



## Information and instructions

- Unless otherwise stated, our legislative references on this return are to the federal *Income Tax Act*.
- Subsection 248(1) defines a qualifying environmental trust. It includes a trust maintained only to fund the reclamation of a site previously used mainly to operate a mine, extract clay, peat, sand, shale, or aggregates (including dimension stone and gravel), or deposit waste in the province where the trust is resident, as long as the other requirements defined in subsection 248(1) are met.
- A qualifying environmental trust is exempt from tax under Part I.
- Use this return to calculate tax payable under the provincial income tax act that applies.
- Calculate the trust's income without considering subsections 104(4) to (31) and sections 105 to 107.
- Any income or loss the trust earns or realizes in a tax year is considered to be earned or realized by the beneficiaries of the trust. Beneficiaries are entitled to a refundable federal tax credit for their share of the Part XII.4 tax payable by the trust. If provincial tax is payable by the trust to British Columbia, Saskatchewan, or Ontario, beneficiaries are also entitled to a refundable provincial tax credit for their share of the provincial tax payable by the trust.
- In a letter or statement, report to the beneficiaries the income, losses, credits, or withdrawals. Please specify, in each letter or statement, the refundable provincial tax credit and the province to which it applies, the refundable federal tax credit, net capital losses, capital gains, non-capital losses, and other income for each beneficiary.
- The tax year of a qualifying environmental trust is the calendar year.