



CALCULATION OF MINIMUM TAX

- Use this form to determine the amount of minimum tax you have to pay on your 1992 T1 individual income tax return. A trust should use Schedule 12 of the T3 return.
- Complete PART II and PART VIII if you do not have to pay minimum tax in 1992 but have a minimum tax carry-over from prior years to apply against your 1992 tax payable.
- Minimum tax is not applicable to returns filed under subsection 70(2) or 150(4) or paragraph 104(23)(d), or 128(2)(e) or to a taxation year in respect of which a farmer or fisherman has made an election under section 119.
- Minimum tax is not applicable to an individual who died in 1992.
- Attach one completed copy to your 1992 T1 return.

EXPLANATORY NOTES

- Line 1 – Exclude the amount transferred to a registered retirement savings plan (RRSP), to a registered retirement income fund (RRIF) or to an issuer to purchase an annuity if the amount transferred was received by you:
- as a refund of premiums under an RRSP;
 - because of the full or partial commutation of an RRSP;
 - as an excess amount from an RRIF; or
 - in a lump sum out of a registered pension plan (RPP) if you were the beneficiary and a child or grandchild of the member.
- Line 2 – Include the amount of lump sum payments reported on the return. These are lump sum payments out of or under a deferred profit sharing plan (DPSP), a superannuation or pension fund or plan, or a foreign retirement arrangement which are received:
- as a consequence of the death, withdrawal from the fund, plan or arrangement, or termination of employment;
 - on the winding-up of the fund, plan or arrangement in full satisfaction of all rights of the payee in or under the fund, plan or arrangement; or
 - by reason of an amendment to the fund, plan or arrangement.
- A prescribed premium is a payment to an RRSP of funds previously withdrawn but not needed for a certifiable past service pension adjustment.
- Lines 4 & 5 – If you are a member of a partnership which has invested in multiple-unit residential buildings (MURBs), include your share of the income and your share of the related capital cost allowance deducted in respect of the MURBs for the partnership fiscal period ending in 1992.
- Lines 7 & 8 – If you are a member of a partnership which has invested in certified feature films or certified productions, include your share of the income and your share of the related capital cost allowance deducted in respect of the property for the partnership fiscal period ending in 1992.
- Line 15 – Include the non-taxable portion (one-fourth) of the total 1992 capital gains (line 539 of Schedule 3) arising from 1992 capital dispositions and from any reserves relating to dispositions of capital property after 1985.
- Lines 16 & 17 – Enter at lines 16 and 17 any non-taxable portion of capital gains arising from mortgage foreclosures and conditional sales repossessions and any non-taxable portion of capital gains that is exempt from Canadian tax under a tax treaty, that were included in the amount reported at line 15.
- Line 22 – Include the portion of post-1985 limited partnership losses and non-capital losses claimed at lines 251 and 252 of the return arising from any capital cost allowance on MURBs and certified feature films or certified productions, resource expenditures and depletion allowances.
- Line 23 – If an election is made under section 40 of the *Income Tax Application Rules, 1971*, add the elected income to the total of lines 20 to 22 and enter the result at line 23.
- Line 27 – If you have unapplied capital losses from other years, complete Part IX on page 4 and enter the net non-deductible capital losses at line 27. This amount is included in the calculation of the adjusted taxable income even if you have not claimed any net capital losses of other years at line 253 of the return. However, in such cases, it cannot exceed the net non-taxable portion of capital gains calculated at line 19 of this form.
- Line 28 – If, for the 1992 taxation year, you incurred a loss from office, employment, business or property which is not fully applied in computing income for regular tax purposes, enter the unapplied portion of the loss at line 28. This application does not reduce the amount of 1992 non-capital loss available for carry-back or carry-forward to other taxation years.
- Line 30 – Net addition to taxable income at line 30 can be a negative amount.

PART I – CALCULATION OF ADJUSTED TAXABLE INCOME

<p>(A) Total deductible contributions and payments to RPPs, RRSPs and RRIAs for 1992 (excluding amounts transferred under subsection 60(l))*</p> <p>SUBTRACT: Lump sum payments from pension plans, DPSPs, and foreign retirement arrangements plus deductible prescribed premiums *</p> <p>Net contributions to deferred income plans (If negative, enter "0")</p>	<p>1. _____</p> <p>2. _____</p> <p>3. _____</p>	<p>3. _____</p>
<p>(B) Capital cost allowance claimed in respect of multiple-unit residential buildings (MURBs) including related furniture, fixtures and equipment*</p> <p>SUBTRACT: Net income/loss reported in respect of all such properties before capital cost allowance.* (If the result is a loss – enter "0")</p> <p>Amount of loss created by, or increased by, capital cost allowance (Enter the amount, if any, by which line 4 exceeds line 5)</p>	<p>4. _____</p> <p>5. _____</p> <p>6. _____</p>	<p>6. _____</p>
<p>(C) Capital cost allowance claimed in respect of certified feature films and certified productions.*</p> <p>SUBTRACT: Net income/loss reported in respect of all such film property before capital cost allowance.* (If the result is a loss – enter "0")</p> <p>Amount of loss created by, or increased by, capital cost allowance (Enter the amount, if any, by which line 7 exceeds line 8)</p>	<p>7. _____</p> <p>8. _____</p> <p>9. _____</p>	<p>9. _____</p>
<p>(D) Total of all resource expenditures and depletion allowances deducted</p> <p>SUBTRACT: The total of:</p> <p>(i) Income reported attributable to production of petroleum, natural gas and minerals, including royalties (before resource expenditures and depletion allowances) (if a loss – enter "0")</p> <p>(ii) Amounts included in income from dispositions of foreign resource properties and recovery of exploration and development expenses (if a loss – enter "0")</p> <p>Total resource income</p> <p>Amount of loss created by, or increased by, resource expenditures and depletion allowances (Enter the amount, if any, by which line 10 exceeds line 13)</p>	<p>10. _____</p> <p>11. _____</p> <p>12. _____</p> <p>13. _____</p> <p>14. _____</p>	<p>13. _____</p> <p>14. _____</p>
<p>(E) Total non-taxable portion of capital gains (an amount equal to 1/4 of the amount reported at line 539 of Schedule 3 arising from 1992 capital dispositions and reserves related to post-1985 dispositions)*</p> <p>SUBTRACT: The total of:</p> <p>(i) Non-taxable portion of capital gains arising from mortgage foreclosures and conditional sales repossessions included at line 15*</p> <p>(ii) Non-taxable portion of capital gains exempt under a tax treaty included at line 15*</p> <p>Total</p> <p>Net non-taxable portion of capital gains after 1985 (line 15 minus line 18)</p>	<p>15. _____</p> <p>16. _____</p> <p>17. _____</p> <p>18. _____</p> <p>19. _____</p>	<p>19. _____</p>
<p>(F) ADD:</p> <p>(i) Employee home relocation loan deduction (from line 248 of the return)</p> <p>(ii) Stock option and shares deductions (from line 249 of the return)</p> <p>(iii) Portion of post-1985 limited partnership losses and non-capital losses applied in 1992 attributable to any capital cost allowance claimed on MURBs, certified feature films and certified productions, resource expenditures and depletion allowances claimed after 1985 (included at lines 251 and 252 of the return)*</p> <p>TOTAL OF LINES 20 TO 22*</p>	<p>20. _____</p> <p>21. _____</p> <p>22. _____</p> <p>23. _____</p>	<p>23. _____</p>
<p>TOTAL ADDITIONS TO TAXABLE INCOME FOR MINIMUM TAX PURPOSES (Total of lines 3, 6, 9, 14, 19 and 23)</p>		<p>24. _____</p>
<p>SUBTRACT: The total of:</p> <p>(i) 20% of taxable amount of dividends from taxable Canadian corporations (from line 120 of the return) ..</p> <p>(ii) Allowable business investment loss (An amount equal to 1/3 of the amount claimed at line 217 of the return)</p> <p>(iii) Net non-deductible capital losses (from line 111, Part IX on page 4)*</p> <p>(iv) Additional current year loss available*</p> <p>TOTAL DEDUCTIONS FROM TAXABLE INCOME FOR MINIMUM TAX PURPOSES</p>		<p>25. _____</p> <p>26. _____</p> <p>27. _____</p> <p>28. _____</p> <p>29. _____</p>
<p>NET ADDITIONS TO TAXABLE INCOME FOR MINIMUM TAX PURPOSES (line 24 minus line 29)*</p>		<p>30. _____</p>
<p>ADD: Taxable income (from line 260 of the return)</p>		<p>31. _____</p>
<p>ADJUSTED TAXABLE INCOME FOR MINIMUM TAX</p>		<p>32. _____</p>
<p>SUBTRACT: Basic exemption</p>		<p>33. 40,000 00</p>
<p>NET ADJUSTED TAXABLE INCOME (if negative, enter "0")</p>		<p>34. _____</p>
<p>GROSS MINIMUM AMOUNT</p>		<p>35. _____ X 17%</p>

(If the net adjusted taxable income (from line 34) is zero, you are not subject to minimum tax. Attach a copy of this form to your return, and complete the return as usual.)

* Refer to page 1 of this form for explanatory notes.

Gross minimum amount (from line 35 on page 2) 36. _____

SUBTRACT: Basic minimum tax credit

Total non-refundable tax credits (from line 350 of the return) 37. _____

Pension income amount (from line 314 of the return) 38. _____

Disability amount transferred from a dependant other than your spouse (from line 318 of the return) 39. _____

Tuition fees and education amount transferred from a child (from line 324 of the return) 40. _____

Amounts transferred from your spouse (from line 326 of the return) . . . 41. _____

Total amounts not deductible for minimum tax purposes (add lines 38 to 41) 42. _____

X 17%

43. _____ ▶ 43. _____

BASIC MINIMUM TAX CREDIT (line 37 minus line 43) 44. _____ ▶ 44. _____

MINIMUM AMOUNT (line 36 minus line 44) 45. _____

PART II – CALCULATION OF NET FEDERAL TAX PAYABLE

Taxable income _____ (from line 260 of the return) 1992 Rates of federal income tax are shown on Schedule 1 of the T1 return.

On the first _____ tax is _____

On remaining _____ tax at _____ % is _____

TOTAL FEDERAL INCOME TAX ON TAXABLE INCOME 46. _____

Tax adjustments (from line 500 of Schedule 1) 47. _____

Line 46 plus line 47 48. _____

SUBTRACT: The total of:

Total non-refundable tax credits (from line 350 of the return) 49. _____

Overseas employment tax credit (from form T626) 50. _____

Dividend tax credit (13 1/3% of dividends from taxable Canadian corporations) (from line 502 of Schedule 1) 51. _____

TOTAL (Lines 49 to 51) 52. _____

Tax payable before minimum tax carry-over (line 48 minus line 52) 53. _____

SUBTRACT: Minimum tax carry-over (from line 88, Part VIII on page 4) 54. _____

BASIC FEDERAL TAX 55. _____

ADD: Federal surtax applicable to income not subject to a provincial tax – 52% of amount at line 55 56. _____

SUBTOTAL 57. _____

SUBTRACT: Federal foreign tax credit (from form T2209) 58. _____

FEDERAL TAX 59. _____

SUBTRACT: The total of:

Federal political contribution tax credit (from line 410 of the return) 60. _____

Investment tax credit (from form T2038-IND or line 412 of the return) 61. _____

Labour-sponsored funds tax credit (from line 414 of the return) 62. _____

Total of above credits 63. _____

Federal tax before federal individual surtax (line 59 minus line 63) 64. _____

PART III – CALCULATION OF SPECIAL FOREIGN TAX CREDIT

65.(i) Foreign non-business income* _____ (ii) Foreign non-business income tax paid _____

Add: Foreign business income _____ X .6667 = _____

Total foreign income _____

X 17%

Foreign income limit for special foreign tax credit A

Foreign taxes paid for special foreign tax credit B

The lesser of amounts A and B is: _____ C

Special foreign tax credit: The greater of amount C and the federal foreign tax credit from line 58 of Part II 66. _____

* Income for the year from sources outside Canada in respect of which a non-business income tax has been paid

PART IV – OBLIGATION TO PAY MINIMUM TAX

Minimum amount from line 45 67. _____

SUBTRACT: Special foreign tax credit (from line 66) 68. _____

Net minimum tax payable 69. _____

SUBTRACT: Federal tax before federal individual surtax (from line 64) 70. _____

Less: Federal surtax (from line 56) 71. _____

Federal tax before federal surtax and federal individual surtax 72. _____

Amount by which the net minimum tax payable exceeds the regular tax payable (line 69 minus line 72 – If negative, enter "0", you are not subject to minimum tax. Attach a copy of this form to your return and complete your return as usual. If line 73 is positive, complete Part V, Part VI and Part VII on page 4) 73. _____

PART V – BASIC FEDERAL TAX FOR THE YEAR

(To be used when computing federal individual surtax, refundable Quebec abatement and provincial tax on Schedule 1, or, if tax is payable to more than one jurisdiction, on form T691A)

Basic federal tax from line 55: _____ D Minimum amount from line 45: _____ E

BASIC FEDERAL TAX FOR THE YEAR: The greater of amounts D and E 74. _____

PART VI – CALCULATION OF FEDERAL TAX PAYABLE (MINIMUM TAX)

Net minimum tax payable before federal surtax and federal individual surtax – from line 69 75. _____

ADD: Federal surtax applicable to income not subject to a provincial tax – 52% of amount at line 74 or amount from Part II of form T691A. 76. _____

FEDERAL TAX BEFORE FEDERAL INDIVIDUAL SURTAX (Enter this amount at line 417 on page 4 of your return) 77. _____

PART VII – CALCULATION OF ADDITIONAL TAXES PAID FOR MINIMUM TAX CARRY-OVER

Minimum amount (from line 45) 78. _____

SUBTRACT: The total of:

(i) Basic federal tax (from line 55) 79. _____

(ii) Add:

Special foreign tax credit (from line 66)	_____			
Less: Federal foreign tax credit (from line 58)	_____			
		X	Foreign taxes (from line B) in Part III	
			Foreign taxes paid	
			=	80. _____
Subtotal (line 79 plus line 80)				81. _____

ADDITIONAL TAXES FOR CARRY-OVER TO SUBSEQUENT TAXATION YEAR (line 78 minus 81. If negative, enter "0") 82. _____

* Non-business foreign income tax paid plus foreign business income tax paid

PART VIII – APPLICATION OF MINIMUM TAX CARRY-OVER FROM PRIOR YEARS AGAINST 1992 TAX PAYABLE

• Complete this part only if you have a minimum tax carry-over from prior years

Minimum tax carry-over from prior years (1986 to 1991) 83. _____

(i) Tax payable before minimum tax carry-over (from line 53) 84. _____

SUBTRACT: Minimum amount (from line 45) 85. _____

Maximum carry-over which can be applied in 1992 86. _____

(ii) Minimum tax carry-over from prior years (1986 to 1991) 87. _____

Minimum tax carry-over applied in 1992. (Claim an amount not exceeding the lesser of lines 86 and 87 above at line 88. Enter this amount at line 504 of Schedule 1) 88. _____

Balance, if any, of minimum tax carry-over available for subsequent taxation years (line 83 minus line 88) 89. _____

ADD: Additional 1992 taxes for carry-over to subsequent taxation years (from line 82 above) 90. _____

TOTAL MINIMUM TAX CARRY-OVER AVAILABLE FOR SUBSEQUENT YEARS 91. _____

PART IX – CALCULATION OF NET NON-DEDUCTIBLE CAPITAL LOSSES

• Complete this part only if you have unapplied capital losses from other years

Total capital gains reported at line 539 of Schedule 3 arising from 1992 capital dispositions and reserves related to post-1985 dispositions * 92. _____

Capital gains deduction claimed in 1992 (from line 254 of the return) 93. _____

Total capital gains available for capital losses of other years (line 92 minus line 93) 94. _____

Pre-1986 unapplied net capital loss	_____	x 3/2 =	95. _____
1986 and 1987 unapplied net capital loss	_____	x 2 =	96. _____
1988 and 1989 unapplied net capital loss	_____	x 3/2 =	97. _____
1990 and 1991 unapplied net capital loss	_____	x 4/3 =	98. _____
Total unapplied capital losses (total of lines 95 to 98)			99. _____

Adjusted capital losses of other years applied against total capital gains (Enter the lesser of line 94 and line 99) 100. _____ (A)

Unapplied net capital loss incurred before May 23, 1985 (If none, enter "0" at line 108) 101. _____

Capital gains deductions claimed in 1990 and 1991	_____	x 2/3 =	102. _____
Capital gains deductions claimed in 1988 and 1989	_____	x 3/4 =	103. _____
Capital gains deductions claimed before 1988	104. _____		
Total capital gains deductions claimed (total: lines 102 to 104)			105. _____
Pre-1986 capital loss balance for 1992 (line 101 minus line 105)			106. _____
Pre-1986 unapplied capital losses available against other income (line 95 minus line 100, if negative, enter "0")	_____	x 2/3 =	107. _____

Enter the least of \$2,000, line 106 and line 107 108. _____ (B)

Adjusted capital losses for minimum tax purposes (amount A plus amount B) 109. _____

SUBTRACT: Net capital losses of other years (from line 253 of the return) 110. _____

Net non-deductible capital losses (line 109 minus line 110** – enter this amount at line 27 in Part I) 111. _____

* Exclude the non-taxable portion (1/4) of capital gains from mortgage foreclosures and conditional sales repossessions and exclude capital gains that are exempt under a tax treaty.
 ** If there is no claim for net capital losses of other years (line 253 of the return), enter at line 111 the lesser of line 109 and line 19 in Part I of this form.