



T2 Corporation Income Tax Return (2016 and later tax years)

Code 1601
Protected B
when completed

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal *Income Tax Act* and *Income Tax Regulations*. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax centre or tax services office. You have to file the return within six months after the end of the corporation's tax year.

For more information see cra.gc.ca or Guide T4012, *T2 Corporation – Income Tax Guide*.

055 Do not use this area

Identification			
Business number (BN) 001 9 8 7 8 2 7 7 9 7 R C 0 0 0 1			
002 Corporation's name Canada Corp123456	To which tax year does this return apply? <table style="width: 100%;"> <tr> <td style="text-align: center;">Tax year start Year Month Day 060 2016 06 01</td> <td style="text-align: center;">Tax year-end Year Month Day 061 2017 05 31</td> </tr> </table>	Tax year start Year Month Day 060 2016 06 01	Tax year-end Year Month Day 061 2017 05 31
Tax year start Year Month Day 060 2016 06 01	Tax year-end Year Month Day 061 2017 05 31		
010 Address of head office Has this address changed since the last time we were notified? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete lines 011 to 018. 011 _____ 012 _____ City _____ Province, territory, or state _____ 015 _____ 016 _____ Country (other than Canada) _____ Postal or ZIP code _____ 017 _____ 018 _____	063 Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, provide the date control was acquired _____ 065 _____ Year Month Day		
020 Mailing address (if different from head office address) Has this address changed since the last time we were notified? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete lines 021 to 028. 021 c/o _____ 022 _____ 023 _____ City _____ Province, territory, or state _____ 025 _____ 026 _____ Country (other than Canada) _____ Postal or ZIP code _____ 027 _____ 028 _____	066 Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 067 Is the corporation a professional corporation that is a member of a partnership? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 070 Is this the first year of filing after: Incorporation? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 070 Amalgamation? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 071 If yes, complete lines 030 to 038 and attach Schedule 24. 072 Has there been a wind-up of a subsidiary under section 88 during the current tax year? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete and attach Schedule 24. 076 Is this the final tax year before amalgamation? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 076 078 Is this the final return up to dissolution? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> 078 079 If an election was made under section 261, state the functional currency used. _____ 079		
030 Location of books and records (if different from head office address) Has this address changed since the last time we were notified? 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete lines 031 to 038. 031 _____ 032 _____ City _____ Province, territory, or state _____ 035 _____ 036 _____ Country (other than Canada) _____ Postal or ZIP code _____ 037 _____ 038 _____	080 Is the corporation a resident of Canada? 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/> If no, give the country of residence on line 081 and complete and attach Schedule 97. 081 _____ 082 Is the non-resident corporation claiming an exemption under an income tax treaty? 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> If yes, complete and attach Schedule 91. 085 If the corporation is exempt from tax under section 149, tick one of the following boxes: <input type="checkbox"/> 1 Exempt under paragraph 149(1)(e) or (l) <input type="checkbox"/> 2 Exempt under paragraph 149(1)(j) <input type="checkbox"/> 3 Exempt under paragraph 149(1)(t) <input type="checkbox"/> 4 Exempt under other paragraphs of section 149		
040 Type of corporation at the end of the tax year (tick one) <input checked="" type="checkbox"/> 1 Canadian-controlled private corporation (CCPC) <input type="checkbox"/> 2 Other private corporation <input type="checkbox"/> 3 Public corporation <input type="checkbox"/> 4 Corporation controlled by a public corporation <input type="checkbox"/> 5 Other corporation (specify) _____ If the type of corporation changed during the tax year, provide the effective date of the change _____ 043 _____ Year Month Day	<p style="text-align: center;">Do not use this area</p> 095 _____ 096 _____ 898 _____		

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.

Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.	Yes	Schedule
Is the corporation related to any other corporations?	<input type="checkbox"/>	9
Is the corporation an associated CCPC?	<input type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	<input type="checkbox"/>	49
Does the corporation have any non-resident shareholders who own voting shares?	<input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	<input type="checkbox"/>	11
If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	<input type="checkbox"/>	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	29
Did the corporation have a total amount over \$1 million of reportable transactions with non-arm's length non-residents?	<input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	<input type="checkbox"/>	
Does the corporation earn income from one or more Internet webpages or websites?	<input type="checkbox"/>	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input checked="" type="checkbox"/>	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	<input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	3
Is the corporation claiming any type of losses?	<input type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), or f) business limit assigned under subsection 125(3.2); or		
ii) does the corporation have aggregate investment income at line 440?	<input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	<input checked="" type="checkbox"/>	8
Does the corporation have any property that is eligible capital property?	<input checked="" type="checkbox"/>	10
Does the corporation have any resource-related deductions?	<input type="checkbox"/>	12
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	<input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	18
Is the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	<input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	<input type="checkbox"/>	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input type="checkbox"/>	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	45
Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	<input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	<input type="checkbox"/>	92

Attachments (continued)

Did the corporation have any foreign affiliates in the tax year?	271	<input type="checkbox"/>	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$100,000?	259	<input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	260	<input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261	<input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262	<input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263	<input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264	<input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265	<input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266	<input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267	<input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268	<input type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269	<input type="checkbox"/>	54

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Is the corporation inactive?	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284	Motor vehicle paint and body shop	285 100 %
	286		287 _____ %
	288		289 _____ %
Did the corporation immigrate to Canada during the tax year?	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294	Year Month Day <input type="text"/>	
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL	300	<u>367,888</u>	A
Deduct:			
Charitable donations from Schedule 2	311	_____	
Cultural gifts from Schedule 2	313	_____	
Ecological gifts from Schedule 2	314	_____	
Gifts of medicine from Schedule 2	315	_____	
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	_____	
Part VI.1 tax deduction*	325	_____	
Non-capital losses of previous tax years from Schedule 4	331	_____	
Net capital losses of previous tax years from Schedule 4	332	_____	
Restricted farm losses of previous tax years from Schedule 4	333	_____	
Farm losses of previous tax years from Schedule 4	334	_____	
Limited partnership losses of previous tax years from Schedule 4	335	_____	
Taxable capital gains or taxable dividends allocated from a central credit union	340	_____	
Prospector's and grubstaker's shares	350	_____	
		Subtotal _____	B
		Subtotal (amount A minus amount B) (if negative, enter "0")	<u>367,888</u> C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355	_____	D
Taxable income (amount C plus amount D)	360	<u>367,888</u>	
Income exempt under paragraph 149(1)(t)	370	_____	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)		<u>367,888</u>	Z

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income from active business carried on in Canada from Schedule 7	400	<u>367,888</u>	A
Taxable income from line 360 on page 3, minus 100/28 of the amount on line 632* on page 8, minus 4 times the amount on line 636** on page 8, and minus any amount that, because of federal law, is exempt from Part I tax	405	<u>367,888</u>	B
Business limit (see notes 1 and 2 below)	410	<u>500,000</u>	C

Notes:

- For CCPCs that are not associated, enter \$500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year **divided** by 365, and enter the result on line 410.
- For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

Amount C 500,000 × **415** *** $\frac{\quad}{11,250}$ D = _____ E

Reduced business limit (amount C **minus** amount E) (if negative, enter "0") **425** 500,000 F

Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below) _____ G

Amount F **minus** amount G **427** 500,000 H

Small business deduction

Amount A, B, C, or H, whichever is the least 367,888 × $\frac{\text{Number of days in the tax year before January 1, 2016}}{\text{Number of days in the tax year}}$ × 17% = _____ 1

365

Amount A, B, C, or H, whichever is the least 367,888 × $\frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year}}$ × 17.5% = _____ 2

365

Total of amounts 1 and 2 (enter amount I on line J on page 8) **430** 64,380 I

* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

***** Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year **minus** \$10,000,000) × 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year **minus** \$10,000,000) × 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

Specified corporate income and assignment under subsection 125(3.2)

Applicable to tax years that begin after March 21, 2016

Except that, if the tax year of your corporation started before **and** ends on or after March 22, 2016 and in the tax year of a CCPC, you can make an assignment of business limit to that other CCPC if its tax year started after March 21, 2016.

J Business number of the corporation receiving the assigned amount	K Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column J ³	L Business limit assigned to corporation identified in column J ⁴
490	500	505
1.		
2.		
3.		
4.		

Total **510** _____ Total **515** _____

Notes:

- This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
 - at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
 - it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
 - persons (other than the private corporation) with which the corporation deals at arm's length, or
 - partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
- The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column K in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 425.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies)		<u>367,888</u>	A
Lesser of amounts B9 and H9 from Part 9 of Schedule 27	_____		B
Amount K13 from Part 13 of Schedule 27	_____		C
Personal services business income	432		D
Amount used to calculate the credit union deduction (amount F from Schedule 17)	_____		E
Amount from line 400, 405, 410, or 427 on page 4, whichever is the least		<u>367,888</u>	F
Aggregate investment income from line 440 on page 6*	_____		G
	Subtotal (add amounts B to G)	<u>367,888</u>	H
Amount A minus amount H (if negative, enter "0")		_____	I
General tax reduction for Canadian-controlled private corporations – Amount I multiplied by 13%		_____	J

Enter amount J on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies)		_____	K
Lesser of amounts B9 and H9 from Part 9 of Schedule 27	_____		L
Amount K13 from Part 13 of Schedule 27	_____		M
Personal services business income	434		N
Amount used to calculate the credit union deduction (amount F from Schedule 17)	_____		O
	Subtotal (add amounts L to O)	_____	P
Amount K minus amount P (if negative, enter "0")		_____	Q
General tax reduction – Amount Q multiplied by 13%		_____	R

Enter amount R on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7	440		A
Amount A _____	×	$\frac{\text{Number of days in the tax year before January 1, 2016}}{\text{Number of days in the tax year}}$	× 26 2/3% = _____ 1
		365	
Amount A _____	×	$\frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year}}$	365 × 30 2/3% = _____ 2
		365	
Subtotal (amount 1 plus amount 2)			▶ _____ B
Foreign investment income from Schedule 7			445 C
Amount C _____	×	$\frac{\text{Number of days in the tax year before January 1, 2016}}{\text{Number of days in the tax year}}$	× 9 1/3% = _____ 3
		365	
Amount C _____	×	$\frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year}}$	365 × 8% = _____ 4
		365	
Subtotal (amount 3 plus amount 4)			D
Foreign non-business income tax credit from line 632 on page 8 minus amount D (if negative, enter "0")			E
Amount B minus amount E (if negative, enter "0")			F
Foreign non-business income tax credit from line 632 on page 8			G
Number of days in the tax year before January 1, 2016	×	35 =	_____ 5
Number of days in the tax year		365	
Number of days in the tax year after December 31, 2015	×	365 × 38 2/3 =	_____ 38.6666 6
Number of days in the tax year		365	
Subtotal (amount 5 plus amount 6)			38.6666 H
Amount G _____	×	$\frac{100}{H}$	= _____ I
		38.6666	
Taxable income from line 360 on page 3			367,888 J
Deduct:			
Amount from line 400, 405, 410, or 427 on page 4, whichever is the least ...			367,888 K
Amount I			L
Foreign business income tax credit from line 636 on page 8 _____ × 4 =			M
Subtotal (total of amounts K to M)			367,888 ▶ _____ N
Subtotal (amount J minus amount N)			O
Amount O _____	×	$\frac{\text{Number of days in the tax year before January 1, 2016}}{\text{Number of days in the tax year}}$	× 26 2/3% = _____ 7
		365	
Amount O _____	×	$\frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year}}$	365 × 30 2/3% = _____ 8
		365	
Subtotal (amount 7 plus amount 8)			▶ _____ P
Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)			38,628 Q
Refundable portion of Part I tax – Amount F, P, or Q, whichever is the least			450 R

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year	460		
Deduct:			
Dividend refund for the previous tax year	465		
			▶ <u> </u> A
Add:			
Refundable portion of Part I tax from line 450 on page 6			B
Total Part IV tax payable from Schedule 3			C
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation	480		
Subtotal (add amounts B, C, and line 480)			▶ <u> </u> D
Refundable dividend tax on hand at the end of the tax year – Amount A plus amount D			485 <u> </u>

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 on page 3 of Schedule 3			E
Amount E <u> </u> × $\frac{\text{Number of days in the tax year before January 1, 2016}}{\text{Number of days in the tax year}}$		365 × 33 1/3% =	<u> </u> 1
Amount E <u> </u> × $\frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year}}$		365 × 38 1/3% =	<u> </u> 2
Subtotal (amount 1 plus amount 2)			▶ <u> </u> F
Refundable dividend tax on hand at the end of the tax year from line 485 above			<u> </u> G
Dividend refund – Amount F or G, whichever is less			<u> </u> H

Enter amount H on line 784 on page 9.

Part I tax

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38%	550	<u>139,797</u>	A
Additional tax on personal services business income (section 123.5)			
Taxable income from a personal services business	555	$\times \frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year}} = \frac{365}{365} \times 5\% =$	560 B
Recapture of investment tax credit from Schedule 31	602		C
Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)			
Aggregate investment income from line 440 on page 6			D
Taxable income from line 360 on page 3	367,888		E
Deduct:			
Amount from line 400, 405, 410, or 427 on page 4, whichever is the least	367,888		F
Net amount (amount E minus amount F)			G
Amount D or G, whichever is less $\times \frac{\text{Number of days in the tax year before January 1, 2016}}{\text{Number of days in the tax year}} \times 6 \frac{2}{3}\% =$	365		1
Amount D or G, whichever is less $\times \frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year}} \times 10 \frac{2}{3}\% =$	365		2
Refundable tax on CCPC's investment income (amount 1 plus amount 2)	604		H
Subtotal (add amounts A, B, C, and H) <u></u>		139,797	I
Deduct:			
Small business deduction from line 430 on page 4		64,380	J
Federal tax abatement	608	36,789	
Manufacturing and processing profits deduction from Schedule 27	616		
Investment corporation deduction	620		
Taxed capital gains 624			
Additional deduction – credit unions from Schedule 17	628		
Federal foreign non-business income tax credit from Schedule 21	632		
Federal foreign business income tax credit from Schedule 21	636		
General tax reduction for CCPCs from amount J on page 5	638		
General tax reduction from amount R on page 5	639		
Federal logging tax credit from Schedule 21	640		
Eligible Canadian bank deduction under section 125.21	641		
Federal qualifying environmental trust tax credit	648		
Investment tax credit from Schedule 31	652		
Subtotal		101,169	K
Part I tax payable – Amount I minus amount K		<u>38,628</u>	L
Enter amount L on line 700 on page 9.			

Privacy statement

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, personal information bank CRA PPU 047.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	<u>38,628</u>
Part II surtax payable from Schedule 46	708	_____
Part III.1 tax payable from Schedule 55	710	_____
Part IV tax payable from Schedule 3	712	_____
Part IV.1 tax payable from Schedule 43	716	_____
Part VI tax payable from Schedule 38	720	_____
Part VI.1 tax payable from Schedule 43	724	_____
Part XIII.1 tax payable from Schedule 92	727	_____
Part XIV tax payable from Schedule 20	728	_____
Total federal tax		<u>38,628</u>

Add provincial or territorial tax:

Provincial or territorial jurisdiction	750	<u>AB</u>
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)		
Net provincial or territorial tax payable (except Quebec and Alberta)	760	_____
Total tax payable	770	<u>38,628</u> A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	_____
Dividend refund from amount H on page 7	784	_____
Federal capital gains refund from Schedule 18	788	_____
Federal qualifying environmental trust tax credit refund	792	_____
Canadian film or video production tax credit refund (Form T1131)	796	_____
Film or video production services tax credit refund (Form T1177)	797	_____
Tax withheld at source	800	_____
Total payments on which tax has been withheld 801 _____		
Provincial and territorial capital gains refund from Schedule 18	808	_____
Provincial and territorial refundable tax credits from Schedule 5	812	_____
Tax instalments paid	840	<u>36,000</u>
Total credits	890	<u>36,000</u> ▶ _____ 36,000 B
Balance (amount A minus amount B)		<u><u>2,628</u></u>

Refund code **894** Overpayment _____ ←

Direct deposit request

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

Start Change information

910 _____ Branch number

914 _____ Institution number **918** _____ Account number

If the result is positive, you have a **balance unpaid**.
 If the result is negative, you have an **overpayment**.
 Enter the amount on whichever line applies.
 Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid ← _____
 For information on how to make your payment, go to cra.gc.ca/payments.

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? **896** 1 Yes 2 No

If this return was prepared by a tax preparer for a fee, provide their EFILE number **920** **T9784**

Certification

I, **950** **Blake** Last name **951** **Michael** First name **954** **director** Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 **2017/ 11/ 22** Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation **956** **403 630 8845** Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below **957** 1 Yes 2 No

958 _____ Name of other authorized person **959** _____ Telephone number

Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering 1 for English or 2 for French. Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français. **990** **1**

Net Income (Loss) for Income Tax Purposes (2017 and later tax years)

Table with 3 columns: Corporation's name (Canada Corp123456), Business number (987827797RC0001), and Tax year-end (Year: 2017, Month: 05, Day: 31).

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes. For more information, see the T2 Corporation - Income Tax Guide.
All legislative references are to the Income Tax Act.

Main calculation table with rows for various tax items (Provision for income taxes, Amortization, etc.) and a Total line (lines 101 to 199) showing a total of 126,067.

Amount A plus amount B 428,338 C

Deduct:

Gain on disposal of assets per financial statements	401	_____
Non-taxable dividends under section 83 from Schedule 3	402	_____
Capital cost allowance from Schedule 8	403	<u>60,450</u>
Terminal loss from Schedule 8	404	_____
Cumulative eligible capital deduction from Schedule 10	405	_____
Allowable business investment loss from Schedule 6	406	_____
Foreign non-business tax deduction under subsection 20(12)	407	_____
Holdbacks	408	_____
Deferred and prepaid expenses	409	_____
Depreciation in inventory – end of prior year	410	_____
SR&ED expenditures claimed in the year on line 460 from Form T661	411	_____
Other reserves on line 280 from Schedule 13	413	_____
Reserves from financial statements – balance at the beginning of the year	414	_____
Patronage dividend deduction from Schedule 16	416	_____
Contributions to deferred income plans from Schedule 15	417	_____
Incorporation expenses under paragraph 20(1)(b)	418	_____
Amount G on page 4	499	_____

Total (lines 401 to 499) **510** 60,450 ▶ 60,450 D

Net income (loss) for income tax purposes (amount C minus amount D) 368,888 E

Enter amount E on line 300 on page 3 of the T2 return.

Add:

Accounts payable and accruals for cash basis – closing	201	_____
Accounts receivable and prepaid for cash basis – opening	202	_____
Accrual inventory – opening	203	_____
Accrued dividends – prior year	204	_____
Capital items expensed	206	_____
Debt issue expense	208	_____
Deemed dividend income	209	_____
Deemed interest on loans to non-residents	210	_____
Deemed interest received	211	_____
Development expenses claimed in current year	212	_____
Dividend stop-loss adjustment	213	_____
Dividends credited to the investment account	214	_____
Exploration expenses claimed in current year	215	_____
Financing fees deducted in books	216	_____
Foreign accrual property income	217	_____
Foreign affiliate property income	218	_____
Foreign exchange included in retained earnings	219	_____
Gain on settlement of debt	220	_____
Interest paid on income debentures	221	_____
Limited partnership losses from Schedule 4	222	_____
Mandatory inventory adjustment – included in current year	224	_____
Non-deductible advertising	226	_____
Non-deductible interest	227	_____
Non-deductible legal and accounting fees	228	_____
Optional value of inventory – included in current year	229	_____
Other expenses from financial statements	230	_____
Recapture of SR&ED expenditures from Form T661	231	_____
Resource amounts deducted	232	_____
Restricted farm losses – current year from Schedule 4	233	_____
Sales tax assessments	234	_____
Share issue expense	235	_____
Write-down of capital property	236	_____
Amounts received in respect of qualifying environmental trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	_____
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years – previous year	238	_____
Taxable/non-deductible other comprehensive income items	239	_____
Book loss on joint ventures	248	_____
Book loss on partnerships	249	_____

Other additions:

	1 Description	2 Amount
	605	295
1.		
2.		
3.		
4.		
	Total of column 2	▶ 296

Total of lines 201 to 249 and line 296 F
 Enter amount F on line 199 on page 1

Deduct:

Accounts payable and accruals for cash basis – opening	300	_____
Accounts receivable and prepaid for cash basis – closing	301	_____
Accrual inventory – closing	302	_____
Accrued dividends – current year	303	_____
Bad debt	304	_____
Equity in income from subsidiaries or affiliates	306	_____
Exempt income under section 81	307	_____
Mandatory inventory adjustment – included in prior year	309	_____
Contributions to a qualifying environmental trust	310	_____
Non-Canadian advertising expenses – broadcasting	311	_____
Non-Canadian advertising expenses – printed materials	312	_____
Optional value of inventory – included in prior year	313	_____
Other income from financial statements	314	_____
Payments made for allocations in proportion to borrowing and bonus interest payments from Schedule 17	315	_____
Contractors' completion method adjustment: revenue net of costs on contracts under 2 years – current year	316	_____
Non-taxable/deductible other comprehensive income items	347	_____
Book income on joint venture	348	_____
Book income on partnership	349	_____
Resource deductions:		
Canadian development expenses from Schedule 12	340	_____
Canadian exploration expenses from Schedule 12	341	_____
Canadian oil and gas property expenses from Schedule 12	342	_____
Depletion from Schedule 12	344	_____
Foreign exploration and development expenses from Schedule 12	345	_____

Other deductions:

	1 Description	2 Amount	
	705	395	
1.			
2.			
3.			
4.			
	If you need more space, attach additional schedules.	Total of column 2	396 _____

Total of lines 300 to 345 and line 396 **G**
Enter amount G at line 499 on page 2



**Capital Cost Allowance (CCA)
(2006 and later tax years)**

Corporation's name Canada Corp123456	Business Number 987827797RC0001	Tax year-end Year 2017 Month 05 Day 31
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For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

Is the corporation electing under *Regulation 1101(5q)*? **101** 1 Yes 2 No

1 Class number	2 Undepreciated capital cost at the beginning of the year (amount from column 13 of last year's schedule 8)	3 Cost of acquisitions during the year (new property must be available for use) (see note 1 below)	4 Adjustments and transfers (show amounts that will reduce the undepreciated capital cost in brackets) (see note 2 below)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) (see note 3 below)	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate % (see note 4 below)	10 Recapture of capital cost allowance (see note 5 below)	11 Terminal loss	12 Capital cost allowance (for declining balance method, column 8 multiplied by lower amount (see note 6 below))	13 Undepreciated capital cost at the end of the year (column 6 minus column 12)
200	201	203	205	207	211	212	213	215	217	220		
8	51,625	4,790			56,415	2,395	54,020	20			10,804	45,611
14.1		1,917	-800		1,117	959	158	5			8	1,109
50	90,250				90,250		90,250	55			49,638	40,612
4.												
5.												
6.												
7.												
8.												

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see *Regulation 1100(2)* and (2.2).

Note 2. Enter in column 4, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 6). Items that **increase** the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that **reduce** the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the *T2 Corporation Income Tax Guide* for other examples of adjustments and transfers to include in column 4.

Note 3. The net cost of acquisitions is the cost of acquisitions (column 3) **plus** or **minus** certain adjustments and transfers from column 4. For exceptions to the 50% rule, see Interpretation Bulletin IT-285, *Capital Cost Allowance - General Comments*.

Note 4. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 12.

Note 5. For every entry in column 10, the "Recapture of capital cost allowance" there must be a corresponding entry in column 5, "Proceeds of dispositions during the year". The recapture and terminal loss rules do not apply to passenger vehicles in Class 10.1.

Note 6. If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the *T2 Corporation Income Tax Guide* for more information.

Totals	60,450

Enter the total of column 10 on line 107 of Schedule 1.
Enter the total of column 11 on line 404 of Schedule 1.
Enter the total of column 12 on line 403 of Schedule 1.



SHAREHOLDER INFORMATION (2006 and later tax years)

Name of corporation Canada Corp123456	Business Number 987827797RC0001	Tax year-end Year: 2017 Month: 05 Day: 31
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All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Provide only one number per shareholder						
1.	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
1.	Michael Blake	200	990173890	350	100	500
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						

**Cumulative Eligible Capital Deduction
(2016 and later tax years)**

Protected B when completed

Corporation's name Canada Corp123456	Business number 987827797RC0001	Tax year-end Year: 2017 Month: 05 Day: 31
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- Use this schedule if you have or had eligible capital property in the tax year.
- **Do not** complete this schedule for tax years that start after December 31, 2016. Refer to Schedule 8, *Capital Cost Allowance (CCA)*.
- Effective January 1, 2017, the rules governing eligible capital property (ECP) are replaced by the new Class 14.1 to Schedule II of the *Income Tax Regulations*. Property that would be eligible capital property prior to January 1, 2017, will be depreciable property in the new Class 14.1 after December 31, 2016.
- Prior to 2017, a separate cumulative eligible capital (CEC) account must be kept for each business. Effective January 1, 2017, subsection 1101(1) of the *Income Tax Regulations* provides for a separate Class 14.1 in respect of each business of the taxpayer.
- All legislative references in this form are to the *Income Tax Act* and *Income Tax Regulations*.

Part 1 – Calculation of CEC balance and current year deduction (if applicable)

- For tax years that end on or before December 31, 2016, complete up to amount K and either of the following:
 - If amount K is positive, calculate the CEC deduction for the tax year and the closing balance up to amount M.
 - If amount K is negative, complete Part 2 to calculate the amount to be included in income.
- For a tax year that ends on or after January 1, 2017, and includes December 31, 2016, complete up to amount K and either of the following:
 - If amount K is positive, complete Part 3 to determine the undepreciated capital cost for the new Class 14.1.
 - If amount K is negative, complete Part 2 up to amount S and then complete parts 3 and 4.

Cumulative eligible capital - Balance at the end of the preceding tax year (if negative, enter "0")	200	<u>1,850</u>	A
Cost of eligible capital property acquired during the tax year before January 1, 2017	222		
Other adjustments before January 1, 2017	226		
Subtotal (line 222 plus line 226)		× 3/4 =	B
Non-taxable portion of a non-arm's length transferor's gain realized on the transfer of an eligible capital property to the corporation after December 20, 2002 and before January 1, 2017	228	× 1/2 =	C
Subtotal (amount B minus amount C) (if negative, enter "0")			D
Amount transferred on amalgamation or wind-up of subsidiary prior to January 1, 2017	224		E
Subtotal (add amounts A, D, and E)	230		<u>1,850</u> F
Proceeds of sale (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the tax year before January 1, 2017	242	<u>4,000</u>	G
The gross amount of a reduction before January 1, 2017, in respect of a forgiven debt obligation as provided for in subsection 80(7)	244		H
Other adjustments before January 1, 2017	246		I
Subtotal (add amounts G, H, and I)		<u>4,000</u> × 3/4 =	248 <u>3,000</u> J
Cumulative eligible capital balance (amount F minus amount J)			<u>-1,150</u> K
(if amount K is negative, enter "0" at amount M and proceed to Part 2)			
Cumulative eligible capital for a property no longer owned after ceasing to carry on that business before January 1, 2017	249		
Amount K		<u>-1,150</u>	
Amount from line 249			
Current year deduction (amount K minus line 249)		× 7% =	250 *
Subtotal (line 249 plus line 250)			L
(enter at line 405 of the 2016 version of Schedule 1, <i>Net Income (Loss) for Income Tax Purposes</i>)			
Cumulative eligible capital – Closing balance (amount K minus amount L) (if negative, enter "0")			300 M

* You can claim any amount up to the maximum deduction of 7%. The deduction may not be more than the maximum amount prorated by the number of days in the tax year divided by 365. If your tax year ends after December 31, 2016, and you are using this schedule to calculate your CEC balance as at the beginning of January 1, 2017, you are not entitled to a current year deduction.

Part 2 – Deemed capital gain or amount to be included in income arising from disposition

Complete this part only if amount K in Part 1 is negative.

For all dispositions of eligible capital property before January 1, 2017.

Amount K (enter as a positive amount)	<u>1,150</u>	N
Total of cumulative eligible capital (CEC) deductions from income for tax years beginning after June 30, 1988	400 <u>800</u>	1
Total of all amounts which reduced CEC in the current or previous years under subsection 80(7)	401 _____	2
Total of CEC deductions claimed for tax years beginning before July 1, 1988	402 _____	3
Negative balances in the CEC account that were included in income for tax years beginning before July 1, 1988	408 _____	4
Subtotal (Amount 3 minus amount 4) (if negative, enter "0")	_____ ▶	5
Total of amounts 1, 2, and 5	_____ 800	6
Amounts included in income under paragraph 14(1)(b), as that paragraph applied to tax years ending after June 30, 1988, and before February 28, 2000, to the extent that it is for an amount described at line 400	_____	7
Amounts from line T from Schedule 10 of previous tax years ending after February 27, 2000	_____	8
Subtotal (amount 7 plus amount 8) 409	_____ ▶	9
Amount 6 minus amount 9 (if negative, enter "0")	_____ 800 ▶	<u>800</u> O
Amount N minus amount O (if negative, enter "0")	_____	<u>350</u> P
Amount 5 _____ × 1/2 =	_____	Q
Amount P minus amount Q (if negative, enter "0")	_____	<u>350</u> R
Amount R 350 × 2/3 =	_____	<u>233</u> S
For a tax year that ends on or after January 1, 2017, and includes December 31, 2016, proceed to parts 3 and 4.		
For tax years that end before January 1, 2017, complete amounts T and U.		
Amount N or amount O, whichever is less	_____	T
Amount to be included in income (amount S plus amount T)	410 _____	U
(enter on line 108 of Schedule 1)		

Part 3 – Undepreciated capital cost of Class 14.1 at the beginning of January 1, 2017

The cumulative eligible capital (CEC) regime **ends** December 31, 2016. Starting January 1, 2017, the CEC is replaced with the capital cost allowance rules.

Transitional rules

The CEC pool balances are calculated and transferred to the new class as of January 1, 2017; the opening balance of the class is equal to the balance as of December 31, 2016, in the existing CEC pool.

CEC balance at the beginning of January 1, 2017	420		V
(Enter amount K if positive. If amount K is negative, enter "0")			
Total CEC deductions applied in prior years that have not been recaptured (amount O from Part 2)	425	800	W
		800	800 X
Negative CEC balance (amount N from Part 2)		1,150	Y
Amount S (from part 2)	233	$\times 3/2 =$ 430	350 10
Amount Q (from part 2)			11
		350	350 Z
		800	800 AA
			Subtotal (amount X minus amount AA)(if negative, enter "0")=BB
Deemed capital cost of former ECP (amount BB multiplied by 4/3)	435		CC
Total deemed capital cost of former ECP (amount CC)			DD
Amount AA		800	EE
		800	800 FF
Amount V			GG
Amount deemed to have been allowed under paragraph 20(1)(a) for Class 14.1 (amount FF minus amount GG)	440	800	HH
Undepreciated capital cost to Schedule 8 (amount DD minus amount HH)	445	-800	II
If amount II is positive, enter the amount on line 201 of Schedule 8 in respect of Class 14.1.			
If amount II is negative, enter the amount on line 205 of Schedule 8 in respect of Class 14.1.			

Note

For disposition of properties of the new Class 14.1 acquired before January 1, 2017 and disposed after December 31, 2016, refer to subsection 13(38)(b) to determine the cost of each intangible property and establish the resulting cost of the goodwill.

Part 4 – Transitional rules under paragraph 13(38)(d)

Only complete the following if your tax year ends on or after January 1, 2017, and includes December 31, 2016.

There are 2 elections available on this page for the amount calculated at amount S in Part 2 of this schedule:

- Subparagraph 13(38)(d)(iv) election, to defer the deemed capital gain or income inclusion, and have the amounts reported on Schedule 8 at the end of the tax year, (see line 101), and
- Subparagraph 13(38)(d)(iii) election, to report an income inclusion instead of a capital gain, and report the income on Schedule 1, (see line 102).

Election under 13(38)(d)(iv)

Is the corporation electing under subparagraph 13(38)(d)(iv) to defer the deemed capital gain or income inclusion? **101** 1 Yes 2 No

You can only elect if, during the tax year and after December 31, 2016, you acquired property included in Class 14.1, or are deemed by subsection 13(35) to acquire goodwill in respect of the business.

If you answer **yes** at line 101, complete amounts JJ to LL.

If you answer **no** at line 101, proceed to line 102.

Capital cost of goodwill or Class 14.1 property acquired during the tax year and after December 31, 2016	450	<u>2,384</u>	JJ
(Including goodwill)			
1/2 of amount JJ	455	<u>1,192</u>	12
Amount S (from part 2)		<u>233</u>	13
Lesser of amount 12 and amount 13 460	<u>233</u>		14
		$\times 2 =$	465
			<u>467</u> KK
Reduced capital cost of property, goodwill, or Class 14.1 property acquired under clause 13(38)(d)(iv)(B)	470	<u>1,917</u>	LL
(amount JJ minus amount KK) (enter amount LL on line 203 of Schedule 8 and proceed to line 102)			

Election under 13(38)(d)(iii)

Is the corporation electing subparagraph 13(38)(d)(iii) to report an income inclusion instead of a capital gain? **102** 1 Yes 2 No

If you answer **yes** at line 102, complete amounts MM to OO.

If you answer **no** at line 102, then a capital gain will need to be reported on Schedule 6, *Summary of Dispositions of Capital Property*, complete amounts 15 to PP.

Amount S (from part 2)			MM
Amount 14 (if applicable)			NN
Income inclusion under subparagraph 13(38)(d)(iii) (amount MM minus amount NN)	475	<u></u>	OO
(enter amount OO on line 108 of Schedule 1)			

Proceeds of disposition

Amount S (from part 2)	<u>233</u>	15	
Amount 14 (if applicable)	<u>233</u>	16	
Proceeds of disposition under subparagraph 13(38)(d)(ii)	<u></u>	17	
(amount 15 minus amount 16)			
		$\times 2 =$	480
			<u></u> PP

Enter amount PP on line 420 in Part 4 of Schedule 6.

Notes checklist (2010 and later tax years)

Corporation's name Canada Corp123456	Business number 987827797RC0001	Tax year-end Year: 2017 Month: 05 Day: 31
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- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the **accountant**) who prepared or reported on the financial statements. If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3, and 4, as applicable.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI)* and Guide T4012, *T2 Corporation – Income Tax Guide*.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the accountant who prepared or reported on the financial statements

Does the accountant have a professional designation? **095** 1 Yes 2 No

Is the accountant connected* with the corporation? **097** 1 Yes 2 No

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note

If the accountant does not have a professional designation or is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you **do have** to complete Part 4, as applicable.

Part 2 – Type of involvement with the financial statements

Choose the option that represents the highest level of involvement of the accountant: **198**

Completed an auditor's report 1

Completed a review engagement report 2

Conducted a compilation engagement 3

Part 3 – Reservations

If you selected option 1 or 2 under **Type of involvement with the financial statements** above, answer the following question:

Has the accountant expressed a reservation? **099** 1 Yes 2 No

Part 4 – Other information

If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options: **110**

Prepared the tax return (financial statements prepared by client) 1

Prepared the tax return and the financial information contained therein (financial statements have not been prepared) 2

Were notes to the financial statements prepared? **101** 1 Yes 2 No

If **yes**, complete lines 104 to 107 below:

Are subsequent events mentioned in the notes? **104** 1 Yes 2 No

Is re-evaluation of asset information mentioned in the notes? **105** 1 Yes 2 No

Is contingent liability information mentioned in the notes? **106** 1 Yes 2 No

Is information regarding commitments mentioned in the notes? **107** 1 Yes 2 No

Does the corporation have investments in joint venture(s) or partnership(s)? **108** 1 Yes 2 No

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year? **200** 1 Yes 2 No

If **yes**, enter the amount recognized:

	In net income Increase (decrease)	In OCI Increase (decrease)
Property, plant, and equipment	210 _____	211 _____
Intangible assets	215 _____	216 _____
Investment property	220 _____	
Biological assets	225 _____	
Financial instruments	230 _____	231 _____
Other	235 _____	236 _____

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? **250** 1 Yes 2 No

Did the corporation apply hedge accounting during the tax year? **255** 1 Yes 2 No

Did the corporation discontinue hedge accounting during the tax year? **260** 1 Yes 2 No

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? **265** 1 Yes 2 No

If **yes**, you have to maintain a separate reconciliation.

Schedule 125

Income Statement Information - Non-Farm

0001 Operating Name	0002 Description of the operation	0003 Sequence number
		01

Non-farming Revenue

GIFI Code	GIFI Item	Amount
8000	Trade sales of goods and services	2,120,053
8089	Total sales of goods and services	2,120,053
8299	Total revenue	2,120,053

Non-farming Expense - Cost of Sales

GIFI Code	GIFI Item	Amount
8300	Opening inventory	110,160
8320	Purchases/cost of materials	875,176
8340	Direct wages	405,733
8360	Trades and sub-contracts	84,205
8500	Closing inventory	58,860
8518	Cost of sales	1,416,414
8519	Gross profit/loss	703,639

Non-farming Expense - Operating Expenses

GIFI Code	GIFI Item	Amount
8523	Meals and entertainment	12,306
8670	Amortization of tangible assets	52,663
8710	Interest and bank charges	4,362
8860	Professional fees	45,236
8911	Real estate rental	53,214
9060	Salaries and wages	135,000
9270	Other expenses	31,336
9367	Total operating expenses	334,117
9368	Total expenses	1,750,531
9369	Net non-farming income	369,522

Other Comprehensive Income

GIFI Code	GIFI Item	Amount

Extraordinary Items and Income Taxes

GIFI Code	GIFI Item	Amount
9970	Net income/loss before taxes and extraordinary items	369,522
9990	Current income taxes (corporations only)	67,251
9999	Net income/loss after taxes and extraordinary items	302,271

Balance Sheet Information

Name of corporation Canada Corp123456	Business Number 987827797RC0001	Tax year-end 2017 / 05 / 31
--	------------------------------------	--------------------------------

Assets

GIFI Code	GIFI Item	Amount
1001	Cash	257,034
1060	Accounts receivable	187,546
1120	Inventories	58,860
1300	Due from shareholder(s)/director(s)	190,306
1599	Total current assets	693,746
1774	Computer equipment/software	108,601
1775	Accumulated amortization of Computer equipment/software	68,003
1787	Furniture and fixtures	320,556
1788	Accumulated amortization of Furniture and fixtures	279,272
2008	Total tangible capital assets	429,157
2009	Accumulated amortization of Total tangible capital assets	347,275
2012	Goodwill	5,000
2013	Accumulated amortization of Goodwill	4,171
2178	Total intangible capital assets	5,000
2179	Total accumulated amortization of intangible capital assets	4,171
2599	Total assets	776,457

Liabilities

GIFI Code	GIFI Item	Amount
2620	Amounts payable and accrued liabilities	213,062
2680	Taxes payable	12,889
3139	Total current liabilities	225,951
3140	Long-term debt	65,797
3450	Total long-term liabilities	65,797
3499	Total liabilities	291,748

Shareholder Equity

GIFI Code	GIFI Item	Amount
3500	Common shares	200
3600	Retained earnings/deficit	484,509
3620	Total shareholder equity	484,709
3640	Total liabilities and shareholder equity	776,457

Retained Earnings

GIFI Code	GIFI Item	Amount
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Balance Sheet Information

Name of corporation	Business Number	Tax year-end
Canada Corp123456	987827797RC0001	2017/05/31

3660	Retained earnings/deficit - Start	182,238
3680	Net income/loss	302,271
3849	Retained earnings/deficit - End	484,509