

## FORWARD-AVERAGING SUPPLEMENT FOR 1996 – MULTIPLE JURISDICTIONS

Use this form to calculate your 1996 tax and credit if:

- you resided in a province or territory on December 31, 1996 (if you ceased to reside in Canada during 1996, use the last day you resided in Canada);
- all or part of your business income for the year was earned and is allocable to a permanent establishment outside that province or territory, or outside Canada; and
- you elected to include part or all of your accumulated forward-averaging amount in your income for 1996.

Attach a completed copy of this form to your 1996 income tax return. If minimum tax applies, also attach completed copies of Form T691, *Calculation of Minimum Tax*, and Form T691A, *Minimum Tax Supplement – Multiple Jurisdictions*. In all other cases, also attach a completed Form T2203, *Calculation of Tax for 1996 – Multiple Jurisdictions*.

If the legal representative of a deceased person is making an election under subsection 120.1(2) of the *Income Tax Act*, increase the amount of the federal tax before the federal individual surtax (line 21 of Form T2203 or line 79 of Form T691) by the net federal tax from line 9 of Form T541, *Forward Averaging Tax Credits – Deceased Individuals*. To determine the additional provincial tax, apply the percentage of income allocation from Part 1 of Form T2203 to the net federal tax on line 9 of Form T541. Multiply the result by the provincial tax rate that applies. Add the total additional provincial tax to the amount on line 47 on page 4 of Form T2203. Attach a completed Form T541.

### Part 1 – Forward-Averaging Tax Credit

Federal forward-averaging tax credit from line 13 of Form T581 ..... \_\_\_\_\_ | 1

#### Allocating federal and provincial forward-averaging tax credit

Column 1	Column 2	Column 3	Column 4	Column 5
Jurisdiction	% of tax credit allocated to jurisdiction from Part 1, column 5 of Form T2203 or Form T691A	Federal forward-averaging tax credit allocated to jurisdiction (line 1 x column 2)	Provincial tax rate	Provincial forward-averaging tax credit allocated to jurisdiction (column 3 x column 4)
Newfoundland			69%	A
Prince Edward Island			59.5%	B
Nova Scotia			59.5%	C
New Brunswick			64%	D
Quebec		E	N/A	N/A
Ontario			56%	F
Manitoba			52%	
Saskatchewan			50%	
Alberta			45.5%	
British Columbia			52%	G
Yukon Territory			50%	H
Northwest Territories			45%	
Other (outside Canada)		I	N/A	N/A
<b>Totals</b>	100%			

This total must equal line 1.

Enter this total on line 7.

Federal forward-averaging tax credit from line 1 .....	_____	2
52% of Amount I in column 3 in the table above .....	+	3
Adjusted federal forward-averaging tax credit: Add line 2 and line 3 * .....	=	4
Refundable Quebec abatement from line 13 below, if the amount is negative .....	-	5
Federal forward-averaging tax credit: Line 4 minus line 5 .....	=	6
Provincial forward-averaging tax credit from column 5 .....	+	7
Add line 6 and line 7. Enter the result on line 478 of your return .....	=	8

\* Deduct the amount on line 4 when you calculate the federal individual surtax (line 26 of Form T2203, and line 8 on Form T691A).

#### Refundable Quebec abatement

16.5% of the basic federal tax you allocated to Quebec (line 35 of Form T2203 or line 6 of Form T691A) .....	_____	9
<b>Deceased persons only:</b> Enter 16.5% of the net federal tax from line 9 of Form T541 allocated to Quebec .....	+	10
Add line 9 and line 10 .....	=	11
16.5% of Amount E in column 3 in the table above .....	-	12
Line 11 minus line 12 .....	=	13

Enter line 13 on line 440 of your return.

If line 13 is negative, enter "0" on line 440 of your return and enter the negative amount on line 5 above.

## Part 2 – Provincial tax

### Manitoba, Saskatchewan, Alberta, and the Northwest Territories

If you made a T541 election, multiply the net federal tax (line 9 of Form T541) you allocated to the province or territory by the provincial or territorial tax rate that applies. Increase the provincial or territorial tax on Form T2203 (or, if minimum tax applies, on Form T691A) by this amount.

#### Newfoundland

69% of the basic federal tax you allocated to Newfoundland from the chart in Part 2 of Form T2203 or Form T691A	14
Line 14 minus amount A on page 1 of this form *	15
Newfoundland surtax: (line 15 minus \$7,900) x 10%	+
Adjusted Newfoundland income tax	16
<b>Residents of Newfoundland:</b> Provincial foreign tax credit from Form T2036	=
Newfoundland tax: Enter this amount on line 36 of Form T2203 or, if minimum tax applies, on line 17 of Form T691A *	17
	-
	18
	=
	19

\* If you made a T541 election, increase the amount on lines 15 and 19 by 69% of the net federal tax (line 9 of Form T541) you allocated to Newfoundland.

#### Prince Edward Island

59.5% of the basic federal tax you allocated to Prince Edward Island from the chart in Part 2 of Form T2203 or Form T691A	20
Line 20 minus amount B on page 1 of this form *	21
P.E.I. surtax: (line 21 minus \$12,500) x 10%	+
Adjusted Prince Edward Island income tax	22
<b>Residents of Prince Edward Island:</b> Provincial foreign tax credit from Form T2036	=
Prince Edward Island tax: Enter this amount on line 37 of Form T2203 or, if minimum tax applies, on line 18 of Form T691A *	23
	-
	24
	=
	25

\* If you made a T541 election, increase the amount on lines 21 and 25 by 59.5% of the net federal tax (line 9 of Form T541) you allocated to Prince Edward Island.

#### Nova Scotia

59.5% of the basic federal tax you allocated to Nova Scotia from the chart in Part 2 of Form T2203 or Form T691A	26
Line 26 minus amount C on page 1 of this form *	27
Nova Scotia surtax: (line 27 minus \$10,000) x 10%	+
Adjusted Nova Scotia income tax: **	28
Enter this amount on line 38 of Form T2203 or, if minimum tax applies, on line 19 of Form T691A *	29
	=

\* If you made a T541 election, increase the amount on line 27 by 59.5% of the net federal tax (line 9 of Form T541) you allocated to Nova Scotia. If you are not a resident of Nova Scotia, also increase the amount on line 29.

\*\* **Residents of Nova Scotia:** Enter this amount on line 4 of Form T1C(N.S.)TC, and use that form to complete the calculation of Nova Scotia tax. If you made a T541 election, increase the Nova Scotia tax (line 21 of Form T1C(N.S.)TC) by 59.5% of the net federal tax (line 9 of Form T541) you allocated to Nova Scotia. Enter the result on line 38 of Form T2203 or, if minimum tax applies, on line 19 of Form T691A.

#### New Brunswick

64% of the basic federal tax you allocated to New Brunswick from the chart in Part 2 of Form T2203 or Form T691A	30
Line 30 minus amount D on page 1 of this form *	31
New Brunswick surtax: (line 31 minus \$13,500) x 8%	+
Adjusted New Brunswick income tax	32
<b>Residents of New Brunswick:</b> Provincial foreign tax credit from Form T2036	=
New Brunswick tax: Enter this amount on line 39 of Form T2203 or, if minimum tax applies, on line 20 of Form T691A *	33
	-
	34
	=
	35

\* If you made a T541 election, increase the amount on lines 31 and 35 by 64% of the net federal tax (line 9 of Form T541) you allocated to New Brunswick.

#### Ontario

56% of the basic federal tax you allocated to Ontario from the chart in Part 2 of Form T2203 or Form T691A	36
Line 36 minus amount F on page 1 of this form *	37
Ontario Fair Share Health Care Levy:	
(line 37 minus \$5,310) x 20%	+
(line 37 minus \$7,635) x 13%	38
Adjusted Ontario tax: Add lines 36, 38, and 39. **	+
Enter the result on line 40 of Form T2203 or, if minimum tax applies, on line 21 of Form T691A *	39
	=
	40

\* If you made a T541 election, increase the amount on line 37 by 56% of the net federal tax (line 9 of Form T541) you allocated to Ontario. If you are not a resident of Ontario, also increase the amount on line 40 above.

\*\* **Residents of Ontario:** Enter this amount on line 6 of Form T1C(ONT.)TC, and use that form to complete the calculation of Ontario tax. If you made a T541 election, increase the Ontario tax (line 24 of Form T1C(ONT.)TC) by 56% of the net federal tax (line 9 of Form T541) you allocated to Ontario. Enter the result on line 40 of Form T2203 or, if minimum tax applies, on line 21 of Form T691A.

#### British Columbia

52% of the basic federal tax you allocated to British Columbia from the chart in Part 2 of Form T2203 or Form T691A	41
<b>Residents of British Columbia:</b> Provincial foreign tax credit from Form T2036	-
Adjusted British Columbia income tax: Line 41 minus line 42. Enter the result on line 4 of Form T1C(B.C.)TC	42
Line 43 minus amount G on page 1 of this form *	=
	43
British Columbia surtax: (line 44 minus \$5,300) x 30%	44
(line 44 minus \$8,915) x 21.5%	+
Add line 45 and line 46, and enter the result on line 7 of Form T1C(B.C.)TC. Use that form to complete the calculation of British Columbia tax.* Enter the result on line 44 of Form T2203 or, if minimum tax applies, on line 25 of Form T691A	45
	+
	46
	=
	47

\* If you made a T541 election, increase the amount on line 44 above and line 13 of Form T1C(B.C.)TC by 52% of the net federal tax (line 9 of Form T541) you allocated to B.C.

#### Yukon Territory

50% of the basic federal tax you allocated to Yukon Territory from the chart in Part 2 of Form T2203 or Form T691A	48
Line 48 minus amount H on page 1 of this form *	49
Yukon Territory surtax: (line 49 minus \$6,000) x 5%	+
Adjusted Yukon Territory tax	50
<b>Residents of the Yukon Territory:</b> Territorial foreign tax credit from Form T2036	=
Yukon Territory tax: Enter this amount on line 45 of Form T2203 or, if minimum tax applies, on line 26 of Form T691A *	51
	-
	52
	=
	53

\* If you made a T541 election, increase the amount on lines 49 and 53 by 50% of the net federal tax (line 9 of Form T541) you allocated to the Yukon Territory.