

Taxation

**Revenue** Canada Revenu Canada Impôt

# FORWARD AVERAGING SUPPLEMENT - MULTIPLE JURISDICTIONS

- For use by an individual carrying on business, part of whose income for the year was earned and is allocable to a permanent establishment outside the Province or Territory of Residence at the end of the year, and who has either added or deducted an amount under the forward averaging provisions of section 110.4 of the Income Tax Act.
- Attach one completed copy to your 1986 T1 Income Tax Return. Form T691 and form T691A must accompany this supplement if you are subject to minimum tax. In all other cases, form T2203 must accompany this supplement.

NAME	SOCIAL INSURANCE NUMBER
ADDRESS	
<ol> <li>Federal Tax Payable before Federal Forward Averaging Tax and Individual Surtax Payable (line 20 from fo or line 65 from form T691)</li> <li>Federal Forward Averaging Tax on Elective Income (from line 18 of form T540)</li> </ol>	orm T2203
3	
OR ap	heck the opropriate
ALLOCATION OF FEDERAL FORWARD AVERAGING TAX CREDIT-(line 13 of form T581)	box
% to P.E.I. \$% to Manitoba \$% to N.W.T. % to Nova Scotia \$% to Saskatchewan \$% to Yukon % to New Brunswick \$% to Other	\$ \$ \$
% to Québec \$ Note: Ensure the total allocation is equal to the Federal Forward Averaging Tax on line 18 of form T540 or t Federal Forward Averaging Tax Credit on line 13 of form T581 Use the % of allocation in Part 1 of form T2203	the
<ol> <li>Add: 47% of the Forward Averaging Tax allocated to "Other" above</li> <li>Total of lines (2) and (4) – Enter on line 418 on page 4 of T1 Return</li> </ol>	l
Note: The amount at line 5 must be included in Amount (A) of the Individual Surtax Payable calculation on page 2 of form T2203, or on Page 2 of form T691A.	
6. Refundable Quebec Abatement:	·····
(a) 16.5% of the Basic Federal Tax allocated to Quebec (line 9 from form T2203)	
(b) Add: 16.5% of the Federal Forward Averaging Tax allocated to Quebec	
(c) Subtotal	
(d) Subtract: 16.5% of the Federal Forward Averaging Tax Credit allocated to Quebec	,
(e) Enter this amount on line 444 on page 4 of the T1 Return for residents of Quebec; for all other returns enter above line 440	<b> </b>

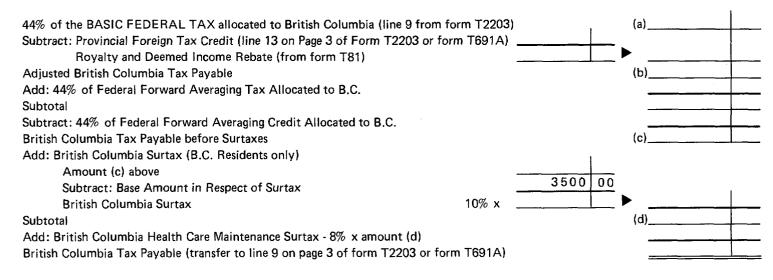
Note: If the above amount is negative, enter zero on line 444 on page 4 of the T1 Income Tax Return and transfer 16.5% of this negative amount to line 3(d) on page 3 of this form.

## 2 ALLOCATION OF PROVINCIAL FORWARD AVERAGING TAX AND FORWARD AVERAGING TAX CREDIT

PROVINCE OR TERRITORY	FORWARD AVERAGING TAX	FORWARD AVERAGING TAX CREDIT	
1. Newfoundland	60% of Federal Forward Averaging Tax Allocated to Newfoundland	60% of Federal Forward Averaging Tax Credit Allocated to Newfoundland	
2. Prince Edward Island	52.5% of Federal Forward Averaging Tax Allocated to Prince Edward Island	52.5% of Federal Forward Averaging Tax Credit Allocated to Prince Edward Island	
3. Nova Scotia	56.5% of Federal Forward Averaging Tax Allocated to Nova Scotia	56.5% of Federal Forward Averaging Tax Credit Allocated to Nova Scotia	
I. New Brunswick	58% of Federal Forward Averaging Tax Allocated to New Brunswick	58% of Federal Forward Averaging Tax Credit Allocated to New Brunswick	
5. Ontario	50% of Federal Forward Averaging Tax Allocated to Ontario	50% of Federal Forward Averaging Tax Credit Allocated to Ontario	
ô. Manitoba	54% of Federal Forward Averaging Tax Allocated to Manitoba	54% of Federal Forward Averaging Tax Credit Allocated to Manitoba	
		Add: 10.8% of Federal Forward Averaging Tax Credit Allocated to Manitoba	
7. Saskatchewan	50% of Federal Forward Averaging Tax Allocated to Saskatchewan	50% of Federal Forward Averaging Tax Credit Allocated to Saskatchewan	
3. Alberta	43.5% of Federal Forward Averaging Tax Allocated to Alberta	43.5% of Federal Forward Averaging Tax Credit Allocated to Alberta	
). British Columbia	44% of Federal Forward Averaging Tax Allocated to British Columbia	44% of Federal Forward Averaging Tax Credit Allocated to British Columbia	
0. N.W. Territories	43% of Federal Forward Averaging Tax Allocated to North West Territories	43% of Federal Forward Averaging Tax Credit Allocated to North West Territories	
1.Yukon Territory	45% of Federal Forward Averaging Tax Allocated to Yukon	45% of Federal Forward Averaging Tax Credit Allocated to Yukon	
2. Total of lines 1 to 11	Provincial Forward Averaging Tax on Elective Income (a)	Provincial Forward Averaging Tax Credit (b)	
	Note: Enter this amount on line 2(b) on page 3 of this form.	Note: Enter this amount on line 3(f) on page 3 of this for	

### CALCULATION OF PROVINCIAL TAX PAYABLE AND FORWARD AVERAGING TAX CREDIT

#### 1. British Columbia Tax Payable



#### 2. Calculation of Net Provincial Tax Payable

- (a) Provincial Tax Payable (from line 14 on page 3 of form T2203)
- (b) Add: Provincial Forward Averaging Tax on Elective Income (from line 12(a) on page 2 of this form)
- (c) Net Provincial Tax Payable (Enter this amount on page 4 of the T1 return)

### 3. Calculation of Forward Averaging Tax Credit

- (a) Federal Forward Averaging Tax Credit (from line (13) of form T581)
- (b) Add: 47% of Federal Forward Averaging Tax Credit allocated to "Other"
- (c) Total Federal Forward Averaging Tax Credit
- (d) Subtract: Refundable Quebec Abatement adjustment if applicable (line 6(e) of page 1 of this form)
- (e) Federal Forward Averaging Tax Credit
- (f) Add: Provincial Forward Averaging Tax Credit (from line 12(b) of page 2 of this form)

(g) Total Forward Averaging Tax Credit (Enter this amount at line 458 on page 4 of the T1 return)

Note: The amount at line (e) must be deducted in computing Amount (A) of the Individual Surtax Payable calculation on page 2 of form T2203 or form T691A.

