

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction to that jurisdiction (s.39) (Int.B. 3008).

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	- - - - -	± From	690		•
Subtract: Charitable donations	- - - - -		1		•
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2)	- - - - -		2		•
Subtract: Taxable dividends deductible, per federal Schedule 3	- - - - -		3		•
Subtract: Ontario political contributions (Attach Schedule 2A) (Int.B. 3002R)	- - - - -		4		•
Subtract: Federal Part VI.1 tax	• X 3 - - - - -		5		•
Subtract: Prior years' losses applied – Non-capital losses	- - - - -	From	704		•
		From	715		•
Net capital losses	(page 16) • X rate				•
Farm losses	- - - - -	From	724		•
Restricted farm losses	- - - - -	From	734		•
Limited partnership losses	- - - - -	From	754		•
Taxable Income (Non-capital loss)	- - - - -	=	10		•
Addition to taxable income for unused foreign tax deduction for federal purposes	- - - - -	+	11		•
Adjusted Taxable Income	10 + 11 (if 10 is negative, enter 11)	=	20		•

Taxable Income

From 10 (or 20 if applicable)	• X 30	Ontario Allocation	% X 12.5%	X	33	÷ 73	= +	29	•
From 10 (or 20 if applicable)	• X 30	Ontario Allocation	% X 14.0%	X	34	÷ 73	= +	32	•

Number of Days in Taxation Year

Days after Dec. 31, 2002 and before Jan. 1, 2004	Total Days
33	73
Days after Dec. 31, 2003	Total Days
34	73

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

If this section is not completed, the IDSBC will be denied.

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (✓) Yes No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))	- - - - -	50	•
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51	•	
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52	•	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	- 53	•	
	=	54	•
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)	- - - - -	55	•

Ontario Business Limit Calculation

320,000 X	31	÷ **365	= +	46	•
400,000 X	34	÷ **365	= +	47	•
Business Limit for Ontario purposes	46 + 47	=	44	•	
	• X 48	Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated.	% =	45	•

Income eligible for the IDSBC - - - - - From 30 • X 56 = 60

* **Note:** Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)
 ** **Note:** Adjust accordingly for a floating taxation year and use 366 for a leap year.
 *** **Note:** Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

Income Tax *continued from Page 4*

Number of Days in Taxation Year

Calculation of IDSBC Rate

7.0% X $\frac{\text{Days after Dec. 31, 2002 and before Jan. 1, 2004}}{\text{Total Days}} = +$

8.5% X $\frac{\text{Days after Dec. 31, 2003}}{\text{Total Days}} = +$

IDSBC Rate for Taxation Year + =

Claim From X From % =

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in below.

Surtax on Canadian-controlled Private Corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

Associated Corporation - The Taxable Income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

* Taxable Income of the corporation From (or if applicable) +

If you are a member of an associated group (Yes)

Name of associated corporation (Canadian & foreign) <i>(if insufficient space, attach schedule)</i>	Ontario Corporations Tax Account No. (MOF) <i>(if applicable)</i>	Taxation Year End	* Taxable Income <i>(if loss, enter nil)</i>
<input type="text"/>	<input type="text"/>	<input type="text"/>	+ <input type="text" value="82"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	+ <input type="text" value="83"/>
<input type="text"/>	<input type="text"/>	<input type="text"/>	+ <input type="text" value="84"/>
Aggregate Taxable Income <input type="text" value="80"/> + <input type="text" value="82"/> + <input type="text" value="83"/> + <input type="text" value="84"/> , etc.			= <input type="text" value="85"/>

Number of Days in Taxation Year

320,000 X $\frac{\text{Days after Dec. 31, 2002 and before Jan. 1, 2004}}{\text{Total Days}} = +$

400,000 X $\frac{\text{Days after Dec. 31, 2003}}{\text{Total Days}} = +$

+ =

(If negative, enter nil) =

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax

4.667% X $\frac{\text{Days after Dec. 31, 2002}}{\text{Total Days}} = +$

From X From % =

From X From \div From =

Surtax Lesser of or =

* **Note: Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

Additional Deduction for Credit Unions (s.51(4)) (Attach schedule 17) - - - - - 110

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: **a)** your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and **b)** the total active business income is \$250,000 or less.

Eligible Canadian Profits - - - - - + 120

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 ÷ From 30 % ÷ From 78 % = 121

*Ontario Allocation

Lesser of 56 or 121 - - - - - + 122

120 - 56 + 122 - - - - - = 130

Taxable Income - - - - - + From 10

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56

Add: Adjustments for Surtax on Canadian-controlled private corporations - - - - - + From 122

Subtract: Taxable Income 10 X Allocation % to jurisdictions outside Canada - - - - - 140

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - - - - - 141

10 - 56 + 122 - 140 - 141 - - - - - = 142

Claim

Number of Days in Taxation Year

<p>143 Lesser of 130 or 142 X From 30 Ontario Allocation % X 1.5% X</p> <p>143 Lesser of 130 or 142 X From 30 Ontario Allocation % X 2.0% X</p>	<p>Days after Dec. 31, 2002 and before Jan. 1, 2004 Total Days</p> <p>33 ÷ 73</p>	<p>= + 154</p> <p>= + 156</p>
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M&P claim for taxation year 154 + 156 - - - - - = 160

* **Note:** Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity - - - - - = 162

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). (Attach schedule) - - - - - 170

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former *Small Business Development Corporations Act*)

Eligible Credit 175 Credit Claimed 180

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 - - - - - = 190

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) *Applies* to scientific research and experimental development in Ontario.
 Eligible Credit From OITC Claim Form *(Attach original Claim Form)* - - - - - +

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies* to employment of eligible students.
 Eligible Credit From CT23 Schedule 113 *(Attach Schedule 113)* - - - - - +

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. Name of Production
 Eligible Credit From of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) - - - - - +

Graduate Transitions Tax Credit (G TTC) (s.43.6) No. of Graduates From
Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005.
 Eligible Credit From CT23 Schedule 115 *(Attach Schedule 115)* - - - - - +

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
 Eligible Credit From OBPTC Claim Form *(Attach both the original Claim Form and the Certificate of Eligibility)* - - - - - +

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
 Eligible Credit From of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) - - - - - +

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
 Eligible Credit From OBRITC Claim Form *(Attach original Claim Form)* - - - - - +

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
 Eligible Credit From of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) - - - - - +

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
 Eligible Credit From of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) - - - - - +

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
 Eligible Credit From OSRTC Claim Form *(Attach both the original Claim Form and the Certificate of Eligibility)* - - - - - +

Apprenticeship Training Tax Credit (ATTC) (s.43.13) No. of Apprentices From
Applies to employment of eligible apprentices.
 Eligible Credit From CT23 Schedule 114 *(Attach Schedule 114)* - - - - - +

Total Specified Tax Credits + + + + + + + + + + - =

Specified Tax Credits Applied to reduce Income Tax - - - - - =

Income Tax - OR Enter NIL if reporting Non-Capital Loss *(amount cannot be negative)* - - - - - =

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in to Income Tax in **Summary** section on **Page 17**.

OR
 If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on **Page 8**.

Capital Tax (Refer to Guide and Int.B. 3011R)

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and the Gross Revenue and Total Assets as calculated on page 10 in 480 and 430 are both \$3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the

corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017R).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s. 2(2)(a) or 2(2)(b), and whose **business is not carried on solely in Canada** is deemed to be the **greater** of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012R and 3015R)	- - - - -	+ 350	
Retained earnings (if deficit, deduct) (Int.B. 3012R)	- - - - -	± 351	
Capital and other surpluses, excluding appraisal surplus (Int.B.3012R)	- - - - -	+ 352	
Loans and advances (Attach schedule) (Int.B. 3013R)	- - - - -	+ 353	
Bank loans (Int.B. 3013R)	- - - - -	+ 354	
Bankers acceptances (Int.B. 3013R)	- - - - -	+ 355	
Bonds and debentures payable (Int.B. 3013R)	- - - - -	+ 356	
Mortgages payable (Int.B. 3013R)	- - - - -	+ 357	
Lien notes payable (Int.B. 3013R)	- - - - -	+ 358	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R)	- - - - -	+ 359	
Contingent, investment, inventory and similar reserves (Int.B. 3012R)	- - - - -	+ 360	
Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012R)	- - - - -	+ 361	
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017R)	- - - - -	+ 362	
Subtotal	- - - - -	= 370	
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012R)	- - - - -	- 371	
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R)	- - - - -	- 372	
Total Paid-up Capital	- - - - -	= 380	
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R)	- - - - -	- 381	
Electrical Generating Corporations Only - All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	- - - - -	- 382	
Net Paid-up Capital	- - - - -	= 390	

Eligible Investments (Refer to Guide and Int.B. 3015R)

Attach computations and list of corporation names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	- - - - -	+ 402	
Mortgages due from other corporations	- - - - -	+ 403	
Shares in other corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+ 404	
Loans and advances to unrelated corporations	- - - - -	+ 405	
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+ 406	
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	- - - - -	+ 407	
Total Eligible Investments	- - - - -	= 410	

Capital Tax Calculation *continued from Page 10***SECTION C**

This section applies if the corporation is **not** a member of an associated group and/or partnership.

C1. If [430] and [480] on page 10 are both \$3,000,000 or less, enter NIL in [550] on page 12 and complete the return from that point.

C2. If Taxable Capital in [470] is **equal to or less than the TCD** in [503], enter NIL in [550] on page 12 and complete the return from that point.

C3. If Taxable Capital in [470] **exceeds the TCD** in [503], complete the following calculation and transfer the amount from [523] to [543] on page 12, and complete the return from that point.

	+ From [470]								
	- From [503]								
	= [471]	X From [30]		% X From [516]		% X [555]		= + [523]	
			Ontario Allocation		Capital Tax Rate		Days in taxation year 365 (366 if leap year) <i>If floating taxation year, refer to Guide.</i>		<i>Transfer to [543] on page 12 and complete the return from that point</i>

SECTION D

This section applies **ONLY** to a corporation that is a member of an associated group (excluding Financial Institutions and corporations exempt from Capital Tax) and/or partnership. You must check either [509] or [524] and complete this section before you can calculate your Capital Tax Calculation under either Section E or Section F.

D1. [509] (✓ if applicable) All corporations that you are associated with do **not** have a permanent establishment in Canada.

If Taxable Capital [470] on page 10 is equal to or less than the TCD [503] on page 10, enter NIL in [550] on page 12 and complete the return from that point.

If Taxable Capital [470] on page 10 exceeds the TCD [503] on page 10, proceed to **Section E**, enter the TCD amount in [542] in Section E, and complete Section E and the return from that point.

D2. [524] (✓ if applicable) One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.

You and your associated group may continue to allocate the TCD by completing the Calculation below. Or, the associated group **may file an election** under subsection 69(2.1) of the *Corporations Tax Act*, whereby total assets are used to allocate the TCD among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the capital tax effect relating to the TCD to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

D2. Calculation is on next page

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

1.1 Credit Unions only

For taxation years commencing **after May 4, 1999** enter NIL in on page 12, and complete the return from that point.

1.2 Other than Credit Unions

(Retain details of calculations for amounts in boxes and . Do not submit with this tax return.)

<input type="text" value="565"/>	<input type="text"/>	• X	<input type="text" value="567"/>	<input type="text"/>	%	X	From	<input type="text" value="30"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	%	X	<input type="text" value="555"/>	<input type="text"/>	-	-	-	-	=	+	<input type="text" value="569"/>	<input type="text"/>	•
Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1			Capital Tax Rate (1)		<i>(Refer to Guide)</i>			Ontario Allocation							Days in taxation year											
															*365 (366 if leap year)											

<input type="text" value="570"/>	<input type="text"/>	• X	<input type="text" value="571"/>	<input type="text"/>	%	X	From	<input type="text" value="30"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	%	X	<input type="text" value="555"/>	<input type="text"/>	-	-	-	-	=	+	<input type="text" value="574"/>	<input type="text"/>	•
Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount			Capital Tax Rate (2)		<i>(Refer to Guide)</i>			Ontario Allocation							Days in taxation year											
															*365 (366 if leap year)											

Capital Tax for Financial Institutions – other than Credit Unions (before Section 2) + - - - =

* If floating taxation year, refer to Guide.

2. Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

Allowable Credit for Eligible Investments - - - - - =

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (✓) Yes

Capital Tax - Financial Institutions - - - - - - =

Transfer to on Page 12

Premium Tax (s.74.2 & 74.3) *(Refer to Guide)*

(1) Uninsured Benefits Arrangements - - - - - • X 2% - - - =

Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in .)

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

Deduct: Specified Tax Credits applied to reduce premium tax *(Refer to Guide)* - - - - - =

Premium Tax - - - - - - =

Transfer to page 17

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 Schedule 1 - - - - - ± 600 Transfer to Page 15

Add:

Federal capital cost allowance - - - - -	+	601	
Federal cumulative eligible capital deduction - - - - -	+	602	
Ontario taxable capital gain - - - - -	+	603	
Federal non-allowable reserves. Balance beginning of year - - - - -	+	604	
Federal allowable reserves. Balance end of year - - - - -	+	605	
Ontario non-allowable reserves. Balance end of year - - - - -	+	606	
Ontario allowable reserves. Balance beginning of year - - - - -	+	607	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) - - - - -	+	608	
Federal resource allowance (Refer to Guide) - - - - -	+	609	
Federal depletion allowance - - - - -	+	610	
Federal foreign exploration and development expenses - - - - -	+	611	
Crown charges, royalties, rentals, etc. deducted for Federal purposes (Refer to Guide) - - - - -	+	617	
Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼			

Number of Days in Taxation Year

		Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days	
612	X ⁵ / _{12.5} X	33	÷	73	= + 633
		Days after Dec. 31, 2003		Total Days	
612	X ⁵ / _{14.0} X	34	÷	73	= + 634

Total add-back amount for Management fees, etc. 633 + 634 - - = 613

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 Schedule 161 - - - - - + 615

Add any negative amount in 473 from Ont. CT23 Schedule 161 - - - - - + 616

Federal allowable business investment loss - - - - - + 620

Total of other items not allowed by Ontario but allowed federally (Attach schedule) - - - - - + 614

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 - - - - = 640 Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675) - - - - -	+	650	
Ontario cumulative eligible capital deduction - - - - -	+	651	
Federal taxable capital gain - - - - -	+	652	
Ontario non-allowable reserves. Balance beginning of year - - - - -	+	653	
Ontario allowable reserves. Balance end of year - - - - -	+	654	
Federal non-allowable reserves. Balance end of year - - - - -	+	655	
Federal allowable reserves. Balance beginning of year - - - - -	+	656	
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.) +		657	
Ontario depletion allowance - - - - -	+	658	
Ontario resource allowance (Refer to Guide) - - - - -	+	659	
Ontario current cost adjustment (Attach schedule) - - - - -	+	661	
CCA on assets used to generate electricity from natural gas, alternative or renewable resources. - - - - -	+	675	

Subtotal of deductions for this page 650 to 659 + 661 + 675 - - - - - 681 Transfer to Page 15

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

continued from Page 14

Net Income (loss) for federal income tax purposes, per federal Schedule 1	- - - - -	From ±	600	
Total of Additions on page 14	- - - - -	From =	640	
Sub Total of deductions on page 14	- - - - -	From =	681	

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up

(Applies only to those corporations whose Ontario allocation is less than 100 % in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - 662

ONTTI Gross-up deduction calculation:

Gross-up of CCA

$$\left[\begin{array}{l} \text{From } 662 \text{ } \bullet \text{ X } 100 \\ \text{From } 30 \end{array} \right] - \text{From } 662 = 663$$

Ontario Allocation

Workplace Child Care Tax Incentive (WCCT)

(Applies to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: $\left[\begin{array}{l} 665 \text{ } \bullet \text{ X } 30\% \text{ X } 100 \\ \text{From } 30 \end{array} \right] = 666$

Ontario allocation

Workplace Accessibility Tax Incentive (WATI)

(Applies to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: $\left[\begin{array}{l} 667 \text{ } \bullet \text{ X } 100\% \text{ X } 100 \\ \text{From } 30 \end{array} \right] = 668$

Ontario allocation

Number of Employees accommodated 669

Ontario School Bus Safety Tax Incentive (OSBSTI)

(Applies to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) (Refer to Guide)

Qualifying expenditures: $\left[\begin{array}{l} 670 \text{ } \bullet \text{ X } 30\% \text{ X } 100 \\ \text{From } 30 \end{array} \right] = 671$

Ontario allocation

Educational Technology Tax Incentive (ETTI)

(Applies to eligible expenditures incurred prior to January 1, 2005.)

Qualifying expenditures: $\left[\begin{array}{l} 672 \text{ } \bullet \text{ X } 15\% \text{ X } 100 \\ \text{From } 30 \end{array} \right] = 673$

Ontario allocation

Ontario allowable business investment loss - - - - - + 678

Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 Schedule 161 + 679

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) - - - - - + 677

Total of other deductions allowed by Ontario (Attach schedule) - - - - - + 664

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 - = 800

Net income (loss) for Ontario Purposes 600 + 640 - 800 = 690

Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Add:						
Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract:						
Utilized during the year to reduce taxable income	704 (2)	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17	716 (2) to Page 17	726 (2) to Page 17	736 (2) to Page 17	746	
Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8)	719	729	739	749	759

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first)		Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
year	month	day				
800	9th preceding taxation year	817 (9)	860 (9)		850	870
801	8th preceding taxation year	818 (9)	861 (9)		851	871
802	7th preceding taxation year	819 (9)	862 (9)		852	872
803	6th preceding taxation year	820	830	840	853	873
804	5th preceding taxation year	821	831	841	854	874
805	4th preceding taxation year	822	832	842	855	875
806	3rd preceding taxation year	823	833	843	856	876
807	2nd preceding taxation year	824	834	844	857	877
808	1st preceding taxation year	825	835	845	858	878
809	Current taxation year	826	836	846	859	879
Total		829	839	849	869	889

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.
- (3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only.
- (5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.
- (7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (8) Amount in 709 must equal total of 829 + 839.
- (9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

Schedule K: Information on Foreign Business Corporations

(Corporations that are incorporated, continued or amalgamated in a jurisdiction outside Canada)



Only one Schedule K may be submitted. Please **do not** photocopy.

Identification			
Corporation's Legal Name <i>(including punctuation)</i>	Ontario Corporation No. (MGS) <div style="border: 1px solid black; height: 20px; width: 100%;"></div>	Date of Incorporation or Amalgamation <div style="display: flex; justify-content: space-around; font-size: small;"> year month day </div> <div style="display: flex; justify-content: space-around; border-top: 1px solid black; width: 100%;"></div>	
Chief Officer/Manager Information			
Name and Office Address of the Chief Officer/Manager in Ontario <input type="checkbox"/> <i>Not Applicable</i>			
Last Name	First Name	Middle Name(s)	
Street Number and Name		Suite	
City/Town/Village	Province Ontario	Country Canada	Postal Code <div style="border-top: 1px solid black; width: 100%;"></div>
State the appointment period for the position of Chief Officer/Manager			
Date Appointed			Date Ceased
<div style="display: flex; justify-content: space-around; font-size: x-small;"> year month day </div> <div style="display: flex; justify-content: space-around; border-top: 1px solid black; width: 100%;"></div>			<div style="display: flex; justify-content: space-around; font-size: x-small;"> year month day </div> <div style="display: flex; justify-content: space-around; border-top: 1px solid black; width: 100%;"></div>

Agent for Service Information			
State if the Agent for Service is an individual or a corporation			
<i>Please check <input checked="" type="checkbox"/> box if applicable</i> <input type="checkbox"/> Individual			
Agent's Last Name	First Name	Middle Name(s)	
Street Number and Name		Suite	
City/Town/Village	Province Ontario	Country Canada	Postal Code <div style="border-top: 1px solid black; width: 100%;"></div>
<i>Please check <input checked="" type="checkbox"/> box if applicable</i> <input type="checkbox"/> Corporation			Ontario Corporation No. <div style="border-top: 1px solid black; width: 100%;"></div>
Corporation Name <i>(including punctuation)</i>			
Care Of			
Street Number and Name		Suite	
City/Town/Village	Province Ontario	Country Canada	Postal Code <div style="border-top: 1px solid black; width: 100%;"></div>

Note: Sections 13 and 14 of the *Corporations Information Act* provide penalties for making false or misleading statements or omissions.