



**FEDERAL AND PROVINCIAL OR TERRITORIAL CAPITAL GAINS REFUND**  
(1998 and later taxation years)

Name of corporation	Business number	Taxation year end		
		Year	Month	Day

- Use this schedule if you are an investment corporation or a mutual fund corporation to compute the federal capital gains refund and the provincial and territorial capital gains refund (except for Quebec, Ontario, and Alberta).
- The expressions "investment corporation" and "taxed capital gains" are defined in subsection 130(3), the expression "mutual fund corporation" is defined in subsection 131(8), and the expressions "refundable capital gains tax on hand" and "capital gains redemptions" are defined in subsection 131(6) of the *Income Tax Act*.
- File this schedule with the *T2 Corporation Income Tax Return*. For more information, refer to the *T2 Corporation Income Tax Guide*.

**Refundable capital gains tax on hand (RCGTOH)**

RCGTOH at end of previous year .....	<b>101</b>	\$ _____	A
Taxable income for the year .....		x 28% = _____	B
Taxed capital gains for the year .....	<b>120</b>	x 28% = _____	C
Part I taxes payable excluding corporate surtax .....		_____	D
The least of amounts B, C, and D .....		_____	E
RCGTOH amount transferred on amalgamation (for Mutual fund and investment corporations) .....	<b>144</b>	_____	F
<b>Sub-total (A + E + F)</b> .....		\$ _____	G
<b>Less:</b> Federal capital gains refund for previous taxation year .....	<b>151</b>	_____	H
<b>RCGTOH at end of year</b> (before capital gains refund for the year) (G - H) .....	<b>160</b>	\$ _____	I

**Capital gains redemptions for the year**

Amount I .....		\$ _____	x 100/21 =	\$ _____	J
<b>Plus:</b> Fair market value of all issued shares .....	<b>162</b>	\$ _____			K
All debts or other obligations owing .....	<b>164</b>	_____			L
<b>Sub-total (K + L)</b> .....		_____	▶	_____	M
<b>Less:</b> Cost amount of all property .....	<b>166</b>	_____			N
Cash on hand .....	<b>168</b>	_____			O
<b>Sub-total (N + O)</b> .....		_____	▶	_____	P
<b>Sub-total (M - P)</b> (if negative, enter "0") .....		_____	▶	_____	Q
<b>Net total at end of year (J + Q)</b> .....		\$ _____			R
Amount paid in the year to redeem shares .....	<b>169</b>	_____			S
<b>Capital gains redemptions for the year</b>					
	S	x	R	=	<b>170</b>
	S	+	K		T

**Federal capital gains refund for the year \***

Capital gains dividends paid in the period commencing 60 days after the commencement of the year and ending 60 days after the end of the year .....	<b>180</b>	\$ _____	
Capital gains redemptions for the year (amount T) .....		_____	
<b>Total</b> .....		\$ _____	U
<b>21%</b> (tax rate) of amount U .....		\$ _____	V
<b>Federal capital gains refund for the year</b> – the lesser of U and V .....	<b>190</b>	\$ _____	W

(Enter amount W on line 788, page 6 of the T2 return)

\* The corporation must either be an investment corporation or a mutual fund corporation throughout a taxation year to obtain a refund (subsections 130(2) and 131(2) of the *Income Tax Act*.)

**Provincial or territorial capital gains refund for the year**

Provincial or territorial code					Capital gains refund
<b>200</b>					<b>210</b>
<b>XO Newfoundland Offshore *</b>					
Newfoundland Offshore taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			Newfoundland Offshore income tax rate	_____	=
			28	_____	=
				\$	
<b>NF Newfoundland *</b>					
Newfoundland taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			Newfoundland income tax rate	_____	=
			28	_____	=
				\$	
<b>PE Prince Edward Island</b>					
Prince Edward Island taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			Prince Edward Island income tax rate	_____	=
			28	_____	=
				\$	
<b>NO Nova Scotia Offshore</b>					
Nova Scotia Offshore taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			Nova Scotia Offshore income tax rate	_____	=
			28	_____	=
				\$	
<b>NS Nova Scotia</b>					
Nova Scotia taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			Nova Scotia income tax rate	_____	=
			28	_____	=
				\$	
<b>NB New Brunswick</b>					
New Brunswick taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			New Brunswick income tax rate	_____	=
			28	_____	=
				\$	
<b>MB Manitoba *</b>					
Manitoba taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			Manitoba income tax rate	_____	=
			28	_____	=
				\$	
<b>SK Saskatchewan</b>					
Saskatchewan taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			Saskatchewan income tax rate	_____	=
			28	_____	=
				\$	
<b>BC British Columbia</b>					
British Columbia taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			British Columbia income tax rate	_____	=
			28	_____	=
				\$	
<b>NT Northwest Territories</b>					
Northwest Territories taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			Northwest Territories income tax rate	_____	=
			28	_____	=
				\$	
<b>YT Yukon</b>					
Yukon taxable income	_____	x	Federal capital gains refund for the year (amount W)	_____	x
Total taxable income			Yukon income tax rate	_____	=
			28	_____	=
				\$	

\* For Newfoundland and Manitoba the capital gains refund as calculated above, cannot exceed the lesser of:  
 – Newfoundland or Manitoba tax otherwise payable at line 209 or 234, respectively, on Schedule 5;  
 – the taxed capital gains at line 120 on page 1 times the Newfoundland or Manitoba income tax rate; or  
 – Newfoundland or Manitoba taxable income times the Newfoundland or Manitoba income tax rate.

Total of provincial or territorial capital gains refund for the year **290** \$ \_\_\_\_\_  
 (Enter this amount on line 808, page 6 of the T2 return)