



**CALCULATION OF AGGREGATE INVESTMENT INCOME AND ACTIVE BUSINESS INCOME
(2001 and later taxation years)**

Name of corporation	Business Number	Taxation year-end		
		Year	Month	Day

- This schedule is for the use of Canadian-controlled private corporations to calculate:
 - aggregate investment income and foreign investment income for the purpose of determining the refundable portion of Part I tax, as defined in subsection 129(4) of the *Income Tax Act*;
 - income from an active business carried on in Canada for the small business deduction; and
 - specified partnership income for members of a partnership(s) (complete the back.)
- For more information, see the sections called "Small Business Deduction" and "Refundable Portion of Part 1 Tax" in the *T2 Corporation Income Tax Guide*.

Part 1 – Aggregate and foreign investment income calculation

	Foreign investment income	Aggregate investment income	
The eligible portion of taxable capital gains included in income for the year	001	002	A
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	009	012	B
Net capital losses of other years claimed on line 332 on the T2 return		022	C
Total of amounts B and C			D
Amount A minus amount D (if negative, enter "0")			E
Total income from property (in box 32 include income from a specified investment business carried on in Canada other than income from a source outside Canada)	019	032	F
Exempt income	029	042	G
Amounts received from NISA Fund No. 2 that were included in computing the corporation's income for the year		052	H
Taxable dividends deductible from Schedule 3, and taxable dividends deductible under paragraph 113(1)(d) and subsection 113(2)	049	062	I
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	059	072	J
Total of amounts G, H, I, and J			K
Amount F minus amount K			L
Total of amount E plus amount L			M
Total losses from property (in box 82 include losses from a specified investment business carried on in Canada other than a loss from a source outside Canada)	069	082	N
Amount M minus amount N (if negative, enter "0")	079 O	092 P	

Note: The aggregate investment income is the aggregate world source income.

Enter amount O, foreign investment income, on line 445 of the T2 return.

Enter amount P, aggregate investment income, on line 440 of the T2 return.

Part 2 – Specified partnership income

	A	B	C
	Partnership name 200	Total income (loss) of partnership from an active business 300	Corporation's share of amount in column B 310
1.			
2.			
3.			
4.			
5.			

	D	E	F	G	H
	Adjustments (add prior-year reserves added back to current-year income, under subsection 34.2(5), and deduct expenses incurred to earn partnership income) 315	Corporation's income (loss) of the partnership (column C plus column D) 320	Number of days in the partnership's fiscal period 325	Prorated business limit (column C ÷ column B) x [\$200,000* x (column F ÷ 365)] (if column C is negative, enter "0") ** 330	Lesser of columns E and G (if column E is negative, enter "0") 340
1.					
2.					
3.					
4.					
5.					

Totals **350** **360**

Add to line 360 the lesser of:

- i) the corporation's losses for the year from an active business carried on in Canada (other than as a member of a partnership) – enter as a positive amount ... **370** _____
 - plus:**
 - the specified partnership loss of the corporation for the year – enter as a positive amount (total of all negative amounts in column E) **380** _____
 - ii) column E minus column G – if negative, enter "0" (if a member of more than one partnership, calculate separately for each partnership and enter total) **385** _____ **390** _____
- Specified partnership income** (line 360 plus line 390) **400** _____

*For the purpose of the Accelerated Tax Reduction calculation on Schedule 70, the business limit is \$300,000.

** When a partnership carries on more than one business, one of which generates income and another realizes a loss, the partnership loss is not netted against the partnership's income.

Part 3 – Determination of partnership income

Corporation's share of partnership income from active businesses carried on in Canada after deducting related expenses – from line 350 above (if the net amount is negative, enter "0" on line M)		I
Add: Specified partnership loss (from line 380 above)		J
	Subtotal	K
Deduct: Specified partnership income (from line 400 above)		L
Partnership income* (enter on line P below)	450	M

* If the amount on line 450 is positive, complete Schedule 70.

Part 4 – Income from active business carried on in Canada

Net income for income tax purposes from line 300 of the T2 return		N
Deduct: Foreign business income after deducting related expenses *	500	
Taxable capital gains minus allowable capital loss – amount A minus amount B * (page 1) **		
Net property income = amount F minus amounts G, H, and N * (page 1)		O
Personal services business income after deducting related expenses *	520	
	Net amount	
Deduct: Partnership income (line 450 above)		P
Income from active business carried on in Canada (enter on line 400 of the T2 return) – (if negative, enter "0")		Q

* If negative, enter amount in brackets, and add instead of subtracting.

** Amount A minus amount B from page 1 may only be negative to the extent of any allowable business investment losses.