



ACTIVE BUSINESS INCOME FOR THE PURPOSES OF THE ACCELERATED TAX REDUCTION FOR CORPORATIONS WITH SPECIFIED PARTNERSHIP INCOME (2003 and 2004 taxation years)

Name of corporation, Business Number, Taxation year-end (Year, Month, Day)

- This schedule applies to corporations involved in partnerships whose calculation in Part 2 of Schedule 7 was limited to the amount in column G when calculating specified partnership income.
The calculation on this schedule is necessary for the purpose of calculating the accelerated tax reduction. This tax reduction is not available for taxation years ending after 2004.
This schedule is a worksheet only and you are not required to file it with your T2 Corporation Income Tax Return.

Part 1 - Specified partnership income

Table with 5 columns: A (Amounts from column E in Part 2 of Schedule 7), B (Amounts from column G in Part 2 of Schedule 7), C (Column B x 300,000 / business limit *), D (Column A minus column C), E (Lesser of columns A and C). Rows 1-5 and Total row.

Amount at line J in Part 2 of Schedule 7 (H)
Amount at line F or H above, whichever is less (I)
Specified partnership income (line G plus line I) (J)

* Use one of the following business limits to calculate column C above, whichever applies:
• \$225,000 if the corporation's taxation year ends in 2003; or
• \$250,000 if the corporation's taxation year ends in 2004.

Part 2 - Determination of partnership income

Amount M from Part 3 of Schedule 7
Deduct: Specified partnership income from line J above
Partnership income (K)

Part 3 - Active business income for the purposes of the accelerated tax reduction

Net amount on line R from Part 4 of Schedule 7
Deduct: Partnership income from line K above
Active business income for the purposes of the accelerated tax reduction (L)
(Enter amount L on line B in the accelerated tax reduction area of the T2 return.)