



Alternative Minimum Tax

Use this form to calculate your 2011 federal tax payable under alternative minimum tax. If you are completing a return for a trust, use Schedule 12 of the T3 package. Complete parts 1, 2, and 8 if you do not have to pay minimum tax in 2011 and you are applying a minimum tax carryover from previous years against your 2011 tax payable. Alternative minimum tax does not apply to a person who died in 2011 or to returns filed under subsection 70(2) or 150(4), or under paragraph 104(23)(d) or 128(2)(e) of the *Income Tax Act* (the Act). Attach a completed copy of this form to your 2011 return. If you had business income in 2011 from a province or territory other than the one in which you lived at the end of the year, or from another country, you may also have to complete and attach a copy of Form T2203, *Provincial and Territorial Taxes for 2011 – Multiple Jurisdictions*.

Part 1 – Adjusted taxable income and minimum amount (notes 1 through 5 indicated on this page are explained on pages 1 and 2)

Taxable income from line 260 of your return, or the amount that you would have entered on line 260 if the instruction "if negative, enter "0" on lines 236 and 260 were replaced with the instruction "if negative, enter the result in brackets". _____ 1

Film property (Note 1)

Capital cost allowance (CCA) and carrying charges claimed on certified film property acquired before March 1996 (usually included on lines 221 and 232 of your return) _____ 2

Net income from film property before CCA and carrying charges (if negative, enter "0") (Note 2) _____ 3

Line 2 minus line 3 (if negative, enter "0") **6782** = _____ ▶ + _____ 4

Rental and leasing property (Note 1)

Capital cost allowance (CCA) and carrying charges claimed on rental and leasing property (included on line 126 of your return) _____ 5

Net income from rental and leasing property before CCA and carrying charges (if negative, enter "0") (Note 2) _____ 6

Line 5 minus line 6 (if negative, enter "0") **6783** = _____ ▶ + _____ 7

Tax shelters, limited partnerships, and non-active partners

Losses from partnerships of which you are a limited or non-active partner, or partnerships that are tax shelters (Note 3) _____ 8

Amounts deductible for properties that are tax shelters (Note 4) + _____ 9

Carrying charges for acquiring an interest in a partnership of which you are a limited or non-active partner, or which owns a rental or leasing property or a film property (included on line 221 of your return) (Note 5) + _____ 10

Add lines 8 to 10. **6784** = _____ ▶ + _____ 11

Resource property and flow-through shares

Total of all resource expenditures, depletion allowances, and carrying charges for resource property and flow-through shares (included on lines 221, 224, and 232 of your return) _____ 12

Income (including royalties) from production of petroleum, gas, and minerals, before carrying charges, resource expenditures, and depletion allowances included on line 12 (if negative, enter "0") _____ 13

Income from dispositions of foreign resource properties, and recovery of exploration and development expenses (if negative, enter "0") + _____ 14

Line 13 plus line 14 = _____ ▶ - _____ 15

Line 12 minus line 15 (if negative, enter "0") **6786** = _____ ▶ + _____ 16

Non-taxable part of capital gains reported in the year

Amount from line 197 on Schedule 3 of your return plus the amount from line 3 of Form RC310 (if any); (if negative, enter "0" on line 24). Do not include a reserve from any year before 1986. _____ 17

Capital gains (or losses) arising from mortgage foreclosures and conditional sales repossessions from lines 124 and 155 of Schedule 3 _____ 18

Part of total capital gains included on line 17 that is exempt from Canadian tax under a tax treaty (included on line 256) **6788** + _____ 19

Capital gains on gifts of certain capital property (from lines 1 and 2 of column 8 of Form T1170) **6789** + _____ 20

Certain capital gains from testamentary trusts (for details, contact its legal representative) **6787** + _____ 21

Add lines 18 to 21. = _____ ▶ - _____ 22

Line 17 minus line 22 (this amount can be negative) = _____ 23

Multiply line 23 by 30% (do not show the result in brackets). _____ a)

Enter the amount from line 127 of your return. _____ b)

If line 23 is positive, enter the amount from line a) on line 24;
if line 23 is negative, enter the amount from line a) or b), whichever is less, and show it in brackets. + _____ 24

Add lines 1, 4, 7, 11, 16, and 24. = _____ 25

Note 1 – If you are a member of a partnership, include your share of the income and deductions for the partnership's fiscal period ending in 2011. Do not include any amounts that you have to include on lines 8 to 10 of this form.

Note 2 – For film property and rental and leasing property, first add income from these investments (before CCA or carrying charges, if they apply) and net taxable capital gains, if any, from dispositions of such investments. Then subtract losses from these investments (before CCA or carrying charges, if they apply). If the result is negative, enter "0".

Notes 3 to 5 are on the next page.

Do not use this area **6790**

Part 2 – Basic federal tax

| | | | | | |
|--|---|----|---|---|--------------------------|
| Enter the amount from line 404 of Schedule 1. | | | | | 59 |
| Total non-refundable tax credits from line 350 on Schedule 1 | | 60 | | | |
| Dividend tax credit: amount from 425 on Schedule 1 | + | 61 | | | |
| Overseas employment tax credit from Form T626 | + | 62 | | | |
| Add lines 60 to 62. | = | | ▶ | | 63 |
| Tax payable before minimum tax carryover: line 59 minus line 63 | | | | = | 64 |
| Minimum tax carryover applied in 2011 from line 124 in Part 8 | | | | - | 65 |
| Line 64 minus line 65 | | | | = | 66 |
| | | | | | Basic federal tax |

Part 3 – Regular net federal tax payable

Federal surtax on business income earned outside Canada: multiply the amount from line 66 by 48%.
If you have to pay provincial or territorial tax to multiple jurisdictions, multiply the result by the percentage in Column 5 of line 5222 on Form T2203. In either case, enter the result on this line.

| | | | | | |
|---|---|----|---|---|--|
| | | | | + | 67 |
| Recapture of investment tax credit (from line 7 of Form T2038(IND)) | | | | + | 68 |
| Add lines 66 to 68. | | | | = | 69 |
| Federal foreign tax credit from Form T2209 | | 70 | | | |
| Federal logging tax credit | + | 71 | | | |
| Line 70 plus line 71 | = | | ▶ | | 72 |
| Line 69 minus line 72 (if negative, enter "0") | | | | = | 73 |
| | | | | | Federal tax payable |
| Federal political contribution tax credit from line 410 of Schedule 1 | | 74 | | | |
| Investment tax credit (from line E of Form T2038(IND)) | + | 75 | | | |
| Labour-sponsored funds tax credit from line 414 of Schedule 1 | + | 76 | | | |
| Add lines 74 to 76. | = | | | ▶ | 77 |
| Line 73 minus line 77 (if negative, enter "0") | | | | = | 78 |
| | | | | | Regular net federal tax payable |

Part 4 – Special foreign tax credit (terms identified by the letters (a) and (e) are defined on Form T2209)

| | | | | | |
|---|---|-----|--|--|-----------------------------------|
| (i) Foreign business income (total business income earned in the foreign country minus allowable expenses and deductions for the foreign income) | | | | | 79 |
| Foreign non-business income (on which non-business income tax was paid to a foreign country (a)) | + | 80 | | | |
| Total foreign income | = | 81 | | | |
| Applicable rate | × | 15% | | | 82 |
| Foreign income limit for special foreign tax credit | = | 83 | | | |
| (ii) Total non-business income tax paid to a foreign country (a) × 66.6666% = | | | | | 84 |
| Total business income tax paid to a foreign country (e) | + | 85 | | | |
| Foreign taxes paid for special foreign tax credit | = | 86 | | | |
| Enter the amount from line 83 or the amount from line 86, whichever is less . | | | | | 87 |
| Enter the amount from line 87 or the amount from line 70, whichever is more . | | | | | Special foreign tax credit |
| | | | | | 88 |

Part 5 – Obligation to pay alternative minimum tax

| | | | | | |
|--|---|----|---|---|----|
| Minimum amount from line 58 | | | | | 89 |
| Special foreign tax credit from line 88 | | | | - | 90 |
| Net minimum tax payable: line 89 minus line 90 (if negative, enter "0") | | | | = | 91 |
| Regular net federal tax payable from line 78 | | 92 | | | |
| Federal surtax from line 67 | - | 93 | | | |
| Line 92 minus line 93 (if negative, enter "0") | = | | ▶ | | 94 |
| Line 91 minus line 94 (if negative, enter "0") | | | | = | 95 |

If line 95 is "0", you are not subject to alternative minimum tax. If you want to apply a minimum tax carryover from previous years against your 2011 tax payable, complete Part 8 and attach a copy of this form to your return. Also, complete Schedule 1 and your return as usual. If the amount on line 95 is positive, complete parts 6 and 7.

Part 6 – Federal tax payable (under alternative minimum tax)

| | | | | | |
|---|---|-----|--|--|-------------|
| Basic federal tax from line 66 | | 96 | | | |
| Amount from line 12 of Form T1206, <i>Tax on Split Income</i> | - | 97 | | | |
| Line 96 minus line 97 (if negative, enter "0") | = | 98 | | | |
| Minimum amount from line 58 | | | | | 99 |
| Enter amount 98 or amount 99, whichever is more . | | | | | 100 |
| Amount from line 12 of Form T1206, <i>Tax on Split Income</i> | + | 101 | | | |
| Line 100 plus line 101 (Note 11) | = | 102 | | | |
| Net minimum tax payable from line 91 | | | | | 103 |
| Federal surtax on business income earned outside Canada: multiply the amount from line 102 by 48%. If you have to pay provincial or territorial tax to multiple jurisdictions, multiply the result by the percentage in Column 5 of line 5222 on Form T2203. In either case, enter the result on this line. | + | 104 | | | |
| Line 103 plus line 104 | = | 105 | | | |
| Amount from line 14 of Form T1206, <i>Tax on Split Income</i> | | | | | 106 |
| Enter amount 105 or amount 106, whichever is more . Enter this amount on line 417 of Schedule 1. | | | | | 6791 |
| | | | | | 107 |

Note 11 – Use the amount on line 102 as your basic federal tax (instead of line 429 of Schedule 1) when you calculate any refundable Quebec or Yukon First Nations abatement. If you have to pay provincial or territorial tax to multiple jurisdictions and have income allocated to Quebec, enter the amount from line 102 on line 11 in Part 2 of Form T2203 to calculate any refundable Quebec abatement.

