

Old Age Security pension recovery tax

If your net world income exceeds the threshold amount (\$74,788 for 2017), you have to repay part or your entire OAS pension. Part or your entire OAS pension is reduced as a monthly recovery tax.

You must pay the recovery tax if:

- your annual net world income is more than \$74,788 (for 2017, in Canadian dollars); and
- you live in a country where the non-resident tax on Canadian pensions is 25 percent or more.

Recovery Tax Period	Income Year	Minimum Income Recovery Threshold
July 2018 – June 2019	2017	\$74,788
July 2019 – June 2020	2018	\$75,910
July 2020 – June 2021	2019	\$77,580

How do I calculate the repayment amount?

Your [repayment](#) calculation is based on the difference between your income and the threshold amount for the year. The first step is to figure out how much higher your income is than the threshold. You must repay 15 percent of that amount.

Example:

The threshold for 2017 is \$74,788.

If your income in 2017 was \$85,000, then your repayment would be 15 percent of the difference between \$85,000 and \$74,788:

$$\$85,000 - \$74,788 = \$10,212$$

$$\$10,212 \times 0.15 = \$1,531.80$$

You would have to repay \$1,531.80 for the July 2018 – June 2019 period.