



CALCULATION OF MINIMUM TAX

- Use this form to calculate the amount of minimum tax you have to pay on your 1995 General 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 1995 and you are applying a minimum tax carry-over from prior years against your 1995 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) of the *Income Tax Act*.
- Minimum tax does not apply to a person who died in 1995.
- Attach one completed copy of this form to your 1995 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 2 – 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 you received the amount transferred:
- 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, and if you were the beneficiary and a child or grandchild of the member or annuitant.
- Line 4 – 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.
- Note:** Do not include retiring allowance payments reported on your return.
- Lines 6, 7, and 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's fiscal period ending in 1995. If you are a limited partner of the partnership or a member of the partnership who has been a specified member at all times since becoming a partner, your share of all losses of the partnership for the fiscal period is to be considered as nil.
- Lines 9, 10, and 11 – If you are a member of a partnership that has invested, in investments identified, or required to be identified under the tax shelter identification rules, certified feature films or certified productions, rental or leasing properties, or resource properties, include your share of the income and your share of the related carrying charges deducted for the property for the partnership's fiscal period ending in 1995.
- Line 12 – If you are a limited partner of a partnership or a member of a partnership who has been a specified member at all times since becoming a partner, add your share of all losses of the partnership deducted on your return, as well as losses deducted in respect of investments identified, or required to be identified, under the tax shelter identification rules. Do not include on line 12 CCA for certified feature films and certified productions claimed at line 122 of your return and identified at line 6.
- Line 30 – If you make an election under section 40 of the *Income Tax Application Rules, 1971*, add the elected income to the total of lines 27 to 29, and enter the result on line 30.
- Line 34 – If you have unapplied capital losses from other years, complete Part IX and enter the net non-deducted capital losses on line 34. 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.
- Line 35 – If, for the 1995 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 35. This does not reduce the amount of 1995 non-capital loss available for carry-back or carry-forward to other taxation years. If you are a limited partner of the partnership, or a member of the partnership who has been a specified member at all times since becoming a partner, your share of all losses of the partnership for the fiscal period is to be considered as nil.
- Line 37 – Net additions to taxable income on line 37 can be a negative amount.
- Line 103 – Exclude the non-deducted portion of capital losses from mortgage foreclosures and conditional sales repossessions.

Part I – Adjusted Taxable Income

Total deductible contributions and payments to RPPs for 1995 (line 207 of your return)	1.		
Total deductible contributions and payments to RRSFs and RRFs for 1995 (line 208 of your return) (excluding amounts transferred under paragraph 60(l)*)	2.	+	
Total of lines 1 and 2	3.	=	
Lump-sum payments from pension plans, DPSPs, and foreign retirement arrangements	4.	-	
Net contributions to deferred income plans (line 3 minus line 4; if negative, enter "0")	5.	=	▶ 5. 694
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Capital cost allowance claimed for certified feature films and certified productions on lines 122 or 232 of your return*	6.		
Net income or net loss reported for all such film property before capital cost allowance*(if the result is a loss, enter "0")	7.	-	
Amount of loss created by, or increased by capital cost allowance (line 6 minus line 7; if negative, enter "0")	8.	=	▶ 8. 692 +
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Carrying charges claimed in respect of investments identified under the tax shelter identification rules, and in respect of limited partnerships*	9.		
Net income or net loss reported for all such investments before carrying charges* (if the result is a loss, enter "0")	10.	-	
Amount of loss created by, or increased by carrying charges (line 9 minus line 10; if negative, enter "0")	11.	=	
Amount of losses deducted by limited partners*	12.	+	
Total of lines 11 and 12	13.	=	▶ 13. 678 +
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Total of all resource expenditures and depletion allowances deducted	14.		
Income reported attributable to production of petroleum, natural gas, and minerals, including royalties (before resource expenditures, and depletion allowances) (if a loss, enter "0")	15.		
Amounts included in income from dispositions of foreign resource properties, and recovery of exploration and development expenses (if a loss, enter "0")	16.	+	
Total of lines 15 and 16	17.	=	▶ 17. -
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Amount of loss created by, or increased by, resource expenditures and depletion allowances (line 14 minus line 17; if negative, enter "0")	18.		▶ 18. 693 +
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Total capital gains arising from 1995 capital dispositions and reserves related to post-1985 dispositions (total of lines 539 and 040 of Schedule 3 and line 5 of Form T664)	19.		
Total capital gains arising from mortgage foreclosures and conditional sales reposessions included on line 028 of Schedule 3	20.	-	
Line 19 minus line 20	21.	=	
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Total capital gains arising from an election on eligible capital property on Form T664 included on line 19	22.		
Total capital gains exempt from Canadian tax under a tax treaty included on line 19	23.	+	
Total of lines 22 and 23	24.	=	▶ 24. 687
Net total capital gains after 1985 (line 21 minus line 24)	25.	=	
Net non-taxable part of capital gains after 1985 (1/4 of the amount reported on line 25)	26.	=	▶ 26. +
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Employee home relocation loan deduction (from line 248 of your return)	27.		
Stock option and shares deductions (from line 249 of your return)	28.	+	
Part of post-1985 limited partnership losses and non-capital losses applied in 1995 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)	29.	+	
Total of lines 27 to 29*	30.	=	▶ 30. +
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Total additions to taxable income for minimum tax purposes (add lines 5, 8, 13, 18, 26, and 30)	31.	=	
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20% of taxable amount of dividends from taxable Canadian corporations (from line 120 of your return)	32.		
Allowable business investment loss (1/3 of the amount claimed on line 217 of your return)	33.	+	
Net non-deducted capital losses (from line 115 in Part IX of this form)*	34.	+	
Additional current year-loss available*	35.	+	
Total of lines 32 to 35	36.	=	▶ 36. -
Net additions to taxable income for minimum tax purposes (line 31 minus line 36)*	37.	=	
Taxable income (from line 260 of your return)	38.	+	
Adjusted taxable income for minimum tax (total of lines 37 and 38)	39.	=	
Basic exemption	40.	-	\$ 40,000 00
Net adjusted taxable income (line 39 minus line 40) 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 your Schedule 1 and your return as usual.	41.	=	▶ 748

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

Part V – Basic Federal Tax for the Year

Use the amount on line 79 as basic federal tax (line 26 of Schedule 1) when calculating the federal individual surtax, refundable Quebec abatement (for residents of Quebec only), and provincial tax on Form T1C-TC, if applicable, or, if tax is payable to more than one jurisdiction, on Form T691A.

Basic federal tax (from line 60) _____ (D) Minimum amount (from line 52) _____ (E)

Basic federal tax for the year (the greater of amount D and amount E) 79. _____

Part VI – Federal Tax Payable (Minimum Tax)

Net minimum tax payable before federal surtax and federal individual surtax (from line 74) 80. _____

Federal surtax applicable to income not subject to a provincial tax (52% of the amount on line 79 or the amount from Part II of Form T691A) 81. + _____

Federal tax before federal individual surtax (enter this amount on line 417 of your return) 82. = _____

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

Minimum amount (from line 52) 83. _____

Basic federal tax (from line 60) 84. _____

Special foreign tax credit (from line 71) _____

Federal foreign tax credit (from line 63) _____

Result: = _____

Result X Foreign taxes (from line B in Part III) 85. + _____

Foreign taxes paid (Foreign non-business income tax paid plus foreign business income tax paid) = _____

Subtotal (line 84 plus line 85) 86. = _____

Additional taxes for carry-over to subsequent taxation years (line 83 minus 86; if negative, enter "0") 87. = _____

Part VIII – Application of Minimum Tax Carry-Over from Prior Years Against 1995 Tax Payable

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

Minimum tax carry-over from prior years (1988 to 1994) 88. _____

Tax payable before minimum tax carry-over (from line 58) 89. _____

Minimum amount (from line 52) 90. _____

Maximum carry-over that can be applied in 1995 (if negative, enter "0") 91. _____

Minimum tax carry-over applied in 1995 (claim an amount not exceeding the lesser of lines 88 and 91) (enter this amount on line 504 of Schedule 1) 92. - _____

Balance of minimum tax carry-over available for subsequent taxation years, if any (line 88 minus line 92) 93. = _____

Additional 1995 taxes for carry-over to subsequent taxation years (from line 87) 94. + _____

Total minimum tax carry-over available for subsequent years (line 93 plus line 94) 95. = _____

Part IX – Net Non-Deducted Capital Losses

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

Total net capital gains arising from 1995 capital dispositions and reserves related to post-1985 dispositions (from line 25) 96. _____

Capital gains deduction claimed in 1995 (from line 254 of your return) 97. - _____

Total capital gains available for capital losses of other years (line 96 minus line 97) 98. = _____

Pre-1986 unapplied net capital loss x 3/2 = 99. _____

1986 and 1987 unapplied net capital loss x 2 = 100. + _____

1988 and 1989 unapplied net capital loss x 3/2 = 101. + _____

1990, 1991, 1992, 1993, and 1994 unapplied net capital loss x 4/3 = 102. + _____

Total unapplied capital losses (total of lines 99 to 102)* 103. = _____

Adjusted capital losses of other years applied against total capital gains (the lesser of line 98 and line 103) 104. _____ (A)

Unapplied net capital loss incurred before May 23, 1985 (if none, enter "0" on line 112) 105. _____

Capital gains deductions claimed in 1990, 1991, 1992, 1993, and 1994 x 2/3 = 106. _____

Capital gains deductions claimed in 1988 and 1989 x 3/4 = 107. + _____

Capital gains deductions claimed before 1988 108. + _____

Total capital gains deductions claimed (total of lines 106 to 108) 109. = _____

Pre-1986 capital loss balance for 1995 (line 105 minus line 109) 110. = _____

Line 103 minus line 104; if negative, enter "0". x 2/3 = 111. _____

Enter the least of \$2,000, the amount on line 110, and the amount on line 111 112. + _____ (B)

Adjusted capital losses for minimum tax purposes (amount A plus amount B) 113. = _____

Net capital losses of other years (from line 253 of your return) 114. - _____

Net non-deducted capital losses (line 113 minus line 114) (enter this amount on line 34 in Part I of this form) 115. = _____

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