

CALCULATION OF AGGREGATE INVESTMENT INCOME AND ACTIVE BUSINESS INCOME

Name of corporation	Account / Business Number	Taxation year end						
		<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%; border-bottom: 1px solid black;">Day</td> <td style="width:33%; border-bottom: 1px solid black;">Month</td> <td style="width:33%; border-bottom: 1px solid black;">Year</td> </tr> <tr> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> </table>	Day	Month	Year			
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		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 amounts B and 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 4 of the T2 return.

Enter amount S, aggregate investment income, on line 247 on page 4 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	_____ B	_____ B	_____ B
Add any reserve deducted under subsection 34.2(4) for the preceding taxation year	_____	_____	_____
Subtotal	_____	_____	_____
Deduct expenses the corporation deducted to earn this partnership income (including any reserve under subsection 34.2(4) for the year in respect of "December 31, 1995 income" from that partnership)	_____	_____	_____
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
Amount B * _____ x \$200,000 ** = _____ D	_____ 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	_____ F	_____ F
Plus			
the specified partnership loss of the corporation for the year - enter as a positive amount (total of all negative amounts C)	_____ G	_____ G	_____ 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	_____ H	_____ H
Specified partnership income (amount E plus amount I)	_____ J	_____ J	_____ J

* If negative, enter nil.
 ** If the total number of days in all of the fiscal periods of the partnership that end in the corporation's taxation year is less than 365 days, 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. Do 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)	_____ K
Subtotal	_____ L
Deduct: Specified partnership income (amount J from above)	_____ L
Net adjustment for partnership income (enter on line P below)	_____ M

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 amounts G, H, and N *	_____ O
Personal services business income after deducting related expenses *	_____
Net amount	_____ P
Deduct net adjustment for partnership income (amount M from above)	_____ P
Income from active business carried on in Canada (enter on line 223 on page 3 of the T2 return) – if negative, enter nil	_____ Q

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