

The Alberta Corporate Tax Act adopts most rules of the federal Income Tax Act for determining income and taxable income. However, some of the rules are elective and allow corporations to claim different amounts for Alberta purposes than they have for federal purposes. This results in different discretionary Alberta and federal tax account balances. The differences between the Alberta and federal resource tax regimes from 2003 onwards also lead to different income federally and for Alberta purposes. **If the corporation elects to differ its claim for Alberta purposes in the current year, if the opening balances for Alberta and federal purposes differ, or if the corporation has crown charges, Alberta Royalty Tax Credit claims or resource allowance in 2003 and onwards, then Schedule 12 MUST be completed and submitted with the applicable supporting Alberta schedule(s).** Report all monetary amounts in dollars; DO NOT include cents. Show negative amounts in brackets ().

AREA A - NET INCOME FOR ALBERTA CORPORATE INCOME TAX PURPOSES

002

Net Income (Loss) for federal purposes from T2 line 300
Only specify the federal and Alberta amount of the items that are calculated differently for Alberta purposes or where the opening balance for Alberta purposes differs from the federal opening balance.
If these amounts are the **same**, DO NOT indicate the amount for either federal or Alberta purposes.

	Federal Dollar Amount		Alberta Dollar Amount	
		Federal Schedule 1 line		Schedule 13 line
Capital Cost Allowance	- 005	403	-	004
Recapture of CCA	+ 007	107	+	006
Terminal Loss	- 009	404	-	008
Cumulative Eligible Capital Deduction	- 011	405	-	010
Gain on Sale of Eligible Capital Property	+ 013	108	+	012
Farming Inventory:		224		
- Mandatory inventory adjustment included in current year	+ 015	309	+	014
- Mandatory inventory adjustment included in prior year	- 017		-	016
- Optional value of inventory included in current year	+ 019	229	+	018
- Optional value of inventory included in prior year	- 021	313	-	020
Depletion	- 023	344	-	022
Resource Allowance/Loss -provide supporting details if basis of calculation differs federally and for Alberta	- 025	Portion of Resource Allowance deducted or Resource Loss added back	-	024
Canadian Exploration Expenses (CEE)	- 027	341	-	026
Canadian Development Expenses (CDE)	- 029	340	-	028
Foreign Exploration and Development Expenses	- 031	345	-	030
Canadian Oil and Gas Property Expenses (COGPE)	- 033	342	-	032
Scientific Research Expenses claimed in year	035	- Federal Schedule 1 line 411 + Federal Schedule 1 line 231	-	034
Tax Reserves deducted in prior year	+ 037	125	+	036
Tax Reserves claimed in current year	- 039	413	-	038
Capital Tax Liability in other provinces			+	042
Crown Charges, Royalties, Rentals, etc (including corporation's share from partnership(s), as applicable)	+ 045	Portion included in federal income	+	044
Amount of Alberta Royalty Tax Credit included in income for this taxation year	+ 047			
Other - Specify:		+ Fed Schedule 1 line 113 minus 406 + Fed Schedule 1 Other Additions - Fed Schedule 21 Part 1 column D - Fed Schedule 1 line 218		040
Attach supporting schedule				
Total Federal Amount:	050		Total Alberta Amount:	052
Net Income (Loss) for Alberta purposes: Line 002 - line 050 + line 052				054

AREA B - TAXABLE INCOME FOR ALBERTA

For this section, all of the following items that determine taxable income must be specified. If the opening balance or the claim for the current year for donations, gifts or losses are different for Alberta purposes than for federal purposes, complete the applicable Alberta schedule(s) and enter the amount from those schedule(s) below. Otherwise, enter the amounts from the federal T2 for these items and any other applicable line items.

Net Income (Loss) for Alberta purposes: Carried forward from page 1 054

Total Dollar Amount of Deduction

enter provincial amounts where applicable; otherwise enter federal amounts

Deduct:

Charitable Donations _____	056	Schedule 20 line 016 OR T2 line 311	
Gifts to Canada or a province, cultural gifts and ecological gifts _____	058	Schedule 20 line 076 OR T2 lines 312 + 313 + 314	
Taxable dividends deductible under ITA section 112, 113 or 138(6) _____	060	T2 line 320	
Part VI.1 tax deduction _____	062	T2 line 325	
Non-capital losses of preceding taxation years _____	064	Schedule 21 line 041 OR T2 line 331	
Net-capital losses of preceding taxation years (See Guide for the Inclusion Rate calculation) _____	066	Schedule 21 line 061 x Inclusion Rate OR T2 line 332	
Restricted farm losses of preceding taxation years _____	068	Schedule 21 line 099 OR T2 line 333	
Farm losses of preceding taxation years _____	070	Schedule 21 line 079 OR T2 line 334	
Limited partnership losses of preceding taxation years _____	072	Schedule 21 total of column 139 OR T2 line 335	
Taxable capital gains or taxable dividends allocated from a central credit union _____	074	T2 line 340	
Prospector's and grubstaker's shares _____	078	T2 line 350	
Subtotal of lines 056 to 078:		080	
		082	Schedule 21 line 017 OR amount not exceeding T2 line 355
Add: ITA section 110.5 and/or subparagraph 115(1)(a)(vii) additions (see Guide) _____		090	
Taxable Income for Alberta purposes or (Loss) Lines 054 - 080 + 082			
If there is an amount at line 082 and line 054 - line 080 is negative, then line 090 must equal line 082			
Enter this amount on AT1 page 2, line 062			

To be completed only by insurers of farmers and fishermen: Income exempt under ITA paragraph 149(1)(t) _____	092	T2 line 370
Carry forward the amount of line 090 - 092 to the AT1 page 2, line 062.		

Reconciliation of Active Business Income (ABI):

Does the corporation's calculation of ABI for Alberta purposes differ from its federal ABI? If "Yes", complete the following to reconcile the two amounts _____	100	Yes	No
Active Business Income from federal Schedule 7, the calculated value* of amount "Q" or federal Schedule 16, line 124 _____	102		
* If the calculated amount is negative, enter the negative amount in brackets (). If this includes specified partnership income, ensure the correct Alberta small business threshold is used (See Guide) _____	104		
Adjustment to ABI for Alberta purposes due to discretionary items (See Guide) Show a negative amount in brackets () _____	106		
Active Business Income for Alberta purposes (ABI) Line 102 + 104 (if negative, enter "0") _____			
This amount is to be used for Schedule 1, line 003			

Reconciliation of Adjusted Business Income (ADJUBI): (Not required for taxation years beginning after March 31, 2001)

Does the corporation's ADJUBI for Alberta purposes differ from its federal ADJUBI? If "Yes", complete the following to reconcile the two amounts _____	110	Yes	No
Adjusted Business Income reported from federal Schedule 27 line 120 - 125 _____	112		
* if the calculated amount is negative, enter the negative amount in brackets () _____	114		
Adjustment to ADJUBI for Alberta purposes due to discretionary items (See Guide) Show a negative amount in brackets () _____	116		
Adjusted Business Income for Alberta purposes (ADJUBI): Line 112 + 114 (if negative, enter "0") _____			
This amount is to be used for Schedule 11, line 001			