



**SASKATCHEWAN MANUFACTURING AND PROCESSING
INVESTMENT TAX CREDIT (2006 and later tax years)**

Name of corporation	Business Number	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td colspan="3" style="text-align: center;">Tax year-end</td> </tr> <tr> <td style="width:33%;">Year</td> <td style="width:33%;">Month</td> <td style="width:33%;">Day</td> </tr> <tr> <td style="height: 20px;"> </td> <td> </td> <td> </td> </tr> </table>	Tax year-end			Year	Month	Day			
Tax year-end											
Year	Month	Day									

- Use this schedule if you are a corporation (other than one that is exempt from tax under section 149 of the federal *Income Tax Act*) that has acquired qualified property in the current year for use in Saskatchewan, and you want to claim a Saskatchewan manufacturing and processing investment tax credit.
- Qualified property is defined within the meaning of subsections 127(9), (11), and (11.1) of the federal Act, and was not used, or acquired for use or lease, for any purpose before it was acquired by the corporation. The capital cost of qualified property is determined without reference to subsection 13(7.1) of the federal Act. The qualified property has to be used by the corporation in Saskatchewan mainly for the purpose of manufacturing or processing goods for sale or lease. Property leased by the corporation to a lessee (other than a person exempt from tax by virtue of section 149 of the federal Act) may also qualify for the credit. Manufacturing or processing is defined in subsection 125.1(3) of the federal Act and includes qualified activities as defined by section 5202 of the federal *Income Tax Regulations*.
- The credit earned on qualified property acquired before April 7, 2006, is not refundable. You can:
 - claim the credit to reduce Saskatchewan income tax otherwise payable in the current tax year;
 - request a carryback to reduce Saskatchewan income tax payable in any of the three preceding tax years;
 - carry a credit forward to subsequent tax years; or
 - renounce the credit.
- The carryforward period is seven years. However, an unused credit that has not expired on April 6, 2006, has a carryforward period of 10 years instead of 7 years.
- The non-refundable credit may be renounced but must include all current year credits; partial renouncements are not permitted. The renouncement must be filed on or before the filing date of the federal *T2 Corporation Income Tax Return*.
- The credit earned on qualified property acquired after April 6, 2006, cannot be carried back or carried forward. You can claim the credit to reduce Saskatchewan income tax otherwise payable in the current tax year and any excess will be refunded.
- Use this schedule to show a credit transfer following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1) of the federal *Income Tax Act*. You can also use this schedule to show the credit allocated from a trust or a partnership.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.

Part 1 – Qualified property (acquired in current tax year) eligible for the credit

101 CCA class no.	Description of qualified property	102 Acquisition date	103 Capital cost						
		<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">Year</td> <td style="width:33%;">Month</td> <td style="width:33%;">Day</td> </tr> <tr> <td style="height: 20px;"> </td> <td> </td> <td> </td> </tr> </table>	Year	Month	Day				
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Total capital cost (attach an additional schedule if space is insufficient)	A
Total capital cost of property acquired after March 31, 2004, and before April 7, 2006	B
Total capital cost of property acquired after April 6, 2006	C

Part 2 – Calculation of credit available for the year and credit available for carryforward

Credit at the end of the preceding tax year			
Deduct: Credit expired*	104		
Credit at the beginning of the tax year	105		▶
Add:			
Credit transferred on an amalgamation or the wind-up of a subsidiary	110		
Qualified property acquired in the current tax year after March 31, 2004, and before April 7, 2006:			
Amount B above: _____ x 7% =	123		
Credit earned before April 7, 2006, allocated from a partnership	130		
Credit earned before April 7, 2006, allocated from a trust	140		
Subtotal			▶
Total credit available			D
Deduct: Credit renounced	150		
Credit claimed in the current year (enter on line 630 in Part 2 of Schedule 5) ...	160		
Credit carried back to preceding tax year(s) (complete Part 4)			E
Subtotal			▶
Closing balance			200

* A current year credit earned before April 7, 2006, and a credit earned in the 7 tax years ending before April 7, 2006, have a carryforward period of 10 years. A credit earned earlier than the seventh tax year ending before April 7, 2006, has a carryforward period of seven years and has now expired.

Part 3 – Calculation of Saskatchewan refundable manufacturing and processing investment tax credit

Qualified property acquired in the current tax year after April 6, 2006:

Amount C from Part 1: _____ x 7% = _____ **220** _____

Credit earned after April 6, 2006, allocated from a partnership **230** _____

Credit earned after April 6, 2006, allocated from a trust **240** _____

Saskatchewan refundable manufacturing and processing investment tax credit (total of lines 220, 230, and 240) **F** _____

Enter the amount F on line 644 of Schedule 5.

Part 4 – Request for carryback of credit

Complete this part to ask for a carryback of a current-year credit earned.
Credits earned after April 6, 2006, cannot be carried back as they are refundable in the year.

Tax year in which to apply the credit			Amount to be applied
Year	Month	Day	
1st preceding tax year ending on	_____	_____ 901 _____
2nd preceding tax year ending on	_____	_____ 902 _____
3rd preceding tax year ending on	_____	_____ 903 _____
Total (enter on line E in Part 2)			=====

Part 5 – Analysis of credit available for carryforward by year of origin

Credits earned earlier than the seventh tax year ending before April 7, 2006, have a carryforward period of seven years and are now expired.
Credits earned in the current tax year from qualified property acquired before April 7, 2006, as well as credits earned in the 7 preceding tax years ending before April 7, 2006, are entitled to a carryforward period of 10 years instead of 7 years.
You can complete this part to show all the credits available for a carryforward period of 10 years, by year of origin. This will help you determine the amount of credit that could expire in following years.

Year of origin			Credit available for carryforward
Year	Month	Day	
10th preceding tax year ending on	_____	_____ _____
9th preceding tax year ending on	_____	_____ _____
8th preceding tax year ending on	_____	_____ _____
7th preceding tax year ending on	_____	_____ _____
6th preceding tax year ending on	_____	_____ _____
5th preceding tax year ending on	_____	_____ _____
4th preceding tax year ending on	_____	_____ _____
3rd preceding tax year ending on	_____	_____ _____
2nd preceding tax year ending on	_____	_____ _____
1st preceding tax year ending on	_____	_____ _____
Current tax year ending on	_____	_____ _____
Total (equal to line 200 in Part 2)			=====