



- For use by an individual residing in a Province or Territory at the end of the year, part of whose business income for the year was earned and is allocable to a permanent establishment outside that Province or Territory, and who has added an amount under the forward averaging provision of subsection 110.4(2) of the Income Tax Act.
- Attach one completed copy to your 1990 T1 Income Tax Return. Forms T691 and T691A must accompany this supplement if you are subject to minimum tax. In all other cases, Form T2203 must accompany this supplement.
- If an election under subsection 120.1(2) has been made by the legal representative of a deceased taxpayer, increase the amount of Federal Tax before Federal Individual Surplus Tax (line 25 on Form T2203 or line 77 on Form T691) by the Federal Tax from line 20 of Form T541. By applying the percentage of allocation from Part I of Form T2203 to the Federal Tax on line 20 of Form T541, determine the additional provincial tax and increase the amount on line 7 on page 2 of this form accordingly. Form T541 should accompany this supplement.

Name	Social Insurance Number								
Address									

1. Forward Averaging Tax Credit (line 11 of Form T581) (A) _____

2. ALLOCATION OF FEDERAL AND PROVINCIAL FORWARD AVERAGING TAX CREDIT

(1) Jurisdiction	(2) % of Tax Credit Allocable to Jurisdiction (from Column 5 in Part 1 of Form T2203)	(3) Federal Forward Averaging Tax Credit Allocated to Jurisdiction (Amount (A) x Column (2))	(4) Provincial Tax Rate	(5) Provincial Forward Averaging Tax Credit Allocated to Jurisdiction (Column (3) x Column (4))
(a) Newfoundland			62%	
(b) Prince Edward Island			57%	(B)
(c) Nova Scotia			59.5%	(C)
(d) New Brunswick			60%	
(e) Ontario			53%	(D)
(f) Manitoba			52%	
(g) Saskatchewan			50%	
(h) Alberta			46.5%	
(i) British Columbia			51.5%	
(j) Northwest Territories			44%	
(k) Yukon Territory			45%	
(l) Quebec		(E)	N/A	N/A
(m) Other		(F)	N/A	N/A
(n) Federal Forward Averaging Tax Credit (Total of Column 3: lines (a) to (m)) (Ensure this amount is equal to Amount (A))				
(o) Provincial Forward Averaging Tax Credit (Total of Column 5: lines (a) to (k)) (Enter this amount on line 8(f) on page 2 of this form)				(G)

3. REFUNDABLE QUEBEC ABATEMENT

(a) 16.5% of the Basic Federal Tax allocated to Quebec (line 26 on Form T2203 or line 7 on Form T691A)	
(b) Add: 16.5% of Federal Tax from line 20 of Form T541 allocated to Quebec (deceased taxpayer only)	
(c) Total of lines (a) and (b)	
(d) Subtract: 16.5% of the Federal Forward Averaging Tax Credit allocated to Quebec (amount (E) above)	
(e) Enter this amount on line 440 on page 4 of the T1 Return for residents of Quebec; for all other returns enter above line 444 ▶	

Note: If the above amount is negative, enter zero on line 440 on page 4 of the T1 Income Tax Return and enter this negative amount at line 8(d) on page 2 of this form.

CALCULATION OF PROVINCIAL TAX AND FORWARD AVERAGING TAX CREDIT

4. Prince Edward Island Income Tax

57% of the BASIC FEDERAL TAX allocated to PRINCE EDWARD ISLAND
(area 16 on Form T2203 or area 5 on Form T691A)

(a) _____

Add: Prince Edward Island Surtax: Amount (a)

Subtract: Provincial Forward Averaging Tax Credit allocated
to Prince Edward Island (amount (B) on page 1 of this form)

Total *(b)

10% of (amount (b) in excess of \$12,500.00)

Adjusted Prince Edward Island Income Tax
(transfer to area 29 on Form T2203 or area 10 on Form T691A)

* If a T541 election has been made, the amount at line (b) should be increased by 57% of Federal Tax
(line 20 on Form T541) allocated to Prince Edward Island.

5. Nova Scotia Tax

59.5% of BASIC FEDERAL TAX allocated to NOVA SCOTIA
(area 16 on Form T2203 or area 5 on Form T691A)

(a) _____

Add: Nova Scotia Surtax: Amount (a)

Subtract: Provincial Forward Averaging Tax Credit allocated to Nova Scotia
(amount (C) on page 1 of this form)

Total *(b)

10% of (amount (b) in excess of \$10,000.00)

Adjusted Nova Scotia Income Tax
(transfer to area 30 of Form T2203 or area 11 of Form T691A)

* If a T541 election has been made, the amount at line (b) should be increased by 59.5% of Federal Tax
(line 20 on Form T541) allocated to Nova Scotia.

6. Ontario Tax

53% of the BASIC FEDERAL TAX allocated to ONTARIO
(area 16 on Form T2203 or area 5 on Form T691A)

(a) _____

Add: Ontario Surtax: Amount (a)

Subtract: Provincial Forward Averaging Tax Credit allocated to Ontario
(amount (D) on page 1 of this form)

Total *(b)

10% of (amount (b) in excess of \$10,000.00)

Adjusted Ontario Income Tax

Subtract: Provincial Foreign Tax Credit (from Form T2036)

Ontario Income Tax

Ontario Tax (Use Form T1C(ONT.)TC to complete the calculation of Ontario Tax and enter computed amount here)
(Transfer to area 32 of Form T2203 or area 13 of Form T691A)

** (c)

* If a T541 election has been made, the amount at line (b) should be increased by 53% of Federal Tax
(line 20 on Form T541) allocated to Ontario.

** Amount (c) above is used as amount (A) in Section 1 of Form T1C(ONT.)TC.

7. Calculation of Provincial Tax

Provincial Tax (from line 41 on Form T2203) (enter this amount at line 423 on page 4 of the T1 return)

8. Calculation of Forward Averaging Tax Credit

(a) Federal Forward Averaging Tax Credit (amount (A) on page 1 of this form)

(b) Add: 52% of Federal Forward Averaging Tax Credit allocated to "Other"
(amount (F) on page 1 of this form)

(c) **Total Federal Forward Averaging Tax Credit**

(d) Subtract: Refundable Quebec Abatement adjustment if applicable (line 3(e) of page 1 of this form)

(e) Federal Forward Averaging Tax Credit

(f) Add: Provincial Forward Averaging Tax Credit (amount (G) on page 1 of this form)

(g) **Total Forward Averaging Tax Credit (enter this amount at line 478 on page 4 of the T1 return)**

Note: The amount at line (e) must be deducted in computing amount (2) of the Federal Individual Surtax
calculation in area 27 on Form T2203 or the amount in area 8 on Form T691A.