

PRINCE EDWARD ISLAND CORPORATE INVESTMENT TAX CREDIT (1998 and later taxation years)

Name of corporation	Business Number	Taxation year end Year Month Day
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- For use by corporations who have acquired qualified property after December 31, 1992, and wish to reduce Prince Edward Island tax payable. Qualified property is machinery and equipment prescribed for the purposes of paragraph (b) of the definition "qualified property" in subsection 127(9) of the federal *Income Tax Act*. The capital cost of qualified property is determined without reference to subsection 13(7.1) of the federal *Income Tax Act*.
- The qualified property has to be used by the corporation in Prince Edward Island primarily for the purpose of manufacturing or processing of goods for sale or lease. Property leased by the corporation to a lessee for this purpose (other than a person exempt from tax under section 149 of the federal *Income Tax Act*) may also qualify for the credit. Manufacturing or processing is defined in subsection 125.1(3) of the federal *Income Tax Act* and includes qualified activities as defined by Regulation 5202 of the federal *Income Tax Regulations*.
- The 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 is eligible for a seven year carry-forward and a three year carry-back.
- Use this schedule to show a credit transfer following an amalgamation or wind-up of a subsidiary as described under subsections 87(1) and 88(1) of the federal *Income Tax Act*. This schedule can also be used 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 taxation year) eligible for the credit

101 CCA class no.	Description of qualified property	102 Acquisition date Year Month Day	103 Capital cost
Total capital cost (attach an additional schedule if space is insufficient)			A

Part 2 – Calculation of total credit available and credit available for carry-forward

Credit at end of preceding taxation year				
Deduct: Credit expired after seven taxation years	104	_____	▶	_____
Credit at beginning of taxation year	105	_____		_____
Add:				
Credit transferred on amalgamation or wind-up of subsidiary	110	_____		_____
Current year credit earned: Amount A from above _____ x 10% =	120	_____		_____
Credit allocated from a partnership	130	_____		_____
Credit allocated from a trust	140	_____		_____
	Subtotal	_____	▶	_____
Total credit available				B
Deduct:				
Credit renounced	150	_____		_____
Credit claimed in the current year (enter on line 530 in Part 2 of Schedule 5)	160	_____		_____
Credit carried back to preceding taxation year(s) (complete Part 3)		_____		C
	Subtotal	_____	▶	_____
Closing balance				200

Part 3 – Request for carry-back of credit

	Year Month Day			
1st preceding taxation year		Credit to be applied	901 _____
2nd preceding taxation year		Credit to be applied	902 _____
3rd preceding taxation year		Credit to be applied	903 _____
		Total (enter on line C in Part 2)		_____

Part 4 – Analysis of credit available for carry-forward by year of origin

Year of origin (earliest year first)	Credit available	Year of origin (earliest year first)	Credit available
Year Month Day		Year Month Day	
	_____		_____
	_____		_____
	_____		_____
	_____		_____
		Total (equals line 200 in Part 2)	_____