Canada Revenue Agency	**Agence du revenu du Canada**	**SCHEDULE 37** Code 0601

CALCULATION OF UNUSED SURTAX CREDIT
(2006 and later tax years)

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

- Use this schedule to calculate a corporation's unused surtax credit.

- You should also use this schedule to request a carryback of unused surtax credit. This request should be filed by the required filing date of the *T2 Corporation Income Tax Return* for the year in which the surtax credit arose.

- Any unused surtax credit can be carried back three years and carried forward seven years. Unused surtax credits must be applied in order of the oldest first.

- Refer to subsection 181.1(7) of the *Income Tax Act* when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

- Attach this schedule to the T2 return or mail it separately to the tax centre where the return is filed.

Part 1 – Calculation of closing balance of unused surtax credit

Unused surtax credit at the end of the preceding tax year . . . .

Deduct: Unused surtax credit expired after seven tax years **115**

Unused surtax credit at the beginning of the tax year **120**

Add: Unused surtax credit transferred on an amalgamation or the wind-up of a subsidiary **220**

Subtotal _____ A

Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part I.3 tax payable in the current year (see line 862 of Schedule 33, line 862 of Schedule 34, or line 862 of Schedule 35, whichever applies) **320**

Unused surtax credit balance . . . .

Deduct: Amount of unused surtax credit carried forward from previous years and applied to reduce Part VI tax payable in the current year. (If the current tax year ends before July 1, 2006, enter amount from line 887 of Schedule 38. If the current tax year starts after June 30, 2006, enter amount from line 885 of Schedule 38. If the current tax year straddles July 1, 2006, enter amount from line 887 of Schedule 38 multiplied by the number of days in the tax year before July 1, 2006, divided by the number of days in the tax year, **plus** amount from line 885 of Schedule 38 multiplied by the number of days in the tax year after June 30, 2006, divided by the number of days in the tax year.) **420**

Excess _____

Add: Current-year unused surtax credit (enter amount from line 850 of Schedule 33, line 850 of Schedule 34, or line 850 of Schedule 35) **600**

Subtotal _____

Deduct: Unused surtax credit carried back to preceding tax year(s) (complete Part 2 below) . . . . B

Closing balance of unused surtax credit **820**

Part 2 – Request for carryback of unused surtax credit

	Year	Month	Day			Part I.3 Tax		Part VI Tax
1st preceding tax year				Credit to be applied	**901**		**911**	
2nd preceding tax year				Credit to be applied	**902**		**912**	
3rd preceding tax year				Credit to be applied	**903**		**913**	
					Subtotal	_____ C		_____ D

Total of C and D (enter this amount at line B in Part 1 above) _____

If you carry back an amount against Part VI tax payable to a tax year that straddles July 1, 2006, see Part 3.

Part 3 – Calculation of current-year unused surtax credit that can be carried back against Part VI tax payable to a tax year that straddles July 1, 2006

Line 600* _____ x $\dfrac{\text{Days in the tax year** before July 1, 2006 (\quad)}}{\text{Days in the tax year** (\quad)}}$ = _____ E

Net Part VI tax payable for the period before July 1, 2006
(line HH of Schedule 38 for the straddle tax year) . . . . _____ F

Enter amount E or F, whichever is less . . . . _____ G

Line 600* _____ x $\dfrac{\text{Days in the tax year** after June 30, 2006 (\quad)}}{\text{Days in the tax year** (\quad)}}$ = _____ H

Net Part VI tax payable for the period after June 30, 2006
(line RR of Schedule 38 for the straddle tax year) . . . . _____ I

Enter amount H or I, whichever is less . . . . _____ J

Current-year unused surtax credit that can be carried back against Part VI tax payable to a tax year that straddles July 1, 2006 (amount G plus amount J) . . . . _____ K

Amount K is the maximum amount that you can carry back against Part VI tax payable to a tax year that straddles July 1, 2006. Enter the amount you want to carry back on line 911, 912 or 913 (whichever applies).

* Deduct from line 600 any amount that is being carried back to another tax year against Part I.3 or Part VI tax payable.

** Tax year to which the credit will be carried back