

# TRUST SCHEDULE 4

T3  
Schedule 4  
Rev. 89

## Calculation of Part XII.2 Tax and Refundable Part XII.2 Tax Credit For The 1988 and Subsequent Taxation Years

Name of Trust	Taxation Year
---------------	---------------

- 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 income distributions by trusts to "**Designated Beneficiaries**" (including non-residents) where a trust has **Specified Income**. Designated Beneficiaries and Specified Income are discussed in the T3 Guide under Part XII.2 Tax.
- Part XII.2 Tax must be paid by the trustee within 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 refundable tax credit for Part XII.2 Tax paid by the trust.

### Specified Income

Net Business Income (Loss) from businesses carried on in Canada (total of lines 06 to 08 from page 2 of T3 Return)	401
Net Income (Loss) from Real Properties (land and buildings) located in Canada (line 09, page 2 of T3 Return)	402
Net Income (Loss) from Timber Resource Properties	403
Net Income (Loss) from Canadian Resource Properties acquired by the trust after 1971	404
Taxable Capital Gains and Allowable Capital Losses from the disposition of Taxable Canadian Property	405
<b>Total Specified Income (total of lines 401 to 405)</b>	<b>406</b>

### Calculation of Part XII.2 Tax

Amount Allocated/Designated to Beneficiaries excluding amounts under Preferred Beneficiary Elections

(Total of Columns I and II only, from line 37, page 3 of T3 Return)	407
Deduct: amount from line 21(b), page 2 of T3 Return	407
Lesser of lines 406 and 407	408
$\times 36\% =$ (Enter on line 83, page 1 of T3 Return)	408

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

Income Allocated to Designated Beneficiaries				
Col. II, line 37, page 3 of T3 Return:	\$		$\times$ Part XII.2 Tax (line 408)	=
Amount from line 407 above:	\$			
			(Subtract line 409 from line 408)	410

— Enter line 409 amount on line 624 Trust Schedule 6, Part B.

Enter the appropriate line 410 amount for each eligible beneficiary in Box (T) of the T3 Supplementary (Part XII.2 Tax Credit)

— If there is more than one **Eligible Beneficiary**, the line 410 amount must be divided per the terms of the trust agreement.