

# TRUST SCHEDULE 4

T3  
Schedule 4  
Rev. 88

## Calculation of Part XII.2 Tax and Refundable Part XII.2 Tax Credit For Taxation Years Commencing After 1987

Name of Trust	Taxation Year
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- Part XII.2 Tax is NOT applicable to testamentary trusts, mutual fund trusts, or most trusts exempt from tax under Part I.
- Part XII.2 Tax is calculated on allocations by trusts to **“Designated Beneficiaries”** (including non-residents) where a trust has Specified Income. Specified Income and Designated beneficiaries are discussed in the T3 Guide under Part XII.2 Tax.
- Part XII.2 Tax must be paid by the trustee 90 days after the trust’s year end. Trustees may be personally liable for any Part XII.2 Tax not paid by the due date.
- Eligible beneficiaries will receive a credit for Part XII.2 Tax paid by the trust.

### Specified Income

Net Business Income from carrying on business in Canada (total of lines 06 to 08 from page 2 of T3 Return)	401
Net Income from Canadian Real Estate (line 09 page 2 of T3 Return)	402
Net Income from Timber Resource Properties	403
Net Income from Resource Properties	404
Taxable Capital Gains from Taxable Canadian Property	405
Total Specified Income (total of lines 401 to 405)	406

### Calculation of Part XII.2 Tax

Amount Allocated / Designated to Beneficiaries (line 37, page 3 of T3 Return)	407
Lesser of lines 406 and 407	X 36% = (Enter on line 83, page 1 of T3 Return)
	408

### Calculation Part XII.2 Refundable Tax Credit for Eligible Beneficiaries: (Line 410) (other than Designated Beneficiaries)

Income allocated to Designated Beneficiaries			
Column II, line 37, page 3 of T3 Return	X Part XII.2 Tax (line 408)	=	409
Total Income Allocated (line 407)			
Subtract line 409 from line 408 and enter 410 amount in Box (T) of the T3 Supplementary (Part XII.2 Tax Credit).			410

- Enter line 409 amount on line 624 Trust Schedule 6, Part B.
- If there is more than one **Eligible Beneficiary**, the line 410 amount must be divided per the terms of the trust agreement.