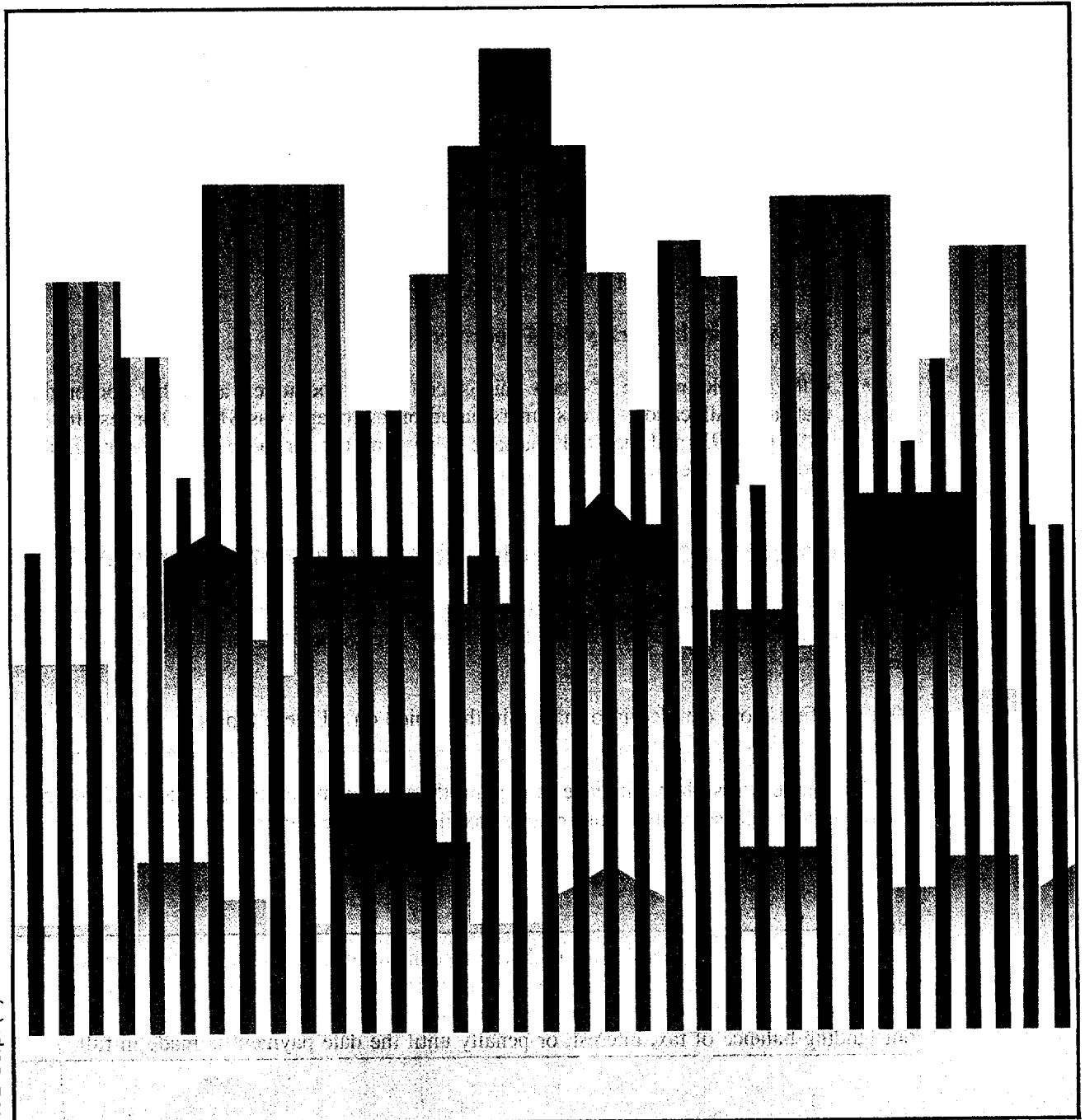




CORPORATION INSTALMENT GUIDE



T7B Corp. (E) Rev. 93

Is this guide for you?

The following information answers some basic questions about corporate instalment payments. It will also help you determine if the information in this guide applies to you.

What is an instalment payment?

An instalment payment is a payment of a portion of the total amount of tax payable for the year.

Who makes corporate instalment payments?

All corporations that have to pay tax are generally required to make instalment payments.

When are instalment payments not required?

Corporations do not have to make instalment payments:

- if the total of their taxes payable under Parts I, I.3, VI, and VI.1 of the *Income Tax Act* for either 1992 or 1993 is \$1,000 or less;
- if they are in their first year of operation; or
- if the taxable income of credit unions, certain co-operatives, and other corporations that make allocations to customers based on patronage was \$10,000 or less for either 1992 or 1993, and they did not have to pay any tax for those years under Parts I.3, VI, and VI.1 of the Act.

Why do corporations have to make instalment payments?

We require corporations to make instalment payments to ensure that they, as taxpayers who do not have tax deducted at source from their income, are treated the same way as taxpayers who do.

You will find more detailed information in this guide on all these topics.

This guide uses plain language to explain the most common tax situations. If you need more help, please contact your district taxation office or regional taxation centre.

Note

The *Income Tax Act* authorizes us to charge instalment interest and a penalty if we do not receive the required payments on time. For more information, see the interest and penalty sections of this guide. We will charge arrears interest, at the prescribed rate, on any outstanding balance of tax, interest, or penalty until the date payment is made in full.

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Introduction

Your corporation may have to make instalment payments. This guide will help you determine what your corporate instalment payments will be for 1993.

Unlike the other provinces and territories, Quebec, Ontario, and Alberta do not have corporate tax collection agreements with the federal government. Therefore, corporations that earned taxable income in these provinces have to pay the relevant provincial taxes directly.

Note

For those of you who would like to refer to the *Income Tax Act*, we have included in parentheses, where applicable, the section, subsection, paragraph, or regulation to consult.

This guide includes changes to the *Income Tax Act* tabled in the House of Commons on June 19, 1992, regarding the remitting of Parts I, I.3, VI, and VI.1 tax instalments. These changes were not law at the time of printing, however, we are getting ready to apply the proposed changes.

Do you need more information?

Information Circular 81-11, *Corporate Instalments*, contains more detailed information about instalment payments. The staff at our district taxation offices and regional taxation centres can provide you with this publication. Also, if you have a question about your account, you can contact us in writing or in person. The addresses and phone numbers of the district offices are listed at the back of this guide. The taxation centre addresses and telephone numbers are listed in Appendix C.

Section A

Parts I, I.3, VI, and VI.1 Tax Instalments

General information

Most corporations are subject to Part I of the *Income Tax Act*. Corporations have to pay their Part I income tax, and any of the following corporate taxes, in monthly instalments:

- Part I.3 — Tax on Large Corporations
- Part VI — Tax on Capital of Financial Institutions
- Part VI.1 — Tax on Corporation Paying Dividends on Taxable Preferred Shares

How to calculate your instalments of corporate tax

There are three options available to you for calculating the amount of tax you have to pay in instalments for the current taxation year [paragraph 157(1)(a)]. You can calculate:

- the estimated tax for the current year (**option 1**)
- the tax for the preceding taxation year (**option 2**)
- a combination of the tax for the year before the preceding year and for the preceding year (**option 3**)

For all three options, the calculation is based on the total tax you have to pay under Parts I, I.3, VI, and VI.1 of the Act, and the tax you have to pay to your province or territory.

Note

If one of the years used in calculating the tax is less than 12 months, see "Short taxation years" in this section.

Option 1 — one-twelfth of the estimated tax payable for the current year is due each month of the taxation year.

Option 2 — one-twelfth of the actual tax payable from the preceding year is due each month of the taxation year.

Option 3 — one-twelfth of the actual tax payable for the year before the preceding taxation year is due in each of the first two months of the taxation year. One-tenth of the difference between the total of the first two payments and the actual tax for the preceding year is due in each of the remaining 10 months of the taxation year.

Note

We may charge interest if you calculated your instalment payments using Option 1, and your estimated tax was lower than the year's actual tax and the tax calculated using options 2 and 3.

You can use the option that is most advantageous to you [subsection 161(4.1)]. We will assess your return using the option that results in the least amount payable by instalments.

Section C includes two worksheets to help you calculate your estimated tax payable and tax credits, as well as your monthly instalment payments. Use the estimated credits for 1993 to calculate your instalment payments under Option 1, Option 2, or Option 3.

Instalment due dates

Instalment payments are due each month of your corporation's taxation year. The first payment is due one month less a day from the starting date of the corporation's taxation year. The remaining payments are due on the same day of each following month in the year. You do not have to make an instalment payment for a taxation year that is shorter than one month.

Example

Start of taxation year: December 16, 1992

End of taxation year: December 15, 1993

Each of the 12 instalment payments would be due by the fifteenth of each month during the taxation year. The first payment would be due by January 15, 1993. The last payment would be due by December 15, 1993.

Balance due dates

The balance due date is the date a corporation has to pay the remainder of the tax it owes for the taxation year [paragraph 157(1)(b)].

For purposes of Parts I, I.3, VI, and VI.1 of the Act, the balance of tax payable is due within two months after the end of the taxation year. However, the time limit is extended to three months if all three following conditions apply:

- your corporation claims the federal small business deduction [subsection 125(1)] in the taxation year, or if the deduction was allowed in the preceding taxation year;
- your corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year; and
- your corporation's taxable income for the preceding taxation year did not exceed its business limit for the preceding year.

If the corporation is associated with any other corporation(s) during the taxation year, the total of (a) the taxable income of the corporation for its preceding taxation year and (b) the total of the taxable income(s) of all the associated corporations for their taxation years that ended in the same calendar year as the calendar year in which the corporation's preceding taxation year ended must not exceed the combined total of their business limits for those preceding years.

The business limit of any corporation or the combined total of the business limits of all associated corporations is normally \$200,000. This amount would be less if the preceding year's business limit was prorated for a short taxation year. The total business limit could be more than \$200,000 if the corporation is associated with other corporations in the current year but not in the preceding year (section 125).

Amalgamations

A special rule applies when determining if the **balance due date** is two or three months for a new corporation formed after an amalgamation has taken place. The new corporation's taxable income for the preceding year is the total of the predecessor corporations' taxable incomes for their taxation years that ended immediately before they amalgamated. The same rule applies for determining the **business limit**.

Wind-ups

When determining if a parent corporation's **balance due date** is two or three months in its first taxation year after it receives the assets of a subsidiary corporation that is winding-up, the taxable income for the preceding taxation year is the total of:

- the parent corporation's taxable income for that year; and
- the subsidiary corporation's taxable income for its taxation year ending in the calendar year that the parent corporation's preceding taxation year ended.

These rules apply for determining the **business limit** as well.

Special situations — No instalments required

Tax payable of \$1,000 or less

You do not have to make instalment payments for 1993 if your corporation's Parts I, I.3, VI, and VI.1 taxes payable for either 1992 or 1993 total \$1,000 or less [subsection 157(2.1)]. However, the corporation has to pay its taxes, if any, on its balance due date. The rules for determining the balance due date are described under "Balance due dates" in this section.

New corporations

You do not have to make instalment payments for a new corporation until it has started its second year of operation. However, the corporation has to pay any tax it owes for its first year of operation on its balance due date for that taxation year. The rules for determining the balance due date are stated under "Balance due dates."

Credit unions, certain co-operatives, and other corporations

Credit unions, certain co-operatives, and corporations do not have to make instalment payments for a taxation year if they make allocations to customers based on patronage, and if for that year or the preceding year:

- their taxable incomes were \$10,000 or less; and
- no tax was payable under Parts I.3, VI, and VI.1 of the *Income Tax Act*.

In these instances, the full amount of the tax the corporation owes is due at the end of the third month following the end of the taxation year [subsection 157(2)].

Special rules

Short taxation years

If your corporation's taxation year is less than 12 months, you have to pay one-twelfth or one-tenth, if applicable, of the corporation's tax each month in the taxation year. You do not have to make an instalment payment for a taxation year that is shorter than one month.

The tax you did not pay in instalments is due on the corporation's balance due date.

Example

Start of taxation year: January 15, 1993
End of taxation year: March 30, 1993

Tax owed by instalments under Option 2: \$300,000.

Two instalments of \$25,000 each must be paid on February 14 and March 14.

If the actual tax for the year is \$500,000, the remaining \$450,000 is due by the corporation's balance due date.

When a preceding taxation year (for options 2 or 3) is less than 12 months, the tax payable for that year is adjusted to a 12-month equivalent. This is called the "adjusted base" [regulation 5301(1)].

To calculate the adjusted base, divide 365 by the number of days in the taxation year. Multiply this figure by the actual tax payable for that year.

When a preceding taxation year (for options 2 or 3) is less than 183 days, the adjusted base is the larger amount between:

- the adjusted base for that taxation year; and
- the adjusted base for the next preceding taxation year of more than 182 days [regulation 5301(3)].

Amalgamations

Corporations formed because of an amalgamation are treated as a continuation of the predecessor corporations (section 87). The instalment base of the corporation will be the total of the previous corporations' instalment bases [regulation 5301(4)]. Exhibit V in Information Circular 81-11 contains examples of how to calculate instalments when an amalgamation has occurred.

Wind-ups

When a subsidiary corporation has been wound up into a Canadian parent corporation, as described under subsection 88(1) of the Act, the parent corporation has to include, in addition to its own instalment bases, the instalment bases of its subsidiary corporation [regulation 5301(6)]. Exhibit VI in Information Circular 81-11 illustrates how to calculate instalments under a wind-up situation.

Transfers or rollovers

A corporation that has received all or substantially all of the property of another corporation that it does not deal with on an arm's-length basis [subsections 85(1) or (2)] has to include, in addition to its own instalment bases, the instalment bases of that corporation [regulation 5301(8)]. Exhibit VII in Information Circular 81-11 illustrates how to calculate instalment payments when there has been a transfer of property.

Paying instalments

You can make your payments where you bank; you can mail them to your regional taxation centre; or you can make your payments in person at your district taxation office. The taxation centre addresses are listed in Appendix C, and the addresses of the district offices are listed at the back of this guide.

If you pay where you bank, give Parts 1 and 2 of Form T9, *Remittance Form*, to the teller with your payment. The teller will return Part 2 to you as a receipt.

If you do not have a personalized remittance form, you cannot make your payment where you bank. Instead mail your payment to your regional taxation centre, or make your payment in person at your district office using form RF-Corp, *Remittance Form* included in this guide. Enter your corporation's name, address, account number, the taxation year-end, and the amount of your payment in the spaces provided.

You can pay by cheque or money order, made payable to the Receiver General. We will then send you a combined statement of account and remittance form when we have received your payment. Keep the receipt with your records for future use.

Review each statement of account you receive to ensure that we have applied your payments correctly. If we have made an error in applying any of your payments, immediately contact your regional taxation centre by telephone or in writing.

The instalment credits we show on your statement of account for each taxation year should agree with your records. If there is a discrepancy between our records and the amount reported on page 6 of your corporation's return, we will assess the return using the instalment credits shown in our records for that taxation year.

We consider corporate tax payments to have been received at the time they are:

- delivered to any taxation centre or district office; or
- deposited at any bank belonging to the Canadian Payments Association [subsection 248(7)].

Note

You can make instalment payments for taxes owed under Parts I, I.3, VI, and VI.1 of the Act using Form T9. To make instalment payments of taxes under other parts of the Act, use Form T901, *Remittance Form* included in this guide. See "Paying instalments" in Section B for details on how to complete this form.

Transfer of instalments

Our transfer policy makes it easier for corporations to move excess instalment payments from one account where they are not immediately needed to another account where they are needed (e.g., to cover an outstanding balance or to cover an employer account).

The guidelines for the new policy are as follows:

- The last date for requesting a transfer will be either the date the income tax return was filed, or the date on which the corporation is required to file its income tax return for the year, whichever is earlier.

- An authorized officer of the corporation can request, in writing, a transfer of instalments.
- In the request, the corporation has to acknowledge liability for any interest or penalty charges that might arise if the transfer results in an instalment deficiency.
- The request has to specify how the payments should be applied.
- Funds can be transferred between taxation years in the same account, or to another account.
- Corporations can transfer an amount made up of several payments or simply a part of a payment.
- Corporations can request more than one transfer during the year.
- Transferred payments will keep their original payment date for the purpose of calculating interest.

Requests for an instalment transfer should be addressed to the Manager, Corporation Accounts, at the appropriate taxation centre. The taxation centre addresses are listed in Appendix C.

Instalment interest

We calculate interest, compounded daily [subsection 248(11)], according to a corporation's actual instalment requirements for the year.

We will charge interest if:

- you made late or insufficient instalment payments; and
- the interest on the instalment payments is more than \$25.

We use the offset method to calculate instalment interest. This means we allow credit interest when you prepay or overpay your instalments, which can reduce or eliminate the interest charged on late or insufficient payments. For more information on the offset method, see Information Circular 81-11.

The interest rate, prescribed by Regulation 4301, is adjusted every three months. It is based on the average rate of 90-day Treasury Bills sold during the first month of the preceding quarter (rounded to the next higher whole percentage point) plus two percentage points.

Example

Corporation A has a December 31 year-end and has to make monthly instalment payments of \$75,000 beginning January 1993. The corporation only makes two instalment payments in the year. The corporation makes one payment of \$120,000 on March 12, and a second payment of \$150,000 on April 25. Therefore, when we assess Corporation A's return, we will charge \$32,635.95 in instalment interest.

We used an interest rate of 10% in the following calculation.

Date 1993	Instalment payments due	Payments received	Balance	No. of days	Interest
Jan 31	\$75,000		\$ 75,000.00	28	\$ 575.89
Feb 28	75,000		150,575.89	12	494.43
Mar 12		\$120,000	31,070.32	19	161.69
Mar 31	75,000		106,232.01	25	728.01
Apr 25		150,000	(43,039.98)	5	(58.83)
Apr 30	75,000		31,901.19	31	271.31
May 31	75,000		107,172.50	30	881.95
Jun 30	75,000		183,054.45	31	1,556.83
Jul 31	75,000		259,611.28	31	2,207.93
Aug 31	75,000		336,819.21	30	2,771.78
Sep 30	75,000		414,590.99	31	3,525.99
Oct 31	75,000		493,116.98	30	4,058.00
Nov 30	75,000		572,174.98	31	4,866.21
Dec 31	75,000		652,041.19	59	10,594.76
Feb 28	Balance due date				

Total instalment interest \$32,635.95

Instalment penalty

We may charge an instalment penalty under section 163.1 of the Act when the instalment interest is more than \$1,000.

We calculate the penalty by subtracting from the instalment interest the greater of:

- \$1,000; and
- 25% of the instalment interest calculated if no instalment payment had been made for the year.

One-half of the difference is the amount of the penalty.

Example

In the previous example, Corporation A is charged instalment interest of \$32,635.95. Therefore, we assess a penalty of \$9,068.41 as follows:

Instalment interest	\$32,635.95
Minus the greater of:	\$1,000; or 25% of the instalment interest charged if Corporation A had made no payment at all (57,996.52 × 25% = 14,499.13)
	<u>14,499.13</u>
Subtotal	18,136.82
Instalment penalty [one-half of subtotal]	\$ 9,068.41

Section B

Parts IX, XII.1, and XII.3 Tax Instalments

Introduction

The information in this section will help you determine the instalment payments your corporation has to make under the following parts of the *Income Tax Act*:

- Part IX — Tax on Deduction under Subsection 66.5(1);
- Part XII.1 — Tax on Carved-Out Income; and
- Part XII.3 — Tax on Investment Income of Life Insurers.

Arrears and refund interest apply to Parts IX, XII.1, and XII.3 of the Act.

Do not use options 1, 2, or 3 given in Section A to calculate the instalment payments described in this section.

Paying instalments

After we process your payment for taxes under Parts IX, XII.1, or XII.3 of the Act, you will receive a personalized remittance form, Form T901. This form will give you the revised balance for your account and you can use it to make your next payment. If you do not have a personalized T901 remittance form, use the copy of Form T901 included in this guide. Enter your corporation's name, address, account number, the taxation year-end, and the amount of your payment in the spaces provided. Mail the completed form with your payment to your regional taxation centre, or you can make your payment in person at your district office.

If you are making one payment for taxes under different parts of the Act, give the allocation for each amount to ensure that each account is credited correctly.

Part IX — Tax on deduction under subsection 66.5(1)

If you deduct amounts for Canadian exploration and development expenses under subsection 66.5(1), you have to pay a 30% tax on that amount (section 196).

Reporting requirements

Report the tax you have to pay under Part IX of the Act on Form T2099, *Part IX Tax Return in Respect of Amounts Deducted under Subsection 66.5(1)*. We should receive the return no later than six months after the end of the corporation's taxation year.

Instalment payments

You pay the taxes you owe under Part IX of the Act in instalments of one-twelfth of the tax payable for the year. The payments are due each month in the taxation year. The remainder of tax, if any, is due on or before the end of the second month after the end of the taxation year.

Interest

We use the deficiency method to calculate instalment interest on late or insufficient instalment payments of Part IX tax. This means that we calculate the instalment interest on the amount your instalment payments were short of what they should have been. For more information on the deficiency method, see Information Circular 81-11.

Part XII.1 — Tax on carved-out income

Part XII.1 of the Act generally applies to carved-out property acquired after July 19, 1985. Carved-out property includes Canadian mineral resources, petroleum, natural gas, and related hydrocarbons. The tax rate for carved-out income is 50% of the income from carved-out property. Carved-out income is described in detail in section 209 of the Act.

Reporting requirements

Report the tax you owe under Part XII.1 on Form T2096, *Part XII.1 Tax Return — Tax on Carved-Out Income*. We should receive the return no later than six months after the end of the corporation's taxation year.

Instalment payments

You have to make instalment payments equal to one-twelfth of the tax payable under Part XII.1 of the Act each month in the taxation year. The remainder of tax, if any, is due on or before the end of the second month after the end of the corporation's taxation year.

Interest

We use the deficiency method to calculate instalment interest on late or insufficient instalment payments of Part XII.1 tax. This means that we base the instalment interest on the amount your instalment payments were short of what they should have been. For more information on the deficiency method, see Information Circular 81-11.

Part XII.3 — Tax on investment income of life insurers


Life insurers may have to pay tax under Part XII.3 of the Act (section 211.1). The amount of tax you may have to pay is 15% of your taxable Canadian life investment income for the year.

Reporting requirements


Report the tax you owe under Part XII.3 of the Act on Form T2142, *Part XII.3 Tax Return — Tax on Investment Income for Life Insurers*. We should receive the return no later than six months after the end of your taxation year.

Instalment payments

You must pay the tax under Part XII.3 in quarterly instalments on or before the last day of each three-month period. You have to make the first instalment payment three months less a day after your taxation year begins. Your remaining payments are due on the same day of each three-month period until the end of your taxation year.



USE THIS FORM
FOR PARTS
I, I.3, VI AND VI.1
TAX INSTALMENTS



USE THIS FORM
FOR PARTS
IX, XII.1 AND XII.3
TAX INSTALMENTS

Calculate each instalment payment as follows:

- the number of complete months in the taxation year within the three-month period; divided by
- the number of complete months in the taxation year; times
- the smaller amount between:
 - the Part XII.3 tax payable for the current taxation year; and
 - the Part XII.3 tax payable for the preceding taxation year.

The remainder of tax, if any, is due on or before the last day of the second month after the end of your taxation year.

If the tax calculated under this part of the Act is \$1,000 or less in the current or preceding year you do not have to make instalment payments.

Interest

We use the offset method to calculate instalment interest. This means we allow credit interest when you prepay or overpay your instalments, which can reduce or eliminate the interest charged on late or insufficient payments. For more information on the offset method, see Information Circular 81-11.

We will not charge interest on late or deficient instalments if the total amount of the interest is \$25 or less.

Section C Worksheets

The two worksheets in this section will help you determine your instalments for 1993. Estimate your current-year tax payable and your credits on worksheet 1. Then use these amounts to complete the current-year information area on worksheet 2.

Use worksheet 2 to determine your instalments for the year. After you have calculated the taxes you owe under Parts I, I.3, VI, and VI.1 of the Act, and your provincial or territorial tax, enter the amounts in the appropriate column for options 1, 2, and 3. An explanation of the three options is found in Section A under the heading "How to calculate your instalments of corporate tax." You can use the option that is most advantageous to you. Any remaining unpaid tax is payable on or before the balance due date described in Section A.

Worksheet 1

Calculating Estimated Tax Payable and Tax Credits for 1993

Estimated taxable income _____

Calculating the estimated tax payable

Total of estimated:

Federal Part I tax _____
 Federal surtax _____
 Subtotal (A) _____

Minus total of estimated:

Small business deduction _____
 Investment corporation deduction _____
 Federal tax abatement _____
 Manufacturing and processing profits deduction _____
 Non-business foreign tax credit _____
 Business foreign tax credit _____
 Logging tax credit _____
 Federal political contribution tax credit _____
 Investment tax credit per T2038 _____
 Part I.3 tax credit _____
 Part VI tax credit _____
 Subtotal (B) _____

Total estimated 1993 Part I tax payable* (A) - (B) _____
Total estimated 1993 Part I.3 tax payable* _____
Total estimated 1993 Part VI tax payable* _____
Total estimated 1993 Part VI.1 tax payable* _____
Estimated 1993 net provincial tax payable* _____

Calculating the estimated credits for 1993

Total of:

Investment tax credit refund _____
 Dividend refund _____
 Federal capital gains refund _____
 Provincial and territorial capital gains refund _____
 NRO Allowable refund per T2S(26) _____
 Tax withheld at source _____

Total estimated 1993 credits* _____

* Use these amounts when calculating your monthly instalment payments on Worksheet 2.

Worksheet 2

Calculating Monthly Instalment Payments

Instalment payments are due each month of your corporation's taxation year.

	Option 1	Option 2	Option 3
	1993	1992	1991
Add:			
Part I tax payable			
Part I.3 tax payable			
Part VI tax payable			
Part VI.1 tax payable			
Total Parts I, I.3, VI, and VI.1 Tax*			
Add:			
Provincial/territorial tax payable			
Total Parts I, I.3, VI, V.1 tax, and provincial/territorial tax			
Subtract:			
Total 1993 estimated credits			
Instalment base amount			
Divide by:	12	12	
12 payments due			
Total Parts I, I.3, VI, VI.1 tax and provincial/territorial tax payable for 1991			12
Divide by:			
Amount			(A)
Minus: one-twelfth of total 1993 estimated credits			
Each of the first two instalment payments equals			
Total Parts I, I.3, VI, VI.1, and provincial/territorial tax payable for 1992			
Minus: Amount (A) X 2			
Subtotal:			10
Divide by:			
Subtotal:			
Minus: one-twelfth of total 1993 estimated credits			
Each of the remaining 10 instalment payments equals			

*If this amount is \$1,000 or less for either 1993 or 1992, you do not have to make instalment payments for 1993.

Appendix A — Rates of income tax

The information in this appendix will help you estimate your taxes payable and your tax credits for 1993. Use these figures in option 1 to calculate your income tax instalments.

Federal

The basic rate of Part I tax is 38% of your taxable income.

Provincial

Corporations have to calculate and pay provincial or territorial corporate income tax in addition to their federal corporate income tax.

Provincial or territorial corporate income tax is based on the taxable income your corporation earned in a province or territory. If your corporation is established in more than one province or territory, see sections 400 to 402 of the *Income Tax Regulations*. When you calculate the 10% federal tax abatement and the provincial or territorial tax, the taxable income earned in each province or territory has to be determined according to its regulations.

All provinces and territories have two income tax rates. Apply the lower rate to the income you earned in a province or territory that is eligible for the federal small business deduction. Apply the higher rate to your income that is not eligible for this deduction.

Quebec, Ontario, and Alberta do not have corporate tax collection agreements with the federal government. **Corporations established in these provinces must file a return for their province.**

The following table indicates the income tax rates for the provinces and territories that have tax collection agreements with the federal government.

Province or territory	Income eligible for the small business deduction (% of federal taxable income)	Other income (% of federal taxable income)
Newfoundland	10	17
Nova Scotia	5	16
Prince Edward Island	7.5	15
New Brunswick	9	17
Manitoba	10	17
Saskatchewan	9	17
British Columbia	10	16
Northwest Territories	5	12
Yukon Territory	5	10

These rates may change during 1993.

You can reduce the tax calculated at these rates by various deductions and credits. For more information, see the *T2 Corporation Income Tax Guide*.

Effective January 1, 1993, the income tax rate for income eligible for the small business deduction for Saskatchewan was reduced from 9.5 per cent to 9 per cent.

DECLARATION OF TAXPAYER RIGHTS

**YOU ARE ENTITLED TO A
FAIR HEARING AND
COURTEOUS TREATMENT.
FAIR HANDLING OF A
COMPLAINT IS ONE OF
YOUR FUNDAMENTAL
RIGHTS. ONE OF OUR
OBLIGATIONS IS TO HELP
YOU EXERCISE YOUR
RIGHTS.**

IN YOUR DEALINGS WITH REVENUE CANADA, TAXATION, YOU HAVE IMPORTANT RIGHTS

Information

You are entitled to complete and accurate information about the *Income Tax Act*, the entitlements it allows you, and the obligations it imposes on you.

Courtesy and consideration

You are entitled to courteous and considerate treatment in all your dealings with us, whether we are requesting information or arranging for an interview or an audit.

Impartiality

You are entitled to demand impartial application of the law. It is our job to collect only the correct amount of tax, no more and no less.

Presumption of honesty

You are entitled to be presumed honest unless there is evidence to the contrary.

**YOU ARE ENTITLED TO
MANY OTHER RIGHTS
UNDER THE LAWS OF
CANADA.**

Privacy and confidentiality

You are entitled to expect that we will use the personal and financial information you provide us only for purposes the law allows.

Disputed amounts

You are entitled to withhold disputed amounts, to the extent the law allows, until our officers or a court decides on your objection. If you appeal to a higher court, you can put up security instead of paying the disputed amounts.

Impartial review

You are entitled to object to an assessment if you believe you have been treated unfairly. You must exercise this right within a specific period. Once you have filed a notice of objection, we will conduct an impartial review of your file. If the matter is not resolved to your satisfaction, you can appeal to the courts.

Bilingual service

You are entitled to service in the official language of your choice.

**YOU ARE ENTITLED TO
KNOW YOUR RIGHTS AND
TO INSIST THAT THEY
BE RESPECTED.**

YOU HAVE THE RIGHT TO EVERY BENEFIT THE LAW ALLOWS

You are entitled to arrange your affairs to pay the least amount of tax the law allows. We are committed to applying the law in a consistent and fair manner. We will be firm with those who are guilty of tax evasion.

Appendix C — Taxation centre addresses

If you have any questions or, if you would like to send your instalment payments directly to us, mail your correspondence to your regional taxation centre at the following addresses.

You can also request information concerning your corporation account by telephone. The numbers for each taxation centre are listed below.

Corporations served by district offices in

Contact

Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland	▶	Revenue Canada Taxation Centre Freshwater Road and Empire Avenue St. John's, Newfoundland A1B 3Z1 Manager, Corporation Accounts (709) 772-6575
Sherbrooke, Québec, Rouyn-Noranda, Chicoutimi, Rimouski, and Trois-Rivières	▶	Revenue Canada Taxation Centre 2251, boul. de la Centrale Jonquière, Quebec G7S 5J1 Manager, Corporation Accounts (418) 548-0809
Montréal, Saint-Hubert, and Laval	▶	Revenue Canada Taxation Centre 4695-12th Avenue Shawinigan-Sud, Quebec G9N 7S6 Manager, Corporation Accounts (819) 537-8894
Ottawa, Toronto, Scarborough, Mississauga, and North York	▶	Revenue Canada Taxation Centre 875 Heron Road Ottawa, Ontario K1A 1A2 Manager, Corporation Accounts (613) 954-9910

Kingston, Belleville, Hamilton,
Kitchener, St. Catharines,
London, Windsor, Sudbury, and
Thunder Bay



Revenue Canada
Taxation Centre
1050 Notre-Dame Avenue
Sudbury, Ontario
P3A 5C1

Manager, Corporation
Accounts (705) 670-5360

Alberta, Saskatchewan,
Manitoba, and the
Northwest Territories



Revenue Canada
Taxation Centre
66 Stapon Road
Winnipeg, Manitoba
R3C 3M2

Manager, Corporation
Accounts (204) 984-3427

British Columbia and the Yukon
Territory



Revenue Canada
Taxation Centre
9755 King George Highway
Surrey, British Columbia
V3T 5E1

Manager, Corporation
Accounts (604) 585-5763

Non-resident Corporations



International
Taxation Office
2540 Lancaster Road
Ottawa, Ontario
K1A 1A8

Manager, Corporation
Accounts (613) 526-6594

Improving this guide

This guide is reviewed each year. If you have any comments or suggestions to improve the explanations provided in the guide, we would like to hear from you.

Please send your comments to:

Tax Forms Directorate
875 Heron Road
Ottawa, Ontario
K1A 0L8

Telecommunication Device for the Deaf (TDD): TDD users can call 1-800-665-0354 during regular hours of service.		Regular hours of telephone and counter service: Monday to Friday - 8:15 a.m. to 5:00 p.m. (except holidays)			
Prov.	District Taxation Offices	Business Enquiries		Requests for Forms	
		Local calls	Long distance calls	Local calls	Long distance calls
NFLD	St. John's - 165 Duckworth Street A1C 5X6	772-4068	(709) 772-4068	772-5088	1-800-563-2600
P.E.I.	Charlottetown - 94 Euston St. C1A 8L3	628-4227	1-628-4227	628-4250	1-628-4250
N.S.	Halifax - 1256 Barrington St. B3J 2T5	426-2577	1-426-2577	426-2210	1-426-2210
	Sydney - 47 Dorchester St. B1P 6K3	564-7122	1-564-7122	564-7120	1-564-7120
N.B.	Bathurst - 120 Harbourview Blvd. 4th Floor E2A 4L8	636-5314	1-636-5314	548-7100	1-800-561-6104
	Saint John - 65 Canterbury Street E2L 9Z9	636-5314	1-636-5314	636-4618	1-800-222-9622
P.Q.	Chicoutimi - 100 Lafontaine St., Office 211 G7H 6X2	649-3277	(418) 649-3277	698-5580	1-800-463-4421
	Laval - 3131 St. Martin Blvd. West H7T 2A7	956-6705	1-800-363-2218	956-9115	1-800-363-2218
	Montréal - 305 René-Lévesque Blvd. W. H2Z 1A6	283-5328	1-800-361-2808	283-5623	1-800-361-2808
	Québec - 165 de la Pointe-aux-Lièvres South G1K 7L3	649-3277	(418) 649-3277	648-4083	1-800-463-4421
	Rimouski - 320 St. Germain E. 4th floor G5L 1C2	649-3277	(418) 649-3277	1-800-463-4421	
	Rouyn-Noranda - 11 Terminus St. E. J9X 3B5	797-7324	(819) 797-7324	797-4299	1-800-567-6403
	..... from area code 819		(819) 797-7324		1-800-567-6428
	..... from area code 418				
	Sherbrooke - 50 Place de la Cité J1H 5L8	821-8504	1-800-567-3552	821-8565	1-800-567-7360
	St-Hubert - 5245 Cousineau Blvd., Suite 200 J3Y 7Z7	283-5328	1-800-361-2808	445-5264	1-800-361-2808
	Trois-Rivières - 25 des Forges St., Suite 411 G9A 2G4	1-800-567-3552		373-2723	1-800-567-9325
ONT.	Belleville - 11 Station St. K8N 2S3	391-2727	1-800-267-8030	969-3707	1-800-267-8043
	Hamilton - 150 Main St. W. L8N 3E1	572-2917	(416) 572-2917	522-7902	1-800-263-9205
	..... from area code 416		(416) 572-2917		1-800-263-9215
	..... from area code 519				
	Kingston - 385 Princess St. K7L 1C1	541-3601	1-800-267-9447	1-800-267-8043	
	Kitchener - 166 Frederick St. N2G 4N1	570-7453	(519) 570-7453	579-8951	1-800-265-2210
	London - 451 Talbot St. N6A 5E5	645-4493	1-800-265-4900	645-4244	1-800-265-4900
	Mississauga - 77 City Centre Drive L5A 4E9	566-6155	1-800-387-1700	566-6005	1-800-387-1700
	..... from area codes 416, 519 and 705				
	North York - Suite 1000, 5001 Yonge St. M2N 6R9	954-4634	(416) 954-4634	954-4671	1-800-387-1700
	..... from area codes 416, 519 and 705				
	Ottawa - 360 Lisgar St. K1A 0L9	941-2019	(613) 941-2019	957-8088	1-800-267-8440
	..... from area code 613		(613) 941-2019		1-800-267-4735
	..... from area code 819				
	Peterborough - 185 King St. W. K9J 8M3	391-2727	(613) 391-2727	1-800-267-8043	
	St. Catharines - 32 Church St. L2R 3B9	984-2259	(416) 984-2259	688-4000	1-800-263-5672
	Scarborough - 200 Town Centre Court M1P 4Y3	973-6960	1-800-387-5229	296-0104	1-800-387-5229
	..... from area code 416		1-800-387-5183		1-800-387-5183
	..... from area codes 519 and 705				
	Sudbury - 19 Lisgar St. S. P3E 3L5	671-0541	(705) 671-0541	671-0581	1-800-461-4060
..... from area code 705		(705) 671-0541		1-800-461-6320	
..... from area codes 613 and 807					
Thunder Bay - 201 North May St. P7C 3P5	343-4057	(807) 343-4057	623-2751	1-800-465-6981	
Toronto - 36 Adelaide St. E. M5C 1J7	973-3071	(416) 973-3071	865-9469	(416) 865-9469	
Windsor - 185 Ouellette Ave. N9A 5S8	973-7904	1-800-265-4841	252-3611	1-800-265-4841	
MAN.	Winnipeg - 391 York Ave. R3C 0P5	983-6350	1-800-282-8079	983-3942	1-800-282-8079
SASK.	Regina - 1955 Smith St. S4P 2N9	780-6075	(306) 780-6075	780-6015	1-800-667-7555
	Saskatoon - 201-21st St. E. S7K 0A8	975-4643	1-800-667-2083	975-4577	1-800-772-1644
ALB.	Calgary - 220-4th Ave. S.E. T2G 0L1	691-6567	(403) 691-6567	221-8900	1-800-472-9701
	..... from southern Alberta				
	Edmonton - 9700 Jasper Ave. T5J 4C8	495-3624	(403) 495-3624	423-4044	1-800-661-4597
..... from northern Alberta		(403) 495-3624		1-800-661-3350	
..... from northeastern B.C. and Northwest Territories					
B.C.	Penticton - 277 Winnipeg St. V2A 1N6	492-9285	(604) 492-9285	492-9470	1-800-663-5062
	Vancouver - 1166 West Pender St. V6E 3H8	669-8367	(604) 669-8367	669-1033	1-800-663-1665
	..... from northwestern B.C. and the Yukon		(403) 495-3624		1-800-661-3350
..... from northeast B.C. (to Edmonton District Office)					
Victoria - 1415 Vancouver St. V8V 3W4	363-3474	(604) 363-3474	363-3291	1-800-663-7006	
INTERNATIONAL TAXATION OFFICE 2540 Lancaster Road, Ottawa, Ontario, K1A 1A8		954-9681	1-800-267-5177		
..... calls from the Ottawa area			(613) 954-9681		
..... calls from within Canada					
..... calls from outside Canada					

Taxation Centres

Corporations served by the following district offices:	Contact the following taxation centres:
St. John's, Charlottetown, Halifax, Sydney, Bathurst and Saint John	St. John's Taxation Centre, Freshwater Road/Empire Avenue, St. John's, Newfoundland A1B 3Z1
Chicoutimi, Québec, Rimouski, Rouyn-Noranda, Sherbrooke, and Trois-Rivières	Jonquière Taxation Centre, 2251 de la Centrale Blvd., Jonquière, Québec G7S 5J1
Laval, Montréal and St-Hubert	Shawinigan Taxation Centre, 4695 - 12th Avenue, Shawinigan-Sud, Québec G9N 7S6
Mississauga, North York, Ottawa, Scarborough and Toronto	Ottawa Taxation Centre, 875 Heron Road, Ottawa, Ontario K1A 1A2
Belleville, Hamilton, Kingston, Kitchener, London, Peterborough, St. Catharines, Sudbury, Thunder Bay and Windsor	Sudbury Taxation Centre, 1050 Notre Dame Avenue, Sudbury, Ontario P3A 5C1
Winnipeg, Regina, Saskatoon, Calgary and Edmonton	Winnipeg Taxation Centre, 66 Stapon Road, Winnipeg, Manitoba R3C 3M2
Penticton, Vancouver and Victoria	Surrey Taxation Centre, 9755 King George Highway, Surrey, British Columbia V3T 5E1

District Taxation Offices	General Enquiries		Problem Resolution Program	Director	Fax Number
	Local calls	Long distance calls			
St. John's	772-2610	1-800-563-2600	772-0172	772-5074	(709) 754-5928
Charlottetown	628-4200	1-628-4200	628-4092	628-4011	(902) 368-0248
Halifax	426-2210	1-426-2210	426-4909	426-4253	(902) 426-7170
Sydney	564-7080	1-564-7080	564-7123	564-3168	(902) 564-3095
Bathurst	548-7100	1-800-561-6104	1-800-561-2199	548-7927	(506) 548-9905
Saint John	636-4600	1-800-222-9622	636-3920	636-4760	(506) 648-9658
Chicoutimi	698-5580	1-800-463-4421	1-800-263-3479	698-5560	(418) 698-5544
Laval	956-9101	1-800-363-2218	956-6664	956-6666	(514) 956-6915
Montréal	283-5300	1-800-361-2808	496-1606	283-6539	(514) 496-1309
Québec	648-3180	1-800-463-4421	649-4056	648-4586	(418) 649-6478
Rimouski	722-3111	1-800-463-4421	1-800-263-3479	722-3104	(418) 722-3027
Rouyn-Noranda	764-5171		797-7314	797-7300	797-8366
..... from area code 819		1-800-567-6403	(819) 797-7314	(819) 797-7300	(819) 797-8366
..... from area code 418		1-800-567-6428	(819) 797-7314	(819) 797-7300	(819) 797-8366
Sherbrooke	564-5888	1-800-567-7360	821-8528	821-8597	(819) 564-4226
St-Hubert	283-5300	1-800-361-2808	445-5237	445-5217	(514) 445-6301
Trois-Rivières	373-2723	1-800-567-9325	1-800-263-7804	371-7027	(819) 371-2744
Belleville	969-3706	1-800-267-8030	391-2728	391-2665	(613) 969-7845
Hamilton	522-8671		572-2449	572-2601	546-1615
..... from area code 416		1-800-263-9200	1-800-363-4389	(416) 572-2601	(416) 546-1615
..... from area code 519		1-800-263-9210	1-800-363-4389	(416) 572-2601	(416) 546-1615
Kingston	545-8371	1-800-267-9447	541-3636	541-3629	(613) 545-3272
Kitchener	579-2230	1-800-265-2530	570-7562	570-7400	(519) 579-4532
London	645-4211	1-800-265-4900	645-4240	645-4180	(519) 432-2807
Mississauga	566-6700		566-6168	566-6165	566-6182
..... from area codes 416, 519 and 705		1-800-387-1700	(416) 566-6168	(416) 566-6165	(416) 566-6182
North York	954-4600		973-2434	512-4000	512-2558
..... from area codes 416, 519 and 705		1-800-387-1700	1-800-668-4467	(416) 512-4000	(416) 512-2558
Ottawa	598-2275		941-2022	941-2020	238-7125
..... from area code 613		1-800-267-8440	1-800-668-2964	(613) 941-2020	(613) 238-7125
..... from area code 819		1-800-267-4735	1-800-668-2964	(613) 941-2020	(613) 238-7125
Peterborough	876-6412	1-800-267-8030	1-800-565-7603	876-3100	(705) 876-6422
St. Catharines	688-4000	1-800-263-5672	984-2285	984-2202	(416) 688-5996
Scarborough	296-1950		973-4673	973-3945	973-5126
..... from area code 416		1-800-387-5229	1-800-667-1604	1-800-387-5229	(416) 973-5126
..... from area codes 519 and 705		1-800-387-5183	1-800-667-1604	1-800-387-5183	(416) 973-5126
Sudbury	671-0581		671-0595	671-0590	671-3988
..... from area code 705		1-800-461-4060	1-800-667-8959	(705) 671-0590	(705) 671-3988
..... from area codes 613 and 807		1-800-461-6320	1-800-667-8959	(705) 671-0590	(705) 671-3988
Thunder Bay	623-3443	1-800-465-6981	625-7033	625-7061	(807) 622-8512
Toronto	869-1500	(416) 869-1500	973-3392	954-2759	(416) 360-8908
Windsor	258-8302	1-800-265-4841	973-7907	973-7101	(519) 973-7188
Winnipeg	983-6350	1-800-282-8079	983-2346	983-7085	(204) 943-3928
Regina	780-6015	1-800-667-7555	780-7703	780-7702	(306) 757-1412
Saskatoon	975-4595	1-800-667-2083	975-5483	975-4636	(306) 652-3211
Calgary	221-8919		292-5063	299-3557	264-5843
..... from southern Alberta		1-800-332-1410	1-800-661-6634	(403) 299-3557	(403) 264-5843
Edmonton	423-3510		495-3783	495-3622	428-1584
..... from northern Alberta		1-800-232-1966	1-800-661-9476	(403) 495-3622	(403) 428-1584
..... from northeastern B.C. and N.T.		1-800-661-6451	1-800-661-4248	(403) 495-3622	(403) 428-1584
Penticton	492-9200	1-800-565-5125	492-9418	492-9393	(604) 492-8346
Vancouver	689-5411		669-8647	669-8374	689-7536
..... from northwestern B.C. and the Yukon		1-800-663-9033	1-800-663-9334	(604) 669-8374	(604) 689-7536
..... from northeastern B.C. (to Edmonton)		1-800-661-6451	1-800-661-4248	(403) 495-3622	(403) 428-1584
Victoria	363-0121	1-800-742-6108	363-3219	363-3219	(604) 363-3726
International Taxation Office 2540 Lancaster Road, Ottawa, Ontario, calls from the Ottawa area calls from within Canada calls from outside Canada	952-3741		957-1407 1-800-661-4985 (613) 952-3741	(613) 954-5823	(613) 941-2505

Taxation Centres	Problem Resolution Program	Assistant Director, Corporation Services	Director	Fax Number
St. John's Taxation Centre	(709) 772-0271	(709) 772-6888	(709) 772-0279	(709) 754-3416
Jonquière Taxation Centre	548-9171 1-800-263-1485	548-5385 1-800-561-1870	(418) 699-0540	(418) 548-0846
Shawinigan Taxation Centre	(819) 537-9381	(819) 537-5141	(819) 536-6200	(819) 536-7078
Ottawa Taxation Centre	(613) 941-3333	(613) 954-9910	(613) 954-9622	(613) 739-1147
Sudbury Taxation Centre	671-0317 1-800-661-7419	(705) 670-5567	(705) 670-5563	(705) 671-3994
Winnipeg Taxation Centre	(204) 984-2469	(204) 984-3429	(204) 984-2470	(204) 661-6989
Surrey Taxation Centre	(604) 585-7318	(604) 585-5764	(604) 585-5760	(604) 585-5769

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