

**MANITOBA BOOK PUBLISHING TAX CREDIT
(2008 and later tax years)**

Name of corporation	Business Number	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Year</td> <td style="text-align: center;">Tax year-end Month</td> <td style="text-align: center;">Day</td> </tr> <tr> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> </table>	Year	Tax year-end Month	Day			
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- Use this schedule to claim the Manitoba book publishing tax credit under section 10.4 of the Manitoba *Income Tax Act* (the Act). You must apply no later than 18 months after the end of the tax year for which you are claiming the credit.
- You are eligible to claim this tax credit if you are a book publisher with a permanent establishment in Manitoba, you paid at least 25% of the wages and salaries to Manitoba residents, and you answered **yes** to all the questions in Part 1 of this schedule.
- The Manitoba book publishing tax credit is a refundable credit that is equal to 40% of the eligible book publishing labour costs to a maximum of \$100,000 and 10% of the eligible printing costs for the year.
- **Book publishing labour costs** includes reasonable salaries and wages paid to employees, resident in Manitoba on December 31 of that tax year, after April 9, 2008 and before 2012. These salaries and wages are related to the publication of hardcover or paperback books, but not to the marketing or promotion of books.
- **Eligible printing costs** are the costs paid in the tax year for printing, assembling, and binding eligible books that are printed on at least 30% post-consumer recycled paper and published in the tax year or in the immediately preceding year (no earlier than April 9, 2008). The costs must be incurred after April 9, 2008 and before 2013. The costs are reasonable in the circumstances and are paid by the publisher in the tax year.
- An **eligible book** is a first edition, non-periodical publication that meets **all** the criteria outlined in subsection 10.4(3) of the Act.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.

Part 1 – Eligible publisher

1. Does the corporation primarily carry on the business of book publishing? **110** 1 Yes 2 No
2. Does the corporation have a permanent establishment in Manitoba in the tax year? **115** 1 Yes 2 No
3. Has the corporation published at least two eligible books within the two-year period ending at the end of the tax year? . . . **120** 1 Yes 2 No

Proportion of Manitoba labour costs to total labour costs (exclude marketing, promotion, legal and accounting costs):

Salaries and wages paid to **Manitoba resident** employees in the tax year (keep a list of names, addresses and social insurance numbers, as you may be required to provide this information at a future date) **140** _____ A

Total salaries and wages the corporation has paid to employees in the tax year **130** _____ B

Proportion of the total salaries and wages that is paid to Manitoba resident employees in the tax year (line A **divided** by line B) _____ % C

If you answered **no** to any of questions 1 to 3, or if the percentage calculated at line C is less than 25%, you are **not** eligible for the Manitoba book publishing tax credit.

Part 2 – Eligible books (attach additional schedules if more space is required)

	A Title of eligible book 200	B Author(s) 210
1.		
2.		
3.		
4.		
5.		

	C International standard book number ISBN 220	D Date of publication yyyy/mm/dd 230	E Number of pages 240	F Number of books in print run 250	G Format* 260	H Classification** 270
1.						
2.						
3.						
4.						
5.						
Total						

* Enter the number corresponding to the format of the eligible book: 1. Hardcover 2. Paperback
 ** Enter the number corresponding to the classification of the eligible book: 1. Fiction 2. Non-fiction 3. Poetry 4. Drama 5. Biography 6. Children

Part 3 – Calculating the Manitoba book publishing tax credit

Book publishing labour costs* (exclude marketing, promotion, legal and accounting costs):

Salaries and wages paid to **Manitoba resident** employees E
 (amounts paid after April 9, 2008 that are included in line A in Part 1)

Contracted Manitoba labour costs paid in the tax year ** **400** × 65% **405** F

Total Book publishing labour costs (line E plus line F) G

Total number of pages attributable to eligible books published in the tax year
 (total from column E in table in Part 2) H

Total number of pages attributable to books published in the tax year **410** I

Proportion of labour related to the production of eligible books
 (line H divided by line I) % J

Total Book publishing labour costs (line G multiplied by the percentage at line J) **415** K

Add

Total non-refundable monetary advances made to authors of eligible books in the tax year **420** L

Total costs (line K plus line L) **430** M

Manitoba book publishing tax credit (line M multiplied by 40%). This amount cannot exceed \$100,000 **440** N

Add printing bonus

Eligible printing costs paid in the tax year for eligible books printed on at least 30%
 recycled content comprised of post-consumer waste paper **450** × 10% **460** O

Total Manitoba book publishing tax credit (line N plus line O)
 Enter this amount on line 615 of Schedule 5

* Any part of a salary, wage or fee that is determined by reference to profits or revenues is deemed not to be related to the publication of books.

** Contracted labour costs are fees paid to an individual, resident in Manitoba who is not an employee of the publisher or to a corporation who has a permanent establishment in Manitoba, after April 9, 2008 and before 2012 that are related to the publication of hardcover or paperback books, but not to the marketing or promotion of books.