



CALCULATION OF MINIMUM TAX

- Use this form to calculate the amount of minimum tax you have to pay on your 1993 T1 individual income tax return. If you are completing a return for a trust, use Schedule 12 of the T3 return.
- Complete Part I, Part II, and Part VIII if you do not have to pay minimum tax in 1993 and you are applying a minimum tax carry-over from prior years against your 1993 tax payable.
- Minimum tax does not apply to returns filed under subsection 70(2) or 150(4), or under paragraph 104(23)(d), or 128(2)(e), or to a taxation year for which a farmer or fisherman has made an election under section 119 of the *Income Tax Act*.
- Minimum tax does not apply to a person who died in 1993.
- Attach one completed copy of this form to your 1993 return. If minimum tax is payable to more than one jurisdiction, also attach a completed form T691A, *Minimum Tax Supplement - Multiple Jurisdictions*.

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 from an RRSP;
 - because of the full or partial commutation of your RRSP;
 - from your spouse's RRIF because your spouse died, or as an excess amount from a RRIF; or
 - in a lump sum from a registered pension plan (RPP), or as a designated benefit from a RRIF, if you were the beneficiary and a child or grandchild of the member or annuitant.
- Line 2 – Include the amount of lump-sum payments reported on your 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 that you received because of:
- a person's death, withdrawal from the fund, plan or arrangement, or termination of employment;
 - 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
 - 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- A prescribed premium is a payment to an RRSP of funds previously withdrawn but not needed for a certifiable past service pension adjustment.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 that has invested in multiple-unit residential buildings (MURBs), include your share of the income and your share of the related capital cost allowance deducted for the MURBs for the partnership fiscal period ending in 1993.
- Lines 7 & 8 – If you are a member of a partnership that 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 for the property for the partnership fiscal period ending in 1993.
- Line 23 – If you make an election 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 on line 23.
- Line 27 – If you have unapplied capital losses from other years, complete Part IX and enter the net non-deductible capital losses on line 27. You include this amount in the calculation of the adjusted taxable income even if you have not claimed any net capital losses of other years on line 253 of your return. However, in such cases, this amount cannot exceed the net non-taxable part of capital gains calculated on line 19 of this form.
- Line 28 – If, for the 1993 taxation year, you incurred a loss from office, employment, business or property that you do not fully apply when you calculate your income for regular tax purposes, enter the unapplied part of the loss on line 28. This does not reduce the amount of 1993 non-capital loss available for carry-back or carry-forward to other taxation years.
- Line 30 – Net additions to taxable income on line 30 can be a negative amount.
- Line 74 – For residents of Quebec who are **not** subject to minimum tax, use the amount on this line as your Basic federal tax for purposes of determining your refundable Quebec abatement **only**.
- Line 92 – Exclude the non-taxable part (one quarter) of capital gains from mortgage foreclosures and conditional sales repossessions, and exclude capital gains exempt from Canadian tax under a tax treaty.
- Line 99 – Exclude the non-deductible portion of capital losses from mortgage foreclosures and conditional sales repossessions.
- Line 111 – If there is no claim for net capital losses of other years (line 253 of your return), enter on line 111, the lesser of line 109 and line 19.

Part I – Calculation of Adjusted Taxable Income

<p>(A) Total deductible contributions and payments to RPPs, RRSPs, and RRIFFs for 1993 (excluding amounts transferred under subsection 60(l)*)</p> <p>Subject: 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>	1.				
	2.		▶	3.	
	3.				694
<p>(B) Capital cost allowance claimed for multiple-unit residential buildings (MURBs), including related furniture, fixtures, and equipment*</p> <p>Subject: Net income or net loss reported for 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 (line 4 minus line 5; if negative, enter "0")</p>	4.				
	5.				
	6.		▶	6.	
	7.				691
<p>(C) Capital cost allowance claimed for certified feature films, and certified productions*</p> <p>Subject: Net income or net loss reported for 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 (line 7 minus line 8; if negative, enter "0")</p>	8.				
	9.		▶	9.	
	10.				692
<p>(D) Total of all resource expenditures and depletion allowances deducted</p> <p>Subject: 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>Plus: 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</p> <p>Amount of loss created by, or increased by, resource expenditures and depletion allowances (line 10 minus line 13; if negative, enter "0")</p>	11.				
	12.				
	13.		▶	13.	
	14.		▶	14.	
	15.				693
<p>(E) Total non-taxable part of capital gains (1/4 of the amount reported on line 539 of Schedule 3 arising from 1993 capital dispositions and reserves related to post-1985 dispositions of capital property)</p> <p>Subject: Non-taxable part of capital gains arising from mortgage foreclosures and conditional sales repossessions included on line 15</p> <p>Plus: Non-taxable part of capital gains exempt from Canadian tax under a tax treaty included on line 15</p> <p>Total</p> <p>Net non-taxable part of capital gains after 1985 (line 15 minus line 18)</p>	16.				
	17.				
	18.		▶	18.	
	19.		▶	19.	
<p>(F) Add: Employee home relocation loan deduction (from line 248 of your return)</p> <p>Stock option and shares deductions (from line 249 of your return)</p> <p>Part of post-1985 limited partnership losses and non-capital losses applied in 1993 attributable to any capital cost allowance claimed on MURBs, certified feature films and certified productions, and to resource expenditures and depletion allowances claimed after 1985 (included on lines 251 and 252 of your return)</p> <p>Total of lines 20 to 22*</p>	20.				
	21.				
	22.				
	23.		▶	23.	
	24.				
Total additions to taxable income for minimum tax purposes (add lines 3, 6, 9, 14, 19, and 23)					
	25.				
<p>Subtract: 20% of taxable amount of dividends from taxable Canadian corporations (from line 120 of your return)</p> <p>Allowable business investment loss (1/3 of the amount claimed on line 217 of your return)</p> <p>Net non-deductible capital losses (from line 111 in Part IX of this form)*</p> <p>Additional current year loss available*</p> <p>Total of lines 25 to 28</p>	26.				
	27.				
	28.				
	29.		▶	29.	
	30.				
Net additions to taxable income for minimum tax purposes (line 24 minus line 29)*					
	31.				
Add: Taxable income (from line 260 of your return)					
	32.				
Adjusted taxable income for minimum tax					
	33.				\$ 40,000 00
Subtract: Basic exemption					
	34.				
Net adjusted taxable income (line 32 minus line 33) If this amount is negative, enter "0": you are not subject to minimum tax					
Attach a copy of this form to your return, and complete the return as usual.					
	35.				X 17%
Gross minimum amount (multiply line 34 by 17%)					

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

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

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

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

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

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

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

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

X 17%

Multiply line 42 by 17% 43. _____

Basic minimum tax credit (line 37 minus line 43) 44. _____

Minimum amount (line 36 minus line 44) 45. _____

Part II – Calculation of Net Federal Tax Payable

Taxable income _____ (from line 260 of your return) See Schedule 1 of your return for the federal income tax rates.

On the first _____ tax is _____

On remaining _____ tax at _____ % is _____

Total federal income tax on taxable income 46. _____

Add: Tax adjustments (from line 500 on Schedule 1) 47. _____

Total 48. _____

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

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

Dividend tax credit: 13 1/3% of taxable amount of dividends from taxable Canadian corporations (from line 120 of your return) 51. _____

Total of 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 in Part VIII of this form) 54. _____

Basic federal tax 55. _____

Add: Federal surtax applicable to income not subject to a provincial tax (52% of the amount on line 55) 56. _____

Federal tax before the federal foreign tax credit 57. _____

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

Federal tax 59. _____

Subtract: Federal political contribution tax credit (from line 410 of your return) 60. _____

Investment tax credit (from line 412 of your return) 61. _____

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

Total of lines 60 to 62 63. _____

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

Part III – Calculation of Special Foreign Tax Credit

65.(i) Foreign non-business income (for which a non-business income tax has been paid) _____

Add: Foreign business income _____

Total foreign income _____

X 17%

Foreign income limit for special foreign tax credit (A) _____

The lesser of amount (A) and amount (B) is: (C) _____

(ii) Foreign non-business income tax paid: _____ X .6667 = _____

Add: Foreign business income tax paid _____

Foreign taxes paid for special foreign tax credit (B) _____

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

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 the federal individual surtax (from line 64) 70. _____

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

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

Net minimum tax payable minus regular tax payable (line 69 minus line 72) 73. _____

If this amount is negative, enter "0": you are not subject to minimum tax (if you are a resident of Quebec, complete Part V to calculate your Basic federal tax for purposes of determining your refundable Quebec abatement). 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.

Part V – Basic Federal Tax for the Year

• Use the amount on line 74 as "Basic federal tax" when calculating the federal individual surtax, refundable Quebec abatement (for residents of Quebec only*) 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 amount (D) and amount (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 the amount on line 74 or the amount from Part II of form T691A) 76. _____
Federal tax before federal individual surtax (enter this amount on line 417 of your return) 77. _____

Part VII – Calculation of Additional Taxes Paid for Minimum Tax Carry-Over

Minimum amount (from line 45) 78. _____
Subtract: Basic federal tax (from line 55) 79. _____
Plus:
 Special foreign tax credit (from line 66), minus _____
 Federal foreign tax credit (from line 58), _____
Result: _____
 Result X Foreign taxes (from line B in Part III) = 80. _____
 Foreign taxes paid
 (Foreign non-business income tax paid plus
 foreign business income tax paid)
Subtotal (line 79 plus line 80) 81. _____ ▶ 81. _____
Additional taxes for carry-over to subsequent taxation year (line 78 minus 81; if negative, enter "0") 82. _____

Part VIII – Application of Minimum Tax Carry-Over from Prior Years Against 1993 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 1992) 83. _____
 (i) Tax payable before minimum tax carry-over (from line 53), 84. _____
Subtract: Minimum amount (from line 45) 85. _____
 Maximum carry-over that can be applied in 1993 (if negative, enter "0") 86. _____
 (ii) Minimum tax carry-over from prior years (1986 to 1992) 87. _____
Minimum tax carry-over applied in 1993 (claim an amount not exceeding the lesser of lines 86 and 87)
 (enter this amount on line 504 of Schedule 1) 88. _____
 Balance of minimum tax carry-over available for subsequent taxation years, if any (line 83 minus line 88) 89. _____
Add: Additional 1993 taxes for carry-over to subsequent taxation years (from line 82) 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 on line 539 on Schedule 3 arising from 1993 capital dispositions
 and reserves related to post-1985 dispositions* 92. _____
Subtract: Capital gains deduction claimed in 1993 (from line 254 of your return) 93. _____
Total capital gains available for capital losses of other years (line 92 minus line 93) 94. _____ ▶ 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, 1991, and 1992 unapplied net capital loss x 4/3 = 98. _____
Total unapplied capital losses (total of lines 95 to 98)* 99. _____ ▶ 99. _____
Adjusted capital losses of other years applied against total capital gains (the lesser of line 94 and line 99) 100. _____ (A)
 Unapplied net capital loss incurred before May 23, 1985 (if none, enter "0" on line 108) 101. _____
 Capital gains deductions claimed in 1990,
 1991, and 1992 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 of lines 102 to 104) 105. _____ ▶ 105. _____
 Pre-1986 capital loss balance for 1993 (line 101 minus line 105) 106. _____
 Pre-1986 unapplied capital losses available against other income
 (line 99 minus line 100; if negative, enter "0"), x 2/3 = 107. _____
 Enter the least of \$2,000, the amount on line 106, and the amount on 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 your return) 110. _____
Net non-deductible capital losses (line 109 minus line 110*) (enter this amount on line 27 in Part I of this form) 111. _____

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