



Alternative Minimum Tax

Use this form to calculate your 2008 federal tax payable under alternative minimum tax. If you are completing a return for a trust, use Schedule 12 of the T3 package. Complete parts 1, 2, and 8 if you do not have to pay minimum tax in 2008 and you are applying a minimum tax carryover from previous years against your 2008 tax payable. Alternative minimum tax does not apply to a person who died in 2008 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* (the Act). Attach a completed copy of this form to your 2008 return. If you had business income in 2008 from a province or territory other than the one in which you lived at the end of the year, or from another country, you may also have to complete and attach a copy of Form T2203, *Provincial and Territorial Taxes for 2008 – Multiple Jurisdictions*.

Part 1 – Adjusted taxable income and minimum amount (notes 1 through 5 indicated on this page are explained on pages 1 and 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 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 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 for 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 to 10	6784 =		▶ +	11

Resource property and flow-through shares

Total of all resource expenditures, depletion allowances, and carrying charges for 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 part of capital gains reported in the year

Amount from line 197 on Schedule 3 of your return; if negative, enter "0" on line 24; do not include a reserve from any year before 1986		17		
Capital gains (or losses) arising from mortgage foreclosures and conditional sales repossessions from lines 124 and 155 of Schedule 3	18			
Part of total capital gains included on line 17 that is exempt from Canadian tax under a tax treaty (included on line 256)	6788 + 19			
Capital gains on gifts of certain capital property (from lines 1 and 2 of column 8 of Form T1170)	6789 + 20			
Certain capital gains from testamentary trusts (for details, contact its legal representative)	6787 + 21			
Add lines 18 to 21	=	▶ -	22	
Line 17 minus line 22 (this amount can be negative)	=	=	23	
Multiply line 23 by 30% (do not show the result in brackets)	a)			
Enter the amount from line 127 of your return	b)			
If line 23 is positive, enter the amount from line a) on line 24; if line 23 is negative, enter the amount from line a) or b), whichever is less, and show it in brackets.			+ =	24
Add lines 1, 4, 7, 11, 16, and 24			=	25

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 2008. Do not include any amounts that you have to include on lines 8 to 10 of this form.

Note 2 – For film property and rental and leasing property, first add income from these investments (before CCA or carrying charges, if they apply) and net taxable capital gains, if any, from dispositions of such investments. Then subtract losses from these investments (before CCA or carrying charges, if they apply). If the result is negative, enter "0".

Notes 3 to 5 are on the next page.

Do not use this area 6790

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

Amount from line 25 on the first page of this form		26
Employee home relocation loan deduction from line 248 of your return	+	27

Security options deduction under paragraph 110(1)(d) included on line 249 of your return (total of all amounts in box 39 of your T4 slips plus 50% of the amount on line 4 of Form T1212, <i>Statement of Deferred Security Options Benefits</i>)	5569	28
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Gifts of securities acquired under a security option plan included on line 249 of your return	5570	29
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Amount from line 28 above		30
Amount from line 29 above	-	31
Line 30 minus line 31 (if negative, enter "0")	=	32
Multiply line 32 by 40%	+	33
Line 29 plus line 33	=	34
Line 28 minus line 34 (if negative, enter "0")	=	35

Security options deduction under paragraph 110(1)(d.1) included on line 249 of your return (total of all amounts in box 41 of your T4 slips)		36
Deduction included on line 249 of your return for a security received as a prospector or grubstaker	+	37
Deduction included on line 249 of your return for certain dispositions of securities received from a deferred profit-sharing plan	+	38
Add lines 36 to 38	5571 =	39
Multiply line 39 by 60%	+	40

If you claimed losses incurred in another year on line 251 or 252 of your 2008 return, indicate the part of these losses that are limited partnership losses and/or CCA or carrying charges claimed on multiple-unit residential buildings, rental and leasing property, certified feature films, or certified productions, as well as the part for resource expenditures and depletion allowances. (Note 6)		41
Add lines 26, 27, 35, 40, and 41 (Note 7)	=	42

Amount from line 120 of your return		
Amount from line 180 of your return	-	× 20% =
Amount from line 120 minus line 180 of your return	=	× 31.0345% =
Line c) plus line d)	=	43
Amount from line 217 of your return	× 60% =	44
Net non-deducted capital losses from line 155 in Part 9 (Note 8)	+	45
Add lines 43 to 45	=	46
Line 42 minus line 46 (if negative, enter "0")	=	Adjusted taxable income 47
Basic exemption	-	40,000 00 48
Line 47 minus \$40,000 (if negative, enter "0")	=	Net adjusted taxable income 49

If line 49 is "0", you are not subject to alternative minimum tax. If you want to apply a minimum tax carryover from previous years against your 2008 tax payable, complete parts 2 and 8 and attach a copy of this form to your return. Also, complete Schedule 1 and your return as usual.

Enter the amount from line 49		50
Federal tax rate	×	15% 51
Gross minimum amount: multiply line 50 by 15%	=	52
Total non-refundable tax credits from line 350 of Schedule 1	-	53
Enter the total of lines 314, 318, 324, and 326 of Schedule 1	54	54
Federal tax rate	×	15% 55
Multiply line 54 by 15%	=	56
Line 53 minus line 56	=	57
Line 52 minus line 57 (if negative, enter "0")	=	Minimum amount 58

If line 58 is "0", you are not subject to alternative minimum tax. If you want to apply a minimum tax carryover from previous years against your 2008 tax payable, complete parts 2 and 8 and attach a copy of this form to your return. Also, complete Schedule 1 and your return as usual.

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).

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 Act, such as carrying charges for the acquisition of the property. Include amounts from Form T5004, *Claim For Tax Shelter Loss or Deduction*, that you claimed as an income deduction or a loss on your return. Do not include amounts that you have to include on any other line of this form.

Note 5 – Enter on this line carrying charges for 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.

Note 6 – Calculate the limited partnership losses and/or 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. If you need help, contact us.

Note 7 – If you elect under section 40 of the *Income Tax Application Rules*, include the elected income in the total on line 42.

Note 8 – If you have unapplied capital losses from other years, complete Part 9 and enter the net non-deducted capital losses on line 45. This applies even if you have not claimed any net capital losses of other years on line 253 of your return. **However, if line 23 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 45.**

Part 2 – Basic federal tax

Enter the amount from line 404 of Schedule 1					59
Total non-refundable tax credits from line 350 on Schedule 1		60			
Dividend tax credit: amount from 425 on Schedule 1	+		61		
Overseas employment tax credit from Form T626, <i>Overseas Employment Tax Credit</i>	+		62		
Add lines 60 to 62	=			▶	63
Tax payable before minimum tax carryover: line 59 minus line 63				=	64
Minimum tax carryover applied in 2008 from line 123 in Part 8				-	65
Line 64 minus line 65				=	66
			Basic federal tax		

Part 3 – Regular net federal tax payable

Federal surtax on business income earned outside Canada: multiply the amount from line 66 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 66 plus line 67				+	67
Federal foreign tax credit from line 10 of Form T2209, <i>Federal Foreign Tax Credits</i>		69		=	68
Federal logging tax credit	+		70		
Line 69 plus line 70	=			▶	71
Line 68 minus line 71 (if negative, enter "0")				=	72
			Federal tax payable		
Federal political contribution tax credit from line 410 of Schedule 1			73		
Investment tax credit (amount entered on line E of Form T2038(IND))	+		74		
Labour-sponsored funds tax credit from line 414 of Schedule 1	+		75		
Add lines 73 to 75	=			▶	76
Line 72 minus line 76 (if negative, enter "0")				=	77
			Regular net federal tax payable		

Part 4 – Special foreign tax credit (terms identified by the letters (a) and (e) are defined on Form T2209)

(i) Foreign business income (total business income earned in the foreign country minus allowable expenses and deductions for the foreign income)					78
Foreign non-business income (on which non-business income tax was paid to a foreign country (a))	+		79		
Total foreign income	=		80		
Applicable rate	×	15%	81		
Foreign income limit for special foreign tax credit	=		82		
(ii) Total non-business income tax paid to a foreign country (a)				×	66.6666% =
Total business income tax paid to a foreign country (e)	+		83		
Foreign taxes paid for special foreign tax credit	=		84		
			85		
Enter the amount from line 82 or the amount from line 85, whichever is less					86
Enter the amount from line 86 or the amount from line 69, whichever is more				Special foreign tax credit	87

Part 5 – Obligation to pay alternative minimum tax

Minimum amount from line 58					88
Special foreign tax credit from line 87				-	89
Net minimum tax payable: line 88 minus line 89 (if negative, enter "0")				=	90
Regular net federal tax payable from line 77			91		
Federal surtax from line 67	-		92		
Line 91 minus line 92 (if negative, enter "0")	=			▶	93
Line 90 minus line 93 (if negative, enter "0")				=	94

If line 94 is "0", you are not subject to alternative minimum tax. If you want to apply a minimum tax carryover from previous years against your 2008 tax payable, complete Part 8 and attach a copy of this form to your return. Also, complete Schedule 1 and your return as usual. If the amount on line 94 is positive, complete parts 6 and 7.

Part 6 – Federal tax payable (under alternative minimum tax)

Basic federal tax from line 66					95
Amount from line 12 of Form T1206, <i>Tax on Split Income</i>	-		96		
Line 95 minus line 96 (if negative, enter "0")	=		97		
Minimum amount from line 58					98
Enter amount 97 or amount 98, whichever is more					99
Amount from line 12 of Form T1206, <i>Tax on Split Income</i>	+		100		
Line 99 plus line 100 (Note 9)	=		101		
Net minimum tax payable from line 90					102
Federal surtax on business income earned outside Canada: multiply the amount from line 101 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.	+		103		
Line 102 plus line 103	=		104		
Amount from line 14 of Form T1206, <i>Tax on Split Income</i>					105
Enter amount 104 or amount 105, whichever is more . Enter this amount on line 417 of Schedule 1.				6791	106

Note 9 – Use the amount on line 101 as your basic federal tax (instead of line 429 of Schedule 1) when you calculate any refundable Quebec or Yukon First Nations abatement. If you have to pay provincial or territorial tax to multiple jurisdictions and have income allocated to Quebec, enter the amount from line 101 on line 11 in Part 2 of Form T2203 to calculate any refundable Quebec abatement.

Part 7 – Additional taxes paid for minimum tax carryover (terms identified by the letters a) and e) are defined on Form T2209)

Minimum amount from line 88						107
Basic federal tax from line 66						108
Federal tax on split income from line 5 of Form T1206, <i>Tax on Split Income</i>						109
Line 108 minus line 109 (if negative, enter "0")						110
Special foreign tax credit from line 87					111	
Federal foreign tax credit from line 69					112	
Line 111 minus line 112					113	
Line 113 × Foreign taxes paid for special foreign tax credit (line 85 in Part 4)				=	+	114
Foreign taxes paid (non-business income tax paid to a foreign country a) plus business income tax paid to a foreign country e)						
Line 110 plus line 114				=		115
Line 107 minus line 115 (if negative, enter "0")						116
						Additional taxes paid for minimum tax carryover

Part 8 – Applying a minimum tax carryover from previous years against 2008 tax payable

Minimum tax carryover from previous years (2001 to 2007)						117
Tax payable before minimum tax carryover from line 64						118
Federal tax on split income from line 5 of Form T1206, <i>Tax on Split Income</i>						119
Line 118 minus line 119						120
Minimum amount from line 58						121
Maximum carryover that can be applied in 2008: line 120 minus line 121 (if negative, enter "0")						122
Minimum tax carryover applied in 2008:						
Claim an amount that is not more than line 117 or 122, whichever is less, and enter it on line 427 of Schedule 1						123
Balance of minimum tax carryover available for later years, if any: line 117 minus line 123						124
Additional 2008 taxes for carryover to later years from line 116						125
Line 124 plus line 125						126
Unapplied 2001 minimum tax carryover						127
Total minimum tax carryover available for 2009: line 126 minus line 127						128

Part 9 – Net non-deducted capital losses (Complete this part only if line 23 in Part 1 is positive or you have any unapplied net capital losses from before May 23, 1985.)

Amount from line 23 in Part 1						129
Capital gains deduction from line 254 of your return (Note 10)						130
Capital gains available for capital losses of other years: line 129 minus line 130						131
Pre-1988 unapplied net capital losses			× 2 =			132
1988 and 1989 unapplied net capital losses			× 3 / 2 =	+		133
1990 through 1999 unapplied net capital losses			× 4 / 3 =	+		134
2000 unapplied net capital losses			÷ inclusion rate* =	+		135
2001 through 2007 unapplied net capital losses			× 2 =	+		136
Add lines 132 to 136 (Note 11)						137

* You can find this information on your Notice of Assessment or Notice of Reassessment for 2000, or by contacting us.

Adjusted capital losses of other years applied against total capital gains: Enter the amount from line 131 or line 137, whichever is less						138
Unapplied net capital loss incurred before May 23, 1985 (if none, enter "0" on line 151)			× 2 =			139
Capital gains deductions claimed:						
In 2001 through 2007			× 2 =			140
In 2000			÷ inclusion rate* =	+		141
In 1990 through 1999			× 4 / 3 =	+		142
In 1988 and 1989			× 3 / 2 =	+		143
Before 1988			× 2 =	+		144
Add lines 140 to 144.						145
Pre-1986 capital loss balance for 2008: line 139 minus line 145 (if negative, enter "0")						146

* You can find this information on your Notice of Assessment or Notice of Reassessment for 2000, or by contacting us.

Line 137 minus line 138						147
Enter the amount from line 146 or line 147, whichever is less						148
Allowable rate			×	80%		149
Line 148 multiplied by 80%						150
Enter the amount from line 150 or \$2,000, whichever is less						151
Line 138 multiplied by 80%						152
Adjusted capital losses: line 151 plus line 152						153
Net capital losses of other years from line 253 of your return						154
Line 153 minus line 154. Enter this amount on line 45 of this form.						155
						Net non-deducted capital losses

Note 10 – Do not include the part of the capital gains deduction for the disposition of eligible capital property that is qualified farm property or qualified fishing property.
Note 11 – Do not include the non-deducted part of capital losses from mortgage foreclosures and conditional sales repossessions. For post-1994 net capital losses, the first paragraph under Note 3 also applies here.