

PREPARING AND FILING THE ALBERTA CORPORATE INCOME TAX RETURN - AT1 AND SCHEDULES FOR 1998 AND SUBSEQUENT TAXATION YEARS

- All AT1 returns filed for taxation years ending in 1998 and subsequent must be completed using the departmental 1998 And Subsequent Alberta Corporate Income Tax Return (AT1) and schedules or using certified tax preparation software that will produce the AT1 RSI format which is the only acceptable computer generated format. (See page 2 for more information on the available forms). Corporations filing for taxation years ending in 1997 and prior must file using the 1997 AT1 package.
- For 1998 taxation years, a complete AT1 package consists of the AT1, AT1 schedules, T2, T2 schedules and the financial statements. For 1999 and subsequent taxation years, a complete AT1 package consists of only the AT1 and AT1 schedules. There is no requirement to file copies of the T2, T2 schedules or financial statements with the AT1 package.

REQUIREMENT TO FILE THE AT1 RETURN:

Generally, a corporation must file an Alberta Corporate Income Tax Return for each taxation year during which at any time it has a "permanent establishment" in Alberta with the following exceptions:

1. the corporation was a registered charity throughout the taxation year;
2. the corporation had no tax payable for the taxation year as specified under section 35 of the Alberta Corporate Tax Act;
3. the corporation meets all of the exemption criteria listed below in the taxation year.

EXEMPTION CRITERIA:

Yes	No	
		1. It is a Canadian-controlled private corporation throughout the taxation year;
		2. It has permanent establishments only in Alberta throughout the taxation year;
		3. It has filed a federal T2 return with the Canada Revenue Agency (CRA) and is reporting no taxable income before applying losses carried back from a subsequent year and before deducting any amount relating to the exercise of an option in a subsequent year;
		4. It is not claiming the Alberta Royalty Tax Credit nor has it received Royalty Tax Credit Instalments for the taxation year;
		5. It has no amounts to report on Schedule 5, Royalty Tax Deduction;
		6. Its discretionary tax account balances (eg. undepreciated capital cost, reserves, losses) throughout the year were the same for Alberta purposes as they were for federal purposes. (That is, the corporation has historically reported the same taxable incomes or losses for Alberta purposes as it reported for federal purposes);
		7. Its gross revenue for the year does not exceed \$500,000;
		8. It is not claiming a refund of tax instalments.

If ALL answers to the above statements are "Yes", then the corporation is exempt from filing the AT1 package for the specified taxation year end. Ensure that the identification section below has been completed and **retain this form on your file** for future reference. **Do not mail** this form to TRA. You are not required to send any notification to our office. When you file your federal T2 with the CRA, TRA will receive sufficient information to determine whether the corporation is exempt from filing. If a corporation which originally determined that it was exempt from filing later determines that it was not exempt from filing the Alberta return, it must file the AT1 package within 90 days from the later of the date it determined that it was not exempt and the required filing date.

Corporation Name: _____

Alberta Corporate Account Number:
Enter your 9 or 10 digit account number

Taxation Year Ending: _____

If ANY answer to the above statements is "No", then the corporation is not exempt from filing and must file the AT1 and applicable schedules or AT1 RSI (Return and Schedule Information) with TRA within 6 months of the corporation's taxation year end. For taxation years ending in 1998 and prior, the following must also be submitted with the AT1:

- a copy of the corporation's financial statements or GIFI (General Index of Financial Information), and
- a copy of the federal T2 and T2 schedules or T2 RSI.

The AT1 and Available Schedules

The following Guides and forms may be accessed from our Internet site at www.finance.gov.ab.ca or paper copies may be obtained from our offices at the addresses given below. The publication or form number precedes the Guide or form name; please quote this number when making a request to TRA.

AT1 and Schedules 1 to 11

For the majority of corporations the AT1 and applicable schedules 1 to 11 would be all that is required to be filed for the taxation year.

Publication/Form Number:

ACT-8003.1	Guide to Completion of The Alberta Corporate Income Tax Return PART 1 - AT1 and Schedules 1 through 11 (For use by corporations that do NOT elect to differ any of the discretionary pool balances. i.e. all Alberta and federal calculations and applications are the same for CCA, losses, charitable donations, etc.)
AT1	Alberta Corporate Income Tax Return - AT1
AT2	Alberta Small Business Deduction - Schedule 1
AT271	Alberta Income Allocation Factor - Schedule 2
AT201	Alberta Foreign Investment Income Tax Credit - Schedule 4
AT176	Alberta Royalty Tax Deduction - Schedule 5
AT4	Alberta Royalty Tax Credit - Schedule 6
AT196	Alberta Royalty Tax Credit / Deduction Supplemental Information - Schedule 7
AT5	Alberta Political Contributions Tax Credit - Schedule 8
AT293	Alberta Loss Carry-Back Application - Schedule 10
AT26	Alberta Manufacturing and Processing Profits Deduction - Schedule 11

Schedules 12 to 21

A corporation may elect to differ its discretionary pool balances (eg. CCA, losses carried forward or back, charitable donations, etc.) for Alberta purposes from federal purposes. If this is the case, then the following forms may be required:

- AT1 must be completed
- Schedules 1 to 11 - completed as applicable
- **Schedule 12 must be completed in all cases where Alberta and federal calculations differ**
- **Schedules 13 to 21 - complete the schedule(s) only where the Alberta calculations differs from the federal calculations. If the calculation is the same, do not complete the Alberta schedule.**

For example: If a corporation has elected to differ its loss applications for Alberta purposes but has not elected to vary its CCA claim in the year, then schedule 12 and schedule 21 need to be filed along with the AT1 and applicable schedules 1-11. Schedule 13 is NOT to be filed in this case.

Publication/Form Number:

ACT-8003.2	Guide to Completion of The Alberta Corporate Income Tax Return PART 2 - Schedules 12 through 21
AT112	Alberta Income/Loss Reconciliation - Schedule 12
AT13	Alberta Capital Cost Allowance (CCA) - Schedule 13
AT14	Alberta Cumulative Eligible Capital Deduction - Schedule 14
AT237	Alberta Resource Related Deductions - Schedule 15
AT238	Alberta Scientific Research Expenditures - Schedule 16
AT170	Alberta Reserves - Schedule 17
AT18	Alberta Dispositions of Capital Property - Schedule 18
AT20	Alberta Charitable Donations & Gifts Deduction - Schedule 20
AT173	Alberta Calculation of Current Year Loss and Continuity of Losses - Schedule 21

If you have any enquiries or require forms, please contact:

TAX AND REVENUE ADMINISTRATION

9811 109 ST

EDMONTON AB T5K 2L5

Phone: (780)427-3044. If calling long distance within
Alberta, call 310-0000 then enter (780)427-3044.

Fax: (780)427-0348

TAX AND REVENUE ADMINISTRATION

1100, 715 5TH AVE SW

CALGARY AB T2P 2X6

Phone: (403)297-5200

Fax: (403)297-5238

Internet: www.finance.gov.ab.ca