



MANITOBA CORPORATE TAX REDUCTION FOR NEW SMALL BUSINESSES

Name of corporation	Corporation account number	Taxation year end		
		Day	Month	Year

- The Manitoba corporate tax reduction for new small businesses applies to the first five taxation years of a newly formed Canadian - controlled private corporation, credit union, or cooperative corporation incorporated in Manitoba after August 8, 1988 and before 1993.
- The corporation has to be a Canadian - controlled private corporation, credit union, or cooperative corporation throughout the year and maintain a permanent establishment in Manitoba at any time during the year.
- The corporation can never have been associated with any other business since the date of incorporation. However, associated corporations may have their ineligibility waived by the provincial Minister of Finance.
- This reduction is only available to a corporation that is eligible to claim a federal small business deduction for the year or a deduction under subsection 137(3) of the federal *Income Tax Act* (credit union).
- One completed copy of this form and the Confirmation Notice issued by the Province are to be filed with the *T2 Corporation Income Tax Return*.

CALCULATION OF MANITOBA CORPORATE TAX REDUCTION FOR NEW SMALL BUSINESSES

Least of amounts from lines 223, 225, and 227 of the small business deduction calculation on page 3 of the T2 return plus the amount on which a credit union's subsection 137(3) deduction is calculated

_____ (A)

Amount (A) _____ X $\frac{\text{Taxable income earned in Manitoba}^*}{\text{Taxable income earned in all provinces}^*}$ _____ X _____ (B)** = _____ (C)

Enter amount (B) on line 610 of form T2S-TC.
Enter amount (C) on line 611 of form T2S-TC.

* Calculate taxable income in accordance with paragraph 124(4)(a) of the *Income Tax Act* and Part IV of the *Income Tax Regulations*.

- ** Amount (B) - Rate of reduction:
- corporation's first taxation year10%
 - corporation's second taxation year.... 8%
 - corporation's third taxation year..... 6%
 - corporation's fourth taxation year..... 4%
 - corporation's fifth taxation year.....2%

CERTIFICATION

I, _____, hereby certify that the information given on this form is true, correct
(Please print)

and complete in every respect.

Date	Signature of authorized person	Position or office
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