up to \$850 each year in Ontario personal income tax relief to low-income workers, including those earning minimum wage.

It is a non-refundable tax credit that you can use to reduce or eliminate your Ontario personal income tax, excluding the Ontario Health Premium.

Eligible Ontario tax filers can claim the Low-Income Workers Tax Credit each year, starting when they file their 2019 tax return in 2020.

## Who is eligible

Low-income tax filers, including those earning minimum wage, can claim the Low-Income Workers Tax Credit.

To qualify:

- you must be a Canadian resident in any province or territory at the start of the tax year
- you must be an Ontario resident by the end of the tax year
- you must have employment income
- you must owe Ontario personal income tax
- your individual adjusted net income for the year must be below \$38,500
- your adjusted family net income for the year must be below \$68,500
- you must not have spent more than six months in prison during the year

## How to claim it

The Low-Income Workers Tax Credit is effective January 1, 2019. You can claim it each year when you file your tax return. On the tax return it is called the **Low-income Individuals and Families Tax Credit**.

## How it is calculated

The maximum Low-Income Workers Tax Credit you can receive is \$850 or 5.05% of your employment income, whichever is lower.

This maximum amount is then reduced by 10% of the greater of your:

- adjusted individual net income over \$30,000
- adjusted family net income over \$60,000

You may receive a **reduced** credit if your:

- individual adjusted net income is between \$30,000 and \$38,500
- adjusted family net income is between \$60,000 and \$68,500

A single person who works full time at minimum wage (earning nearly \$30,000) with no other income will:

- receive \$850 in tax relief
- pay no Ontario personal income tax

Those who earn more than \$30,000 will receive less than \$850 or no tax relief from this credit.

## Questions

If you have questions about the Low-Income Workers Tax Credit, please contact the Canada Revenue Agency:

- in person at a [tax services office or tax centre](#)
- by phone, at [1-800-959-8281](tel:1-800-959-8281)

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