

## YUKON MINERAL EXPLORATION TAX CREDIT

Complete this form to calculate your Yukon mineral exploration tax credit for expenses incurred in 2006. If you are completing a return for a corporation, use Schedule 441 of the T2 return. The maximum mineral exploration tax credit is \$300,000 in respect of eligible mineral exploration expenses incurred after March 31, 2006.

To claim the Yukon mineral exploration tax credit, you must identify eligible expenditures on this form and file it with the Canada Revenue Agency no later than 12 months after the tax year in which the expenditures were incurred.

You must be resident in Yukon on the last day of the year for which you are applying for this credit.

Attach a copy of this form to your return and also send a copy to:

Yukon Department of Finance, 3rd Floor – 2071, 2nd Avenue, Box 2703, Whitehorse YT Y1A 2C6.

Do not attach supporting documents, but keep them in case we ask to see them.

If you need more space when completing Part 2 and Part 3, attach a separate sheet of paper.

– Part 1 – Identification			Tax year		2006	;
Name (print)  Social insurance nu				nce nur	nber	
						L
Address (print)						
<ul> <li>Part 2 – Exploration information</li> </ul>	1					
Mineral resources that qualify for the credit bituminous sands, oil shale, ammonite ger from sandstone or quartzite, and mineral d principal mineral extracted is an industrial exploration has taken place:	nstone, calcium chloride, kaolin, diamond leposits in respect of which the Minister of	, gypsum, halite, sylvite Natural Resources ha	e, and silica eas certified tha	extract	ed	
For eligible mineral exploration expenses i where the claim is registered.	n Part 3, identify each project and claim g	rant number (if any), a	nd the mining	g distri	ct	
Project name	Claim grant number	Min	ning district			

## Part 3 – Eligible mineral exploration expenses -

The expenses must be incurred in 2006 for determining the existence, location, extent, or quality of a mineral resource in Yukon.

Expenses that do not qualify for this credit include:

- any expense related to a mine that has come into production in reasonable commercial quantities, or to a potential or actual
  extension of such a mine;
- a Canadian development expense as defined in subsection 66.2(5) of the federal *Income Tax Act*;
- an expense described in paragraphs (g), (j), and (l) to (o) of the definition of Canadian exploration expense in subsection 66.1(6) of the federal act;
- the cost of seismic data defined in paragraph 66(12.6)(b.1) of the federal act;
- an expense renounced in your favour under section 66 of the federal act;
- an expense incurred in drilling or completing an oil or gas well, or in building a temporary access road to, or in preparing the site for, any such well; and
- a Canadian exploration and development overhead expense (CEDOE) as defined in the federal *Income Tax Regulations*. A CEDOE includes administration, management, or financing of your business, and salary, wages, or other remuneration or related benefits paid to a person whose duties were not all or substantially all directed towards exploration or development activities. It also includes payments for taxes, insurance, maintenance, and leases for property, all or substantially all of the use of which by you was not for the purposes of exploration or development activities.

Complete the calculation on the next page.



Enter by category the total eligible exploration expenses incurred in the tax year for the	mineral resources I	isted in Pa	art 2.
• Use column 1, if your expenses were incurred from <b>January 1 to March 31, 2006</b> .			
• Use column 2, if your expenses were incurred from <b>April 1 to December 31, 2006</b> .			
	Column 1		Column 2
Prospecting	Í	1	1
Geological, geophysical, or geochemical surveys	+	2 +	2
Drilling by rotary, diamond, percussion, or other methods	+	3 +	3
Trenching, digging test pits, and preliminary sampling	+	4 +	4
Other eligible mineral exploration expenses (describe)	=	_ 5 +	5
Add lines 1 to 5	=	6 =_	6
Part 4 – Assistance and reimbursements ————————————————————————————————————			
• Use column 1 to enter the amounts related to the period from January 1 to March 3	31, 2006.		
Use column 2 to enter the amounts related to the period from April 1 to December			
	Column 1		Calumn 2
Total of all assistance (grants, subsidies, refunds, forgivable loans, contributions,	Column 1		Column 2
inducements) or reimbursements that you have received or are entitled to receive or			
can reasonably be expected to receive in respect of expenses claimed in Part 3		7	7
Enter any assistance or reimbursements that you have repaid	_	8 –	8
Line 7 minus line 8	=	9 =	9
<ul> <li>Part 5 - Calculating your mineral exploration tax credit</li> </ul>			
Part 5 – Calculating your mineral exploration tax credit			
Part 5 – Calculating your mineral exploration tax credit  Total eligible mineral exploration expenditures from line 6 in column 1 of Part 3			10
			10
Total eligible mineral exploration expenditures from line 6 in <b>column 1</b> of Part 3		- <u>-</u>	
Total eligible mineral exploration expenditures from line 6 in <b>column 1</b> of Part 3  Net assistance and reimbursements from line 9 in <b>column 1</b> of Part 4			11
Total eligible mineral exploration expenditures from line 6 in <b>column 1</b> of Part 3  Net assistance and reimbursements from line 9 in <b>column 1</b> of Part 4  Line 10 minus line 11			11 12
Total eligible mineral exploration expenditures from line 6 in <b>column 1</b> of Part 3  Net assistance and reimbursements from line 9 in <b>column 1</b> of Part 4  Line 10 minus line 11  Applicable rate  Multiply line 12 by line 13			11 12 25% 13
Total eligible mineral exploration expenditures from line 6 in column 1 of Part 3  Net assistance and reimbursements from line 9 in column 1 of Part 4  Line 10 minus line 11  Applicable rate  Multiply line 12 by line 13  Total eligible mineral exploration expenditures from line 6 in column 2 of Part 3			25% 13 14
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## Certification I certify that the information given on this form is correct and complete. Signature Year Month Day Date Date

## Access to Information and Protection of Privacy Act

The personal information requested on this form is collected under the authority of and used for the purpose of administering the *Income Tax Act* (Yukon). If you have questions about the collection or use of this information, contact the Yukon Department of Finance, 3rd Floor – 2071, 2nd Avenue, Box 2703, Whitehorse YT Y1A 2C6. The telephone number is 1-867-667-5343.