

ALTERNATIVE MINIMUM TAX

Use this form to calculate your 2001 federal tax payable under alternative minimum tax. If you are completing a return for a trust, use Schedule 12 of the T3 return. Complete Parts 1, 2, and 8 if you do not have to pay minimum tax in 2001 and you are applying a minimum tax carryover from previous years against your 2001 tax payable. Alternative minimum tax does not apply to a person who died in 2001 or to returns filed under subsection 70(2) or 150(4), or under paragraph 104(23)(d) or 128(2)(e) of the *Income Tax Act*. Attach a completed copy of this form to your 2001 return.

You may also have to complete and attach copies of the following forms, depending on your situation:

- Form T1219, *Provincial Alternative Minimum Tax*.
- Form T2203, *Provincial and Territorial Taxes for 2001 – Multiple Jurisdictions*, if you had business income in 2001 from a province or territory other than the one in which you lived at the end of the year, or from another country.

Part 1 – Adjusted taxable income and minimum amount (notes 1 through 5 indicated on this page are explained on page 2)

Taxable income from line 260 of your return, or the amount that you would have entered on line 260 if the instruction "if negative, enter '0'" on lines 236 and 260 were replaced with the instruction "if negative, enter the result in brackets" 1

Film property (Note 1)

Capital cost allowance (CCA) and carrying charges claimed on certified film property acquired before March 1996 (usually included on lines 221 and 232 of your return) 2

Net income from film property before CCA and related carrying charges (if negative, enter "0") (Note 2) - 3

Line 2 minus line 3 (if negative, enter "0") **6782** = 4

Rental and leasing property (Note 1)

Capital cost allowance (CCA) and carrying charges claimed on rental and leasing property (included on line 126 of your return) 5

Net income from rental and leasing property before CCA and related carrying charges (if negative, enter "0") (Note 2) - 6

Line 5 minus line 6 (if negative, enter "0") **6783** = 7

Tax shelters, limited partnerships, and non-active partners

Losses from partnerships of which you are a limited or non-active partner, or partnerships that are tax shelters (Note 3) 8

Amounts deductible for properties that are tax shelters (Note 4) + 9

Carrying charges that relate to acquiring an interest in a partnership of which you are a limited or non-active partner, or which owns a rental or leasing property or a film property (included on line 221 of your return) (Note 5) + 10

Add lines 8, 9, and 10 **6784** = 11

Resource property and flow-through shares

Total of all resource expenditures, depletion allowances, and carrying charges related to resource property and flow-through shares (included on lines 221, 224, and 232 of your return) 12

Income (including royalties) from production of petroleum, gas, and minerals, before carrying charges, resource expenditures, and depletion allowances included on line 12 (if negative, enter "0") 13

Income from dispositions of foreign resource properties, and recovery of exploration and development expenses (if negative, enter "0") + 14

Line 13 plus line 14 = 15

Line 12 minus line 15 (if negative, enter "0") **6786** = 16

Non-taxable portion of capital gains reported in the year

Amount from line 197 on Schedule 3 of your return; if negative, enter "0" on line 25; do not include a reserve from any year before 1986 17

Capital gains arising from mortgage foreclosures and conditional sales repossessions from lines 124 and 155 on Schedule 3 18

Part of total capital gains included on line 17 that is exempt from Canadian tax under a tax treaty **6788** + 19

Adjusted capital gains on gifts of certain capital property from line 193 on Schedule 3 + 20

Capital gains from donations not included on line 20 **6789** + 21

Certain capital gains from a testamentary trust (for details, contact its legal representative) **6787** + 22

Add lines 18 to 22 = 23

Line 17 minus line 23 (this amount can be negative) = 24

Multiply line 24 by 30% (do not show it in brackets) (a)

Enter the amount from line 127 of your return (b)

If line 24 is positive, enter the amount from line (a) on line 25; if line 24 is negative, enter the amount from line (a) or (b), whichever is less, and show it in brackets + 25

Add lines 1, 4, 7, 11, 16, and 25 = 26

Do not use this area **6790**

Part 1 – Adjusted taxable income and minimum amount (continued)

Amount from line 26 on the first page of this form		27
Employee home relocation loan deduction from line 248 of your return	+	28
Total of all amounts shown on your T4 slips, or on line 4 of Form T1212, <i>Statement of Deferred Stock Option Benefits</i> , as deductible under paragraph 110(1)(d) and included on line 249 of your return	5569	29
Gifts of shares acquired under a stock-option plan included on line 249 of your return	5570	30
Amount from line 29 above	31	
Amount from line 30 above	32	
Line 31 minus line 32 (if negative, enter "0") ..	33	
Multiply line 33 by 40%	+	34
Line 30 plus line 34	=	35
Line 29 minus line 35 (if negative, enter "0")	=	36
Total of all amounts shown on your T4 slips as deductible under paragraph 110(1)(d.1) and included on line 249 of your return	37	
Deduction included on line 249 of your return for a share received as a prospector or grubstaker	+	38
Deduction included on line 249 of your return for certain dispositions of shares received from a deferred profit-sharing plan	+	39
Add lines 37, 38, and 39	5571	40
Multiply line 40 by 60%	+	41
If you claimed losses incurred in another year on line 251 or 252 of your 2001 return, indicate the part of these losses that relates to CCA or carrying charges claimed on multiple-unit residential buildings (MURBs), rental and leasing property, certified feature films, or certified productions, as well as the part that relates to resource expenditures and depletion allowances (Note 6)	+	42
Add lines 27, 28, 36, 41, and 42 (Note 7)	=	43
Amount from line 120 of your return	x 20% =	44
Amount from line 217 of your return	+	45
Net non-deducted capital losses from line 154 in Part 9 (Note 8)	+	46
Add lines 44 to 46	=	47
Line 43 minus line 47 (if negative, enter "0")	Adjusted taxable income	48
Basic exemption	-	49
Line 48 minus \$40,000 (if negative, enter "0")	Net adjusted taxable income	50

If line 50 is "0", you are not subject to alternative minimum tax. Attach a copy of this form to your return, and complete Schedule 1 and your return as usual.

Enter the amount from line 50		51
Federal tax rate	x 16%	52
Gross minimum amount: Multiply line 51 by 16%	=	53
Total non-refundable tax credits from line 350 on your Schedule 1	54	
Enter the total of lines 314, 318, 324, and 326 on your Schedule 1	55	
Federal tax rate	x 16%	56
Multiply line 55 by 16%	=	57
Line 54 minus line 57	=	58
Line 53 minus line 58 (if negative, enter "0")	Minimum amount	59

If line 59 is "0", you are not subject to alternative minimum tax. Attach a copy of this form to your return, and complete Schedule 1 and your return as usual.

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| <p>Note 1
If you are a member of a partnership, include your share of the income and deductions for the partnership's fiscal period ending in 2001. Do not include any amounts that you have to include on lines 8 to 10 of this form.</p> <p>Note 2
For film property and rental and leasing property, first add income from these investments (before CCA or carrying charges, if applicable) and net taxable capital gains, if any, from dispositions of such investments. Then subtract losses from these investments (before CCA or carrying charges, if applicable). If the result is negative, enter "0".</p> <p>Note 3
If you are a limited or non-active partner of a partnership, or if your interest in the partnership is in a tax shelter that the partnership holds, include on line 8 your share of the net losses of the partnership from each source (allowable capital losses, business losses, and property losses) that is more than the amount allowed under paragraph 127.52(1)(c.1) of the Act.

Generally, the amount allowed under that paragraph should correspond with the net taxable capital gains that were attributed to you by the partnership or that you have realized on the disposition of your interest in the partnership. These losses are generally reported on line 122 of your return, except rental (line 126) and farming losses (line 141).</p> | <p>Note 4
Also include all other amounts deducted for property for which an identification number is needed or has been obtained under section 237.1 of the <i>Income Tax Act</i>, such as carrying charges relating to the acquisition of the property. Include amounts from Form T5004, <i>Statement of Tax Shelter Loss or Deduction</i>, that you reported on your return. Do not include amounts that you have to include on any other line of this form.</p> <p>Note 5
Enter on this line carrying charges relating to the acquisition of an interest in a partnership of which you were a limited or non-active partner, or in a partnership that owns a rental or leasing property or a film property. Include only carrying charges that are more than your share of the partnership's income.</p> <p>Note 6
Calculate the limited partnership losses, restricted farm losses, farm losses, and non-capital losses for other years from CCA and carrying charges, using the rules in effect for the year.</p> <p>Note 7
If you elect under section 40 of the <i>Income Tax Application Rules</i>, include the elected income in the total on line 43.</p> <p>Note 8
If you have unapplied capital losses from other years, complete Part 9 and enter the net non-deducted capital losses on line 46. This applies even if you have not claimed any net capital losses of other years on line 253 of your return. However, if line 24 in Part 1 is "0" or negative, and you do not have any unapplied net capital losses from before May 23, 1985, do not complete Part 9. Enter "0" on line 46.</p> |
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Part 2 – Basic federal tax

Enter the amount from line 11 of your Schedule 1	_____	_____	60
Total non-refundable tax credits from line 350 on Schedule 1	_____	_____	61
Dividend tax credit: amount of dividends from line 120 of your return $\times 13.3333\%$	_____	+	62
Overseas employment tax credit from Form T626, <i>Overseas Employment Tax Credit</i>	_____	+	63
Add lines 61 to 63	_____	=	▶ 64
Tax payable before minimum tax carryover: Line 60 minus line 64	_____	=	65
Minimum tax carryover applied in 2001 from line 124 in Part 8	_____	=	66
Line 65 minus line 66	_____	=	67

Part 3 – Regular net federal tax payable

Federal surtax on business income earned outside Canada: multiply the amount from line 67 by 48%. If you have to pay provincial or territorial tax to multiple jurisdictions, multiply the result by the percentage in Column 5 of line 5222 on Form T2203. In either case, enter the result on this line

Line 67 plus line 68	_____	+	68
Line 67 plus line 68	_____	=	69
Federal foreign tax credit from line 10 of Form T2209, <i>Federal Foreign Tax Credits</i>	_____	_____	70
Federal logging tax credit	_____	+	71
Line 70 plus line 71	_____	=	▶ 72
Line 69 minus line 72 (if negative, enter "0")	_____	=	73

Federal tax payable

Federal political contribution tax credit from line 410 on your Schedule 1	_____	_____	74
Investment tax credit from line 412 on your Schedule 1	_____	+	75
Labour-sponsored funds tax credit from line 414 on your Schedule 1	_____	+	76
Add lines 74 to 76	_____	=	▶ 77
Line 73 minus line 77 (if negative, enter "0")	_____	=	78

Regular net federal tax payable

Part 4 – Special foreign tax credit (terms identified by the symbols * and † are defined on Form T2209)

(i) Foreign business income (total business income earned in the foreign country minus allowable expenses and deductions relating to the foreign income)	_____	_____	79
Foreign non-business income (on which non-business-income tax was paid to a foreign country *)	_____	+	80
Total foreign income	_____	=	81
Applicable rate	_____	x	16% 82
Foreign income limit for special foreign tax credit	_____	=	83
(ii) Total non-business-income tax paid to a foreign country *	_____	_____	84
Total business-income tax paid to a foreign country †	_____	+	85
Foreign taxes paid for special foreign tax credit	_____	=	86
Enter the amount from line 83 or the amount from line 86, whichever is less	_____	_____	87
Enter the amount from line 87, or the amount from line 70, whichever is more	_____	_____	88

Special foreign tax credit

Part 5 – Obligation to pay alternative minimum tax

Minimum amount from line 59	_____	_____	89
Special foreign tax credit from line 88	_____	-	90
Net minimum tax payable: Line 89 minus line 90 (if negative, enter "0")	_____	=	91

Regular net federal tax payable from line 78	_____	_____	92
Federal surtax from line 68	_____	-	93
Line 92 minus line 93 (if negative, enter "0")	_____	=	▶ 94
Line 91 minus line 94 (if negative, enter "0")	_____	=	95

If line 95 is "0", you are **not** subject to alternative minimum tax. Attach a copy of this form to your return. Complete Schedule 1 and your return as usual.
 If the amount on line 95 is **positive**, complete Parts 6 and 7, as well as Form T1219, *Provincial Alternative Minimum Tax*.

Part 6 – Federal tax payable (under Alternative Minimum Tax)

Basic federal tax from line 67	_____	_____	96
Amount from line 6 of Form T1206, <i>Tax on Split Income</i>	_____	-	97
Line 96 minus line 97 (if negative, enter "0")	_____	=	98
Minimum amount from line 89	_____	_____	99
Enter amount 98 or amount 99, whichever is more	_____	_____	100
Amount from line 6 of Form T1206, <i>Tax on Split Income</i>	_____	+	101
Line 100 plus line 101	_____	=	102
Net minimum tax payable from line 91	_____	_____	103
Federal surtax on business income earned outside Canada: multiply the amount from line 102 by 48%. If you have to pay provincial or territorial tax to multiple jurisdictions, multiply the result by the percentage in Column 5 of line 5222 on Form T2203. In either case, enter the result on this line	_____	+	104
Line 103 plus line 104	_____	=	105
Amount from line 8 of Form T1206, <i>Tax on Split Income</i>	_____	_____	106
Enter amount 105 or amount 106, whichever is more . Enter this amount on line 17 of your Schedule 1	_____	_____	107

Note
 Use the amount on line 102 as your basic federal tax (instead of line 13 of Schedule 1) when you calculate any refundable Quebec abatement. If you have to pay provincial or territorial tax to multiple jurisdictions and have income allocated to Quebec, enter the amount from line 102 on line 11 in Part 2 of Form T2203 to calculate any refundable Quebec abatement.

