



Air Quality Improvement Tax Credit (for the 2022 tax year)

- If you are an individual (other than a trust), use this form to claim your Air Quality Improvement Tax Credit (AQITC). An individual (other than a trust) is considered to be an **eligible entity**.
- If you are a member of a partnership and you are **only** claiming the AQITC allocated from your partnership, **only** fill in line 67090 and amount E in Part 2.
- The AQITC is a 25% refundable tax credit available to eligible entities for **qualifying expenditures** made or incurred during the **qualifying period** to improve air quality in **qualifying locations**. Eligible entities are limited to a maximum of \$10,000 in qualifying expenditures per qualifying location and a maximum of \$50,000 across all qualifying locations. Eligible entities that are affiliated must share these limits.
- The AQITC is considered to be government assistance received immediately before the end of the tax year to which it relates. However, when the assistance is received for the acquisition of a depreciable property, the capital cost of the property is reduced by the amount of the assistance. For more information, read "Grants, subsidies, and rebates" under section "Special situations" in Chapter 4 of Guide T4002, Self-employed Business, Professional, Commission, Farming, and Fishing Income.
- Individuals can only claim an AQITC for their qualifying expenditures in the 2022 taxation year, even if they have an alternative fiscal period end for their business. In Part 1, include all of your qualifying expenditures made or incurred from September 1, 2021 to December 31, 2022.
Note: If you are a member of a partnership, do not include in Part 1 any qualifying expenditures made or incurred by the partnership. The AQITC allocated to you by the partnership for its fiscal period ending in 2022 is to be entered on line 67090 in Part 2. Any AQITC allocated to you by the partnership for its fiscal period ending in 2023 is to be entered directly on line 47557 of your 2023 income tax and benefit return.
- Fill in this form and send it with your income tax and benefit return.
- Unless otherwise stated, all legislative references are to the federal Income Tax Act.

Definitions

Eligible entity

An eligible entity means a qualifying corporation, an individual (other than a trust) and a partnership.

Qualifying expenditures

A qualifying expenditure is an expenditure prescribed by regulation that was made or incurred by an eligible entity during the qualifying period in the course of the eligible entity's ordinary commercial activities.

In general, qualifying expenditures are those made or incurred for the purchase, installation, conversion or upgrade of mechanical heating, ventilation and air conditioning (HVAC) systems or the purchase of standalone devices designed to filter air using high-efficiency particulate air (HEPA) filters.

For more information, see subsection 9700(2) of the Income Tax Regulations for the qualifying expenditures that are prescribed.

Qualifying location

A qualifying location of an eligible entity is a real or immovable property (other than property that is a self-contained domestic establishment, or part of such a self-contained domestic establishment, the land subjacent to the self-contained domestic establishment and such portion of any immediately contiguous land as can reasonably be regarded as contributing to the use and enjoyment of the self-contained domestic establishment as a residence) in Canada used by the eligible entity primarily in the course of its ordinary commercial activities.

Qualifying period

The qualifying period starts September 1, 2021, and ends on December 31, 2022.



Part 1 – Total per location expense

1 Name and address of the qualifying location	2 Your qualifying expenditures See note 1	3 Amount of assistance See note 2	4 Your net qualifying expenditures (column 2 minus column 3)	5 Total qualifying expenditures of affiliated eligible entities for which a credit was claimed in any taxation year	6 \$10,000 minus column 5 (if negative enter "0")	7 Your total per location expense (the lesser of column 4 and column 6)
Your total net qualifying expenditures: Total of column 4 67085						
Total qualifying expenditures of affiliated eligible entities for which a credit was claimed in any taxation year: Total of column 5 67087						
Total of all of your total per location expense: Total of column 7 67086						

Note 1: Include all your qualifying expenditures made or incurred from September 1, 2021 to December 31, 2022. If you are a member of a partnership, do not include qualifying expenditures made or incurred by the partnership.

Note 2: Include all amounts of assistance you received, are entitled to receive, or can reasonably be expected to receive for qualifying expenditures included in column 2, which have not been repaid before the end of the tax year under a legal obligation.

