

BOX 2 – CALCULATION OF PART VI.1 TAX (SUBSECTION

Complete the calculation of the dividend allowance in Box 1 on reverse.

1) Dividend allowance – amount (B) (from Box 1) or, if associated, the amount allocated (a)
 Taxable dividends (other than excluded dividends per subsections 191(1), 191(4), and 191(5)) paid in the year on short-term preferred shares (b)
 Minus the lesser of amounts (a) and (b) (c)
 66 2/3% X (d) = (e)

2) Taxable dividends (other than excluded dividends) paid in the year on taxable preferred shares (other than short-term preferred shares) of all classes for which an election under subsection 191.2(1) (Form T769) has been made (f)
 Minus the lesser of: (i) Amount (a)
Minus: Amount (c)
 (ii) Amount (f) (g)
 40% X (h) = (i)

3) Taxable dividends (other than excluded dividends) paid in the year on taxable preferred shares (other than short-term preferred shares) and not elected upon under subsection 191.2(1) (j)
 Minus the lesser of: (i) Amount from line (a)
Minus: Amount (c)
 Amount (g)
 (ii) Amount (j) (k)
 25% X (l) = (m)

4) To be completed when an agreement under section 191.3 has been made under which a corporation agrees to pay all or a portion of a related corporation's Part VI.1 tax otherwise payable for the year. (Complete and file Form T770.)
 Part VI.1 tax transferred from related corporation (n)
 Part VI.1 tax transferred to related corporation (o)
 Total Part VI.1 tax payable : The total of amounts (e), (i), (m), and (n)
 Less: Amount (o)
 Enter on line 133 on page 6 of the T2 return

Note: Part VI.1 tax payable has the same due date as Part I tax payable including instalment terms.

Box 3 – CALCULATION OF PART IV.1 TAX

This tax does not apply to dividends received by private corporations or financial intermediary corporations.

Taxable dividends (other than excepted dividends per section 187.1 and subsections 191(4) and 191(5)) received in the year on taxable preferred shares (other than a share of a class for which an election under subsection 191.2(1) has been made) (a)

Taxable dividends (other than excepted dividends) received in the year by a restricted financial institution on taxable RFI shares (section 187.3) (Refer to the definition of a "taxable RFI share" in subsection 248(1)) (b)

Total dividends subject to Part IV.1 tax (Total of amount (a) and amount (b)) (c)

Part IV.1 tax amount (c) X 10% = (d)
 (Enter amount (d) on line 132 on page 6 of the T2 return)

Portion of dividends included in (c) that are also subject to Part IV tax X 10% = (e)
 (Enter amount (e) on line 418 on page 5 of the T2 return)

Note 1: Part IV.1 tax only applies where the dividend in question was deductible under section 112 or 113 or subsection 138(6) or 115(1).

Note 2: Part IV.1 tax payable is due on or before the last day of the second month following the end of the taxation year.