

REMUNERATION THRESHOLD CHANGE

Effective January 1, 2021, the exemption threshold for the Health and Post Secondary Education Tax Levy (HE Levy) will increase from \$1.25 million to \$1.5 million of annual remuneration and the threshold below which employers pay a reduced rate will increase from \$2.5 million to \$3.0 million.

Rates and thresholds effective after December 31, 2020:

Total Yearly Remuneration	Tax Rate
\$1.5 Million or Less	Exempt
Between \$1.5 Million and \$3.0 Million	4.3% on the amount in excess of \$1.5 Million (notch provision)
Over \$3.0 Million	2.15% of the total payroll (the \$1.5 Million is not exempt)

Your 2021 filing status may be affected if your total annual remuneration for 2020 was as follows:

- Between \$1.25 million and \$1.5 million. Monthly reduced tax range (notch tax rate) returns must continue to be filed for 2021, but tax will only be due if payroll exceeds \$1.5 million in the year.
- Between \$1.5 million and \$2.5 million. Monthly reduced tax range (notch tax rate) returns are to be filed as in the past but tax is not due until remuneration exceeds \$1.5 million for the year.
- Between \$2.5 million and \$3 million. Employers in this range are now eligible to remit tax at the notch tax rate and tax is not due until remuneration exceeds \$1.5 million for the year.
- Greater than \$3 million. Regular monthly returns are to be filed as in the past.

Please contact one of the Taxation Division offices below if your 2020 payroll is between \$2.5 million and \$3 million and a change to your 2021 filing status is required.

Also, beginning with the 2021 taxation year, HE Levy tax returns and tax payments must be completed using TAXcess, the Taxation Division's online system. Paper returns will no longer be accepted. See HE Levy Notice 20-02 *Online Filing Requirements* for additional information.

Further information may be obtained from:

Winnipeg Office

Manitoba Finance
Taxation Division
101 - 401 York Avenue
Winnipeg, Manitoba R3C 0P8
Telephone: 204 945-5603
Manitoba Toll Free: 1-800-782-0318
Fax: 204 945-0896
E-mail: MBTax@gov.mb.ca
Web site: www.gov.mb.ca/finance/taxation

Westman Regional Office

Manitoba Finance
Taxation Division
314, 340 - 9th Street
Brandon, Manitoba R7A 6C2
Fax: 204 726-6763

ONLINE SERVICES

Our Web site at manitoba.ca/finance/taxation provides tax forms and publications about taxes administered by Taxation Division, and a link to Manitoba's laws and regulations. Forms and publications can also be obtained by contacting the Taxation Division.

Our online service at manitoba.ca/TAXcess provides a simple, secure way to apply for, and to file, pay and view your Taxation Division tax accounts.