

CALCULATION OF MINIMUM TAX

- Use this form to calculate the amount of minimum tax you have to pay on your 1996 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 1996 and you are applying a minimum tax carry-over from previous years against your 1996 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 1996.
- Attach one completed copy of this form to your 1996 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 you 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:
 - a person died, withdrew from the fund, plan, or arrangement, or terminated employment;
 - the fund, plan, or arrangement was wound up (in full satisfaction of all the payee's rights in or under the fund, plan, or arrangement); or
 - the fund, plan, or arrangement was amended.

Note: Do not include retiring allowance payments you reported on your return.

- Lines 6 If you are a member of a partnership that has invested in certified feature films or certified productions, include your share of the and 7 income and your share of the related capital cost allowance (CCA) deducted for the property for the partnership's fiscal period ending in 1996. If you are a limited partner or a specified member of the partnership, or if your interest in the partnership is one that needs, or has obtained, an identification number under section 237.1 of the *Income Tax Act* (the Act), do not include any amount that you will include on line 12 below.
- Lines 9 Investments include (i) rental or leasing property, certified feature films and certified productions, (ii) flow-through shares and and 10 resource property, and (iii) interest in a partnership if you are a limited partner or a specified member of the partnership, or if the partnership owns investments referred to in (i). If (iii) applies, include your share of the income of the partnership for the fiscal period ending in 1996. The last sentence under the explanation for lines 6 and 7 also applies here.
- Line 12 If you are a limited partner or specified member of a partnership, or if your interest in the partnership is one that needs or has obtained an identification number under section 237.1 of the Act, include your share of the total of the net losses of the partnership from each partnership source calculated according to paragraph 127.52(1)(c.1) of the Act. Also include all other amounts deducted for property for which an identification number needs or has been obtained under section 237.1 of the Act other than those included on lines 7 and 10.
- Line 27 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 that particular year.
- Line 28 If you make an election under section 40 of the *Income Tax Application Rules*, add the elected income to the total of lines 25 to 27, and enter the result on line 28.
- Line 32 If you have unapplied capital losses from other years, complete Part IX and enter the net non-deducted capital losses here. 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 33 If, for 1996, you incurred a loss from office or employment, or from business or property (including your share of a partnership loss) that you do not fully apply when you calculate your income for regular tax purposes, enter the unapplied part of the loss here. This does not reduce the amount of 1996 non-capital loss available for carry-back or carry-forward to other years.
- Line 99 Exclude the non-deducted portion of capital losses from mortgage foreclosures and conditional sales repossessions. For post-1994 net capital losses, the first sentence under the explanation at line 12 also applies here.



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* See page 1 of this form for explanatory notes.

Enter the amount from line 39		· · · · · · · · · · · · · · · · · · ·				40 X 17%
Gross minimum amount (multiply line 40 by 17%)						41
Total non-refundable tax credits (from line 350 of your return) Pension income amount (from line 314 of your return)		,				
Disability amount transferred from a dependant other						
than your spouse (from line 318 of your return)		44				
Tuition fees and education amount transferred from a child (from line 324 of your return)	+	45				
Amounts transferred from your spouse (from line 326 of your return)	· <u>+</u>	46				
Total of lines 43 to 46		47				
		X 17%		1		
Multiply line 47 by 17%					_	49
Line 42 minus line 48 Minimum amount (line 41 minus line 49) If this amount is negative, enter "			. <u>=</u>			49 50
Part II – Net Federal Tax Payable	unt from line 2	1 of that sched	ule here			51
Total non-refundable tax credits (from line 350 of your return)				52		
Overseas employment tax credit (from Form T626)			. +	53		
Dividend tax credit (calculate 13.33% of the amount on line 120 of your retu						
Total of lines 52 to 54						55 56
Tax payable before minimum tax carry-over (line 51 minus line 55) Minimum tax carry-over applied in 1996 (from line 89 in Part VIII)						57
Basic federal tax (line 56 minus line 57)						58
Federal surtax for non-residents and deemed residents of Canada (multiply	y line 58 by 52	2%)			+	59
Total of lines 58 and 59						60
Federal foreign tax credit (from Form T2209)						61
Federal tax (line 60 minus line 61; if negative enter "0")					=	62
Federal political contribution tax credit (from line 410 of your return)						
Investment tax credit (from line 412 of your return)	• • • • • • • • • • • •	•••••	· <u>+</u>	64		
Labour-sponsored funds tax credit (from line 414 of your return)					_	66
Federal tax before the federal individual surtax (line 62 minus line 66; if neg					=	67
	,,			• • • • • • • • • • • • • • • • • • • •		
Part III – Special Foreign Tax Credit						
(i) Foreign non-business income (for which a non-business-income tax has been paid)	⁽ⁱⁱ⁾ Foreig	n non-business	s-income tax			
Foreign business income	paid			X 0.6667 =		
Total foreign income =						
Foreign income limit for special foreign tax X 17%						
credit A	Foreig	•		ign tax credit	<u> </u>	В
Enter amount A or amount B, whichever is less						
Special foreign tax credit (enter amount C, or the amount from line 61 abov	/e, whichever	is more)				68
Part IV – Obligation to Pay Minimum Tax						
Minimum amount (from line 50)						69
Special foreign tax credit (from line 68)				• • • • • • • • • • • • • • • • •	-	70
Net minimum tax payable (line 69 minus line 70)					=	71
Federal tax before the federal individual surtax (from line 67)				72		
Federal surtax for non-residents and deemed residents of Canada (from lin						1
Regular tax payable (line 72 minus line 73)			, =	►		74

Net minimum tax payable minus regular tax payable (line 71 minus line 74) 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. If the amount on line 75 is positive, complete Part V, Part VI, and Part VII.

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75

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Part V – Basic Federal Tax for the Year –							4
Basic federal tax (from line 58)			nount (from line 5	າເ	E		
Basic federal tax for the year (enter amount D or amou	Int E, whicheve	er is more)	noura (nonrinne 5		E		76
Use the amount on line 76 as basic federal tax (line 26 residents of Quebec only), and provincial or territorial t this amount on line 4 of Form T691A.	of Schedule 1) when calculatir	ig the federal indiv	vidual surtax, re	fundable Queł	pec abatement ((for enter
Part VI – Federal Tax Payable (Minimum Ta							
Net minimum tax payable (from line 71)							77
Federal surtax on income not subject to a provincial ta: line 5 of Form T691A)	x (calculate 52	% of the amount	on line 76, or ente	er the amount fr	om		
Federal tax before the federal individual surtax (enter the	his amount on	line 417 of your	return)	•••••••••••	· · · · · · · · · · · · · · · · · · ·	=	79
Part VII – Additional Taxes Paid for Minimu							
		-					
Minimum amount (from line 50) Basic federal tax (from line 58)	•••••	• • • • • • • • • • • • • • • •	• • • • • • • • • • • • • • • •	•••••			80
Special foreign tax credit (from line 68)		• • • • • • • • • • • • •	•••••	·	81		
Federal foreign tax credit (from line 61)	•••••						
Popult:	•••••	·····					
Result:		=					
Foreign taxes (from line B in Part III)			1		1 00		
Result X - Foreign taxes (from line B in Part III) Foreign taxes paid (foreign non-business-inc			=	+	82		
foreign business-income tax paid)	une lax paiu s	Jus	I				
							1
Total of lines 81 and 82	0.00 minuo 82	· · · · · · · · · · · · · · · · · · ·		. =			83
Additional taxes for carry-over to subsequent years (lin	e ou minus os,	, ii negative, ente	er "0")	••••	• • • • • • • • • • • •	=	84
Part VIII Applying a Minimum Tax Carry-0	Over from I	Provinue Vos	re Anginet 10	06 Tay Dave	able		
Minimum tax corru over from providuo vecero (1080 to 1		10003 100	na Agamat is	SU TAX Pay			
Minimum tax carry-over from previous years (1989 to 1	995)	•••••	•••••	• • • • • • • • • • • • •	· · · · · · · · · · · · · · · · · · ·		85
Tax payable before minimum tax carry-over (from line 8		• • • • • • • • • • • • • • •	• • • • • • • • • • • • • • • •	·			
Minimum amount (from line 50)			· · • • • · · · · · · · · · · · · · · ·		87		
Maximum carry-over that can be applied in 1996 (if neg					88		
Minimum tax carry-over applied in 1996 (claim an amou	unt that is not r	more than line 85	or 88, whichever	is less)			1
(enter this amount on line 24 of Schedule 1)							89
Balance of minimum tax carry-over available for subset	quent years, if	any (line 85 mini	us line 89)			=	90
Additional 1996 taxes for carry-over to subsequent yea	rs (from line 84	1)	• • • • • • • • • • • • • • •			+	
Total minimum tax carry-over available for subsequent	years (total of	lines 90 and 91)	••••••		· · · · <i>·</i> · · · <i>· · · ·</i> ·	=	92
Part IX Net Non-Deducted Capital Losses	_						
Complete this part only if you have unapplied capital loss							1
Net total capital gains (from line 23)						•-·	93
Capital gains deduction claimed in 1996 (from line 254	of your return)					-	94
Capital gains available for capital losses of other years	(line 93 minus	line 94)					95
Pre-1988 unapplied net capital loss		••	X 2 :	=	96		
1988 and 1989 unapplied net capital loss		••	X 3/2 :	= <u>+</u>	97		
1990 through 1995 unapplied net capital loss							
Total of lines 96 to 98 *				=	<u> </u>		99
Adjusted capital losses of other years applied against to	otal capital gai	ns (enter the am	ount on line 95 or	line 99, whichev	/er is less)		100
Unapplied net capital loss incurred before May 23, 198	5 (if none, ente	er "0" on line 108	•		101		
Capital gains deductions claimed:							
In 1990 through 1995	X	2/3 =	102				
In 1988 and 1989	X	3/4 = +	103				
Before 1988							
Total of lines 102 to 104					105		
Pre-1986 capital loss balance for 1996 (line 101 minus	line 105)			=			
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 or	n line 107				+	108
Adjusted capital losses (total of lines 100 and 108)				• • • • • • • • • • • • • • • •	• • • • • • • • • • • • •		103
Net capital losses of other years (from line 253 of your	return)	• • • • • • • • • • • • • • • •	• • • • • • • • • • • • • • • • •	•••••	•••••		110
Net non-deducted capital losses (line 109 minus linc 11	0: enter this a	mount on line 32	 1	•••••			111
	,		• • • • • • • • • • • • • • • •	•••••	• • • • • • • • • • • •		!!!

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