



CALCULATION OF AGGREGATE INVESTMENT INCOME AND ACTIVE BUSINESS INCOME

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

Use this form for 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 federal *Income Tax Act* for taxation years ending after June 1995;
- income from an active business carried on in Canada for the small business deduction for taxation years ending after June 1995 (complete reverse); and
- specified partnership income for members of a partnership(s) for taxation years ending after 1994. (complete reverse).

For more information, see the sections called "Small Business Deduction" and "Refundable Portion of Part 1 Tax" in the *T2 Corporation Income Tax Guide*.

Aggregate and foreign investment income calculation		Canadian investment income		Foreign investment income		Aggregate investment income		
The eligible portion of taxable capital gains included in income for the year								A
	Eligible portion of allowable capital losses for the year (Including allowable business investment losses)							B
	Net capital losses claimed at line 125 on page 3 of the T2 Return							C
Total of amount B and amount C								D
Amount A minus amount D (if negative, enter nil)								E
Total income from property (include income from a specified investment business carried on in Canada other than income from a source outside Canada)								F
	Exempt income							G
	Amounts received from NISA Fund No. 2 that was included in computing the corporation's income for the year							H
	Taxable dividends deductible from T2S(3) after deducting related expenses *							I
	Business income (loss) from an interest in a trust that is considered property income under paragraph 108(5)(a) of the <i>Income Tax Act</i> *							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 (include losses from a specified investment business carried on in Canada other than a loss from a source outside Canada)								N
Amount M minus amount N (if negative, enter nil)				R		S		

* If negative, enter amount in brackets, and add instead of subtract.
 Enter amount R, foreign investment income, on line 249 on page 5 of the T2 return.
 Enter amount S, aggregate investment income, on line 247 on page 5 of the T2 return.

Specified partnership income

Complete the following calculations for each partnership ending in the taxation year of the corporation. Where a partnership has more than one fiscal period ending in the corporation's taxation year, combine the results of the fiscal periods before the calculation below is done. If required, use additional schedules to calculate amount E for each partnership. If the total of amount C is negative, the corporation does not have to complete the calculations - the net adjustment (line M) will be nil.

	Partnership 1 Identification number	Partnership 2 Identification number	Total of all Partnerships
Total income (loss) of the partnership from an active business carried on in Canada (as determined under Division B, subdivision j of the <i>Income Tax Act</i>)	_____ A	_____ A	_____ A
Corporation's share of amount A (including any reserve deducted under subsection 33(4) for the preceding taxation year)	_____ B	_____ B	_____ B
Deduct expenses deducted by the corporation to earn this partnership income	_____	_____	_____
Corporation's income (loss) from the partnership (the total of all negative amounts make up the specified partnership loss, enter at line G)	_____ C	_____ C	_____ C
$\frac{\text{Amount B} *}{\text{Amount A}} \times \$200,000 ** =$	_____ D	_____ D	_____ D
Lesser of amounts C and D *	_____ E	_____ E	_____ E
Add to the total of all partnerships column 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		_____ F	
Plus the specified partnership loss of the corporation for the year - enter as a positive amount (total of all negative amounts C)		_____ G	
(ii) amount C minus amount D - if negative, enter nil (if a member of more than one partnership, calculate separately for each partnership and enter total)		_____ H	_____ I
Specified partnership income (amount E plus amount I).			_____ J

* If negative, enter nil.
 ** If the fiscal period of the partnership is shorter than 365 days, or the partnership has more than one fiscal period that ends in the corporation's taxation year, do not use \$200,000. Instead, multiply \$548 by the total number of the days in all of the partnership's fiscal periods that end in the corporation's taxation year. Make a separate calculation for each partnership.

Net adjustment for partnership income

Corporation's share of partnership income from active businesses carried on in Canada after deducting related expenses - amount C from the total of all partnerships column above (if the net amount is negative, enter nil on line M)	_____	_____	_____ K
Add: Specified partnership loss (amount G from above)		_____	_____ L
Deduct: Specified partnership income (amount J from above)			_____ M
Net adjustment for partnership income (enter on line P below)			_____

Income from active business carried on in Canada

Net income for income tax purposes from line 111 of the T2 return	_____	_____	_____ N
Deduct: Foreign business income after deducting related expenses *	_____	_____	_____
Taxable capital gains minus allowable capital losses (amount A minus amount B from page one)	_____	_____	_____
Net property income - from page one, amount F minus G, H and N *	_____	_____ O	_____
Personal services business income after deducting related expenses *	_____	_____	_____
Net amount			_____
Deduct net adjustment for partnership income (amount M from above)			_____ P
Income from active business carried on in Canada (enter on line 223 of the T2 return) - if negative, enter nil			_____ Q

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