

The Tax Administration and Miscellaneous Taxes Act, Part 1.1 Application For Reduction/Exemption in Revenue on Electricity

(PLEASE PRINT WHEN COMPLETING THIS FORM)

For use by businesses in applying for the reduction/exemption on the tax on electricity used for manufacturing and mining in Manitoba for billings issued on or after June 1, 1994.

Note: Each business organization (corporation, partnership, or proprietor) must apply separately for the reduction/exemption.

NAME OF APPLICANT: _____	Retail Sales Tax Number: _____
MAILING ADDRESS: _____ _____	Federal Business Number (GST #): _____
CONTACT PERSON: _____	
PHONE NO. () _____	FAX NO. () _____

TYPE OF QUALIFYING ACTIVITY:
<input type="checkbox"/> Manufacturing <input type="checkbox"/> Mining
BRIEF DESCRIPTION OF ACTIVITIES: _____ _____ _____

CALCULATIONS TO QUALIFY FOR THE REDUCTION/EXEMPTION (Refer to information on attached worksheet)										
Information provided is for the year ended _____, 20 _____										
Both (a) and (b) must be completed. Your business will qualify if (a) is over 50% and (b) is under 50% .										
<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 15%;">(a) % of MMA</td> <td style="width: 5%;">=</td> <td style="width: 35%; border-bottom: 1px solid black;"> $\frac{\text{MMC \\$}}{\text{MC \\$}} + \frac{\text{MML \\$}}{\text{ML \\$}}$ </td> <td style="width: 5%;">=</td> <td style="width: 40%; border-bottom: 3px double black;">_____ %</td> </tr> <tr> <td>(b) % of Retail revenue in Manitoba</td> <td>=</td> <td style="border-bottom: 1px solid black;"> $\frac{\text{Retail revenue in Manitoba \\$}}{\text{Total revenue in Manitoba \\$}}$ </td> <td>=</td> <td style="border-bottom: 3px double black;">_____ %</td> </tr> </table>	(a) % of MMA	=	$\frac{\text{MMC \$}}{\text{MC \$}} + \frac{\text{MML \$}}{\text{ML \$}}$	=	_____ %	(b) % of Retail revenue in Manitoba	=	$\frac{\text{Retail revenue in Manitoba \$}}{\text{Total revenue in Manitoba \$}}$	=	_____ %
(a) % of MMA	=	$\frac{\text{MMC \$}}{\text{MC \$}} + \frac{\text{MML \$}}{\text{ML \$}}$	=	_____ %						
(b) % of Retail revenue in Manitoba	=	$\frac{\text{Retail revenue in Manitoba \$}}{\text{Total revenue in Manitoba \$}}$	=	_____ %						

EXACT ADDRESS/LOCATION OF MANUFACTURING OR MINING:			
Service Address	Electricity Provided By		Hydro Account Number(s) applicable only to manufacturing or mining
	Manitoba Hydro	Winnipeg Central District	
1.	<input type="checkbox"/>	<input type="checkbox"/>	
2.	<input type="checkbox"/>	<input type="checkbox"/>	
3.	<input type="checkbox"/>	<input type="checkbox"/>	
(If you have more than three locations or hydro accounts, please attach a list providing that information)			

CERTIFICATION: I certify that the information supplied and the statements made on this form are true and correct.	
Signature _____	Date _____
Position _____	Phone No. _____

FOR OFFICE USE ONLY
Date Application Rec'd. _____
Approved By _____
Date Hydro Advised _____

Forward completed application to: **Manitoba Finance Taxation Division**
101 – 401 York Avenue
Winnipeg, MB R3C 0P8

Enquiry's by phone or fax: **Winnipeg:** Tel (204) 945-5603
MB Toll Free 1-800-782-0318
Fax (204) 948-2087

Brandon: Tel (204) 726-6153
MB Toll Free 1-800-275-9290
Fax (204) 726-6763

Web Site: www.gov.mb.ca/finance/taxation

Information

- The tax rate will be applied at the special rate of 7% on 20% of the billing, as it is estimated that, 80% of the electricity is used directly in the mining or manufacturing process, and 20% is used for heating, lighting and other non-qualifying purposes. The effective tax rate is 1.4% after this reduction.
- The tax adjustment will be effective for electricity cycle billings issued on or after the date that this completed application is received at Manitoba Finance – Taxation Division.
- For those businesses qualifying for the reduction/exemption, Manitoba Finance - Taxation Division will inform Manitoba Hydro of their qualifying. **Please, do not contact Manitoba Hydro directly.** The Taxation Division will inform you in writing as to whether your application has been approved for the tax reduction/exemption.
- To qualify for the reduction/exemption, businesses must be primarily (i.e. greater than 50%) engaged in manufacturing and mining activities and carry on these activities in Manitoba. The use of the term “manufacturing” has the same meaning as is used by Income Tax Act (Canada) and Regulations. Consequently, the ordinary every day meaning of “manufacturing” would be applicable. Generally “manufacturing” involves the creation of something (e.g. making or assembling) or the shaping, stamping or forming of an object out of something.
- The activities of manufacturing and mining specifically **exclude**:
 - construction
 - farming
 - fishing
 - logging
 - exploration
 - publicly funded institutions
 - research and development
 - operations in Manitoba having retail revenue in excess of 50% of total Manitoba revenue
 - businesses that perform mainly repair work

- The following information is to be provided for your most recent fiscal year:

% of MMA = % of manufacturing and mining activities in Manitoba.

MMC = Cost of manufacturing and mining capital of your business in Manitoba.

MML = Cost of manufacturing and mining labour of your business in Manitoba.

MC = Total cost of capital of your business in Manitoba.

ML = Total cost of labour of your business in Manitoba.

The cost of capital and labour, and the cost of manufacturing and mining capital and labour, have the same meaning as is used by the Income Tax Act (Canada). All costs apply with respect to activities carried on in Manitoba only. For additional information see section 5202 of The Income Tax Regulations.

- Retail revenue means revenue from sales directly to individuals for consumption or use.
- The information provided in this application is subject to audit.