



**BRITISH COLUMBIA CORPORATION TAX CALCULATION
(2007 and later tax years)**

Name of corporation	Business Number	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="border-bottom: 1px solid black; width: 10%;"></td> <td style="border-bottom: 1px solid black; width: 10%; text-align: center;">Year</td> <td style="border-bottom: 1px solid black; width: 10%; text-align: center;">Tax year-end Month</td> <td style="border-bottom: 1px solid black; width: 10%; text-align: center;">Day</td> </tr> </table>		Year	Tax year-end Month	Day
	Year	Tax year-end Month	Day			

- Use this schedule if your corporation had a permanent establishment (as defined in Regulation 400 of the federal *Income Tax Regulations*) in British Columbia, and had taxable income earned in the year in British Columbia.
- This schedule is a worksheet only. It does not have to be filed with your *T2 Corporation Income Tax Return*.

Part 1 — Calculation of income subject to British Columbia lower and higher tax rate

Taxable income for British Columbia * A3

Income eligible for British Columbia lower tax rate in the period:

Amount at line 400 of the T2 return B3

Amount at line 405 of the T2 return C3

Amount at line 425 of the T2 return × $\frac{400,000}{\text{line 4 on page 4 of the T2 return}} =$ D3

Amount B3, C3, or D3, whichever is less E3

For credit unions – add the following amount:

Amount at line D from Schedule 17 _____

Deduct: amount E3 above _____

Excess (if negative, enter "0") F3

Total of amounts E3 and F3 G3

Amount G3 × $\frac{\text{taxable income for British Columbia}^*}{\text{taxable income for all provinces}^{**}} =$ H3

Income subject to British Columbia higher tax rate in the period (amount A3 minus amount H3) I3

* If the corporation has a permanent establishment only in British Columbia, enter the taxable income from line 360 on page 3 of the T2 return. Otherwise, enter the taxable income allocated to British Columbia from column F in Part 1 of Schedule 5.

** Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 2 – Calculation of British Columbia tax before credits

British Columbia tax at the lower rate:

Amount H3 × 4.5% = A

British Columbia tax at the higher rate:

Amount I3 × 12% = B

British Columbia tax before credits (amount A plus amount B) * C

* If the corporation has a permanent establishment in more than one jurisdiction or is claiming a British Columbia tax credit, enter amount C at line 240 of Schedule 5. Otherwise, enter it at line 760 of the T2 return.