



2004 CAPITAL GAINS REFUND TO A MUTUAL FUND TRUST

- Use this form to claim a capital gains refund for a mutual fund trust for the 2004 taxation year.
- Attach a completed copy of this form to the *T3 Trust Income Tax and Information Return*.
- **Contents:**
 - Section 1 Federal calculation
 - Section 2 Calculation for most provinces and territories
 - Section 3 Provincial calculation for Ontario
 - Section 4 Provincial calculation for Manitoba
 - Section 5 Provincial calculation for Alberta
 - Section 6 Total capital gains refund for 2004
- Calculate a separate provincial or territorial refund for trusts with income earned in more than one province or territory. Base the calculation on the proportion of the total income earned in each province or territory. On line 3 of Section 2, enter the total provincial or territorial refund (except for Ontario, Manitoba, and Alberta). Attach the breakdown of this amount.

Section 1

Federal calculation

Federal refundable capital gains tax on hand

Taxable income for the year $\times 29\% =$ **a**
 Taxed capital gains for the year,
 paragraph 130(3)(b) **84000** $\times 29\% =$ **b**
 Federal tax payable for the year (line 37 of Schedule 11) **c**

Refundable capital gains tax on hand at the end of the previous year (line 5 of previous year's T184) **84001** **1**
 Enter whichever amount is **least**: line a, b, or c above **+** **2**
Subtotal (line 1 plus line 2) **=** **3**

Subtract: Federal capital gains refund calculated for the previous taxation
 year (line 22 of previous year's T184) **84004** **-** **4**
Refundable capital gains tax on hand (line 3 minus line 4) **=** **5**

Federal capital gains redemptions

Amount from line 5 $\times 100 \div 14.5 =$ **6**

Fair market value of all issued units **84007** **7**
 All debts owing **84008** **+** **8**
Subtotal (line 7 plus line 8) **=** **9**

Cost amount of all property **84010** **10**
 Cash on hand **84011** **+** **11**
Subtotal (line 10 plus line 11) **=** **12**

Subtotal (line 9 minus line 12; if negative, enter "0") **=** **13**
 Net total at the end of the year (line 6 plus line 13) **=** **14**

Amount paid in the year to redeem units included in the proceeds of disposition of the redemption **84015** **15**

Capital gains redemptions

Line 15 \times line 14 **16**
 Line 15 $+$ line 7 **17**
Subtotal (line 16 divided by line 17) **=** **18**

Amount designated to beneficiaries from units redeemed **84021** $\times 2 =$ **19**

Capital gains redemptions (line 18 minus line 19) **=** **20**

Federal capital gains refund

Amount from line 20 $\times 14.5\% =$ **21**

Federal capital gains refund for the year (amount from line 5 or line 21, whichever is less) **=** **22**

Section 2

Calculation for most provinces and territories

- Separate calculations are required for Ontario, Manitoba, and Alberta. See pages 3 and 4.

• Provincial and territorial rates

Newfoundland and Labrador	66.1%	British Columbia	50.7%
Nova Scotia	57.5%	Northwest Territories	46.7%
New Brunswick	57.0%	Yukon	44.0%
Prince Edward Island	57.5%	Nunavut	39.7%
Saskatchewan	51.7%		

Amount from line 22 of Section 1 **1**
 Provincial or territorial rate \times **%** **2**
Provincial or territorial capital gains refund (line 1 multiplied by line 2) **=** **3**

Section 3

Provincial calculation for Ontario

Ontario refundable capital gains tax on hand

Taxable income for the year (line 56 of the T3 return)	_____	× 11.16% =	_____	a	
Taxed capital gains for the year (line 01 of the T3 return)	_____	× 11.16% =	_____	b	
Ontario tax payable for the year (line 18 of Form T3ON)	_____		_____	c	
Total of Ontario capital gains refunds (except surtax) allowable in taxation years before 2000			84101 • _____		1
Enter whichever amount is least : line a, b, or c above				2a	
Total of amounts from line 2, Section 3 of Form T184 for taxation years after 1999			84102 • + _____	2b	
Subtotal (line 2a plus line 2b)		=	_____	▶	+ _____ 2
				Subtotal (line 1 plus line 2)	= _____ 3
Ontario capital gains refund claimed in prior years:					
Line 4 of 2003 Form T184 _____ plus line 7 of 2003 Form T184 _____		=	84104 • - _____		4
Ontario refundable capital gains tax on hand (line 3 minus line 4)					= _____ 5

Ontario capital gains refund

Amount from line 20 of Section 1	_____	× 5.58% =	_____		6
Ontario capital gains refund – amount from line 5 or line 6, whichever is less					7
Surtax : amount from line 11 or line 12 below, whichever is less				+	8
Line 7 _____ - \$3,856 = _____ × 20% = _____				9	
Line 7 _____ - \$4,864 = _____ × 36% = _____			+ _____	10	
Line 9 plus line 10		=	_____	▶	11
Amount from line 23 of Form T3ON					12
Ontario basic capital gains refund (line 7 plus line 8)				=	13
Additional Ontario capital gains refund (line 29 below)			84114 • + _____		14
Total Ontario capital gains refund (line 13 plus line 14)				=	15

Additional Ontario capital gains refund

If the amounts on line 5 and line 22 in Section 1 are the same, the trust may be entitled to an additional capital gains refund. Use the following steps to calculate the additional refund.

Step 1: Prior-year base amounts

Amount from line 7, Section 3, of Form T184 for 2003					16
Amount from line 18, Section 3, of Form T184 for 2003		+			17
Total prior-year base amount (line 16 plus line 17)		=		▶	18

Step 2: Current-year refundable capital gains tax on hand

Amount from line 5 above _____ **19**

Step 3: Surtax

Line 19 _____ - \$3,856 = _____ × 20% = _____				20	
Line 19 _____ - \$4,864 = _____ × 36% = _____			+ _____	21	
Amount from line 23, Section 3, of Form T184 for 2003		+		22	
Total surtax (add lines 20 to 22)		=		▶	23

Step 4: Refunded amounts

Amount from line 13 above					24
Amount from line 26, Section 3, of Form T184 for 2003		+			25
Total refunded amounts (line 24 plus line 25)		=		▶	26

Step 5: Additional Ontario capital gains refund

Line 18 _____ + line 19 _____ + line 23 _____		=			27
Amount from line 29, Section 3 of Form T184 for 2003 _____		+	line 26 _____	=	- _____ 28
Additional Ontario capital gains refund (line 27 minus line 28)				=	29

Section 4

Provincial calculation for Manitoba

Refundable capital gains tax on hand


Taxable income for 2004 (line 56 of 2004 T3 return)	_____	1		
Taxed capital gains for 2004 (line 01 of 2004 T3 return)	_____	2		
Enter the amount from line 1 or line 2, whichever is less	_____		× 17.4% =	_____ 3
Provincial tax for 2004 (line 26 of 2004 Form T3MB)	_____			_____ 4
Enter the amount from line 3 or line 4, whichever is less	_____			_____ 5
Amount from line 4 of Section 4 of 2003 Form T184	_____		84401 • +	_____ 6
Total of trust's Manitoba refundable tax on hand at the end of 2000	_____		84407 • +	_____ 7
			Subtotal (add lines 5, 6, and 7)	= _____ 8
Capital gains refunds				
Amount from line 7 of Section 4 of 2003 Form T184	_____		9	
after 2000:				
Amount from line 10 of Section 4 of 2003 Form T184	_____		+ _____ 10	
Total of Manitoba capital gains refunds after 2000	_____			
(line 9 plus line 10)	_____		84408 • =	_____ 11
Refundable capital gains tax on hand (line 8 minus line 11)	_____			= _____ 12
Manitoba capital gains refund				
Portion of federal capital gains redemptions – amount from line 20, Section 1	_____		× 8.7% =	_____ 13
Manitoba capital gains refund (amount from line 12 or line 13, whichever is less)	_____			= _____ 14

Section 5

Provincial calculation for Alberta

Refundable capital gains tax on hand

Refundable flat-rate capital gains tax on hand at the end of the previous taxation year	_____		84204 •	_____ 1
Taxable income for the year (line 56 of the T3 return)	_____		× 10% =	_____ 2
Taxed capital gains for the year (line 01 of the T3 return)	_____		× 10% =	_____ 3
Alberta tax payable for the year (line 22 of Form T3AB)	_____			_____ 4
Enter whichever amount is least : line 2, 3, or 4	_____			+ _____ 5
			Subtotal (line 1 plus line 5)	= _____ 6
Provincial flat-rate capital gains refund calculated for previous taxation year	_____		84209 • -	_____ 7
Refundable capital gains tax on hand (line 6 minus line 7)	_____			= _____ 8
Capital gains redemptions				
Amount from line 8	_____		× 100 ÷ 5 =	_____ 9
Fair market value of all issued units	_____			_____ 10
All debts owing	_____		+	_____ 11
			Subtotal (line 10 plus line 11)	= _____ 12
Cost amount of all property	_____		13	
Cash on hand	_____		+ _____ 14	
			Subtotal (line 13 plus line 14)	= _____ 15
			Subtotal (line 12 minus line 15 – if negative, enter "0")	= _____ 16
Net total at the end of the year (line 9 plus line 16)	_____			= _____ 17
Amount paid in the year to redeem units included in the proceeds of disposition of the redemption	_____			_____ 18
Capital gains redemptions				
Line 18 _____			× line 17 _____	_____ 19
Line 18 _____			+ line 10 _____	_____ 20
			÷	_____ 21
Subtotal (line 19 divided by line 20)	_____			= _____ 21
Amount designated to beneficiaries from units redeemed	_____		× 2	_____ 22
Subtotal (line 21 minus line 22)	_____			= _____ 23
Alberta rate	_____		× 5%	_____ 24
Capital gains redemptions (line 23 multiplied by line 24)	_____			= _____ 25
Capital gains refund for the year (amount from line 8 or line 25, whichever is less)	_____			= _____ 26

Section 6		Total capital gains refund for 2004	
Federal capital gains refund – Section 1, line 22		_____	1
Provincial and territorial capital gains refunds	Section 2, line 3	+ _____	2
	Section 3, line 15	+ _____	3
	Section 4, line 14	+ _____	4
	Section 5, line 26	+ _____	5
Total capital gains refund (add lines 1 to 5). Enter the amount from line 6 on line 89 of the T3 return.		= _____ 	<u> </u> 6

Attach a completed copy of this form to the T3 Trust Income Tax and Information Return.