



AGREEMENT RESPECTING LIABILITY FOR PART VI.1 TAX (1998 and later taxation years)

- Use this schedule to transfer all or a part of the Part VI.1 tax liability of a corporation (transferor corporation) to a related taxable Canadian corporation (transferee corporation) (section 191.3). Such transfers are beneficial where the transferor corporation does not have sufficient Part I tax to utilize the deduction for Part VI.1 tax that is provided under paragraph 110(1)(k).
The transferee corporation has to be related to the transferor corporation throughout a taxation year of the transferor corporation and throughout the last taxation year of the transferee corporation ending by the end of that taxation year of the transferor corporation. Corporations that are related only because of a right referred to in paragraph 251(5)(b) cannot make this agreement. The Part VI.1 tax liability cannot be transferred if the two corporations are related only by virtue of being controlled by the federal or a provincial government (effective for taxation years of the transferor ending after April 26, 1995).
An agreement or amended agreement has to be filed by the transferor corporation and the transferee corporation:
- no later than six months after the end of the transferor's taxation year for which the Part VI.1 tax would otherwise be payable; or
- no later than 90 days after the mailing of a notice of assessment of Part I or Part VI.1 tax payable (or notification that no tax is payable) to either corporation for the taxation year for which the agreement is filed.
The transferor and the transferee corporations have to attach certified copies of the resolutions of the directors (or the documents of persons legally entitled to administer the affairs of the corporation) authorizing such an agreement.
The transferee corporation has to include the amount of tax specified in this agreement in its Part VI.1 tax payable, and the transferor corporation will deduct this amount from its Part VI.1 tax otherwise payable. Both corporations remain jointly and severally liable to pay the tax specified in this agreement, including any interest and penalties on this amount of tax.
Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal Income Tax Act.
For more information, see the T2 Corporation Income Tax Guide.

Agreement

Date filed (for departmental use only) ..... 101 [Year | Month | Day]

It is hereby agreed that Part VI.1 tax in the amount of 105 \_\_\_\_\_ is transferred from the transferor corporation to the (related) transferee corporation.

110 Name of transferor corporation | 115 Business Number | 120 Taxation year end (Year | Month | Day)

125 Name of transferee corporation | 130 Business Number | 135 Taxation year end (Year | Month | Day)