

MANITOBA MANUFACTURING AND PROCESSING TAX CREDIT (2004 and later taxation years)

Name of corporation	Business Number	Taxation year-end Year Month Day
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- Use this schedule if you are a corporation that has acquired qualified property and you want to reduce Manitoba tax payable.
- Qualified property can be one of the following:
 - Property that is "qualified property" within the meaning assigned to this expression by subsections 127(9) and 127(11) of the federal *Income Tax Act* and that was acquired before July 1, 2006. The corporation has to acquire the property to be used in Manitoba mainly for manufacturing or processing goods for sale or lease.
 - Property bought after April 22, 2003, that falls in class 43.1 under the federal *Income Tax Regulations* and that was not used, or acquired for use or lease, for any purpose whatever before it was acquired by the corporation. The corporation must acquire the property to be used in Manitoba for producing, or reducing consumption of, energy primarily for use in its business in Manitoba of manufacturing or processing goods for sale or lease.
- A corporation leasing its property may also qualify for the credit. The lessee must not be exempt from tax under section 149 of the federal *Income Tax Act*, and reasonably be expected to use the property in Manitoba primarily for:
 - manufacturing or processing goods for sale or lease; or
 - producing, or reducing consumption of, energy for use in its business in Manitoba of manufacturing or processing goods for sale or lease.
- **Manufacturing or processing** has the meaning assigned by subsection 125.1(3) of the federal *Income Tax Act* and includes qualified activities as defined in section 5202 of the federal *Income Tax Regulations*.
- Deduct the amount of any government assistance or non-government assistance when you calculate the capital cost of qualified property.
- The credit earned on qualified property acquired in the taxation year is eligible for a 10 year carryforward. The credit is eligible for a 3 year carryback (to taxation years ending after April 22, 2003, for class 43.1 property).
- Use this schedule to show a credit transfer following an amalgamation or the windup of a subsidiary, as described in subsections 87(1) and 88(1) of the federal *Income Tax Act*. You can also use this schedule to show the credit allocated from a trust or a partnership.
- File the completed schedule with your T2 Corporation Income Tax Return. Keep a copy for your records.

Part 1 – Qualified property (acquired in this taxation year) eligible for the credit

101		102			103
CCA class No.	Description of qualified property	Acquisition date			Capital cost
		Year	Month	Day	

Total capital cost (attach an additional schedule if required) _____ **A**

Part 2 – Calculation of total credit available and credit available for carryforward

Credit at end of preceding taxation year				
Deduct: Credit expired*	104			
Credit at beginning of taxation year	105			▶ _____
Add:				
Credit transferred on an amalgamation or the windup of a subsidiary	110			
Current-year credit earned Amount A from above _____ x 10% =	120			
Credit allocated from a partnership	130			
Credit allocated from a trust	140			
Subtotal				▶ _____
Total credit available				_____
Deduct:				
Credit claimed in the current year (enter on line 605 in Part 2 of Schedule 5)	160			
Credit carried back to preceding taxation year(s) (complete Part 3)				B _____
Subtotal				▶ _____
Closing balance				200 _____

* An unused credit expires after 7 taxation years if it relates to qualified property acquired in a taxation year ending before 2004. If the qualified property was acquired in a taxation year ending after 2003, the unused credit expires after 10 taxation years.

Part 3 – Request for carryback of credit

	Year	Month	Day		
1 st preceding taxation year			 Credit to be applied	901 _____
2 nd preceding taxation year			 Credit to be applied	902 _____
3 rd preceding taxation year			 Credit to be applied	903 _____
Total (enter on line B in Part 2)					_____

Part 4 – Analysis of credit available for carryforward by year of origin

The carryforward period for taxation years ending before 2004 is 7 years. For taxation years ending after 2003, the carryforward period is 10 years.

Year of origin (earliest year first)	Credit available	Year of origin (earliest year first)	Credit available																														
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:33%;">Year</th> <th style="width:33%;">Month</th> <th style="width:33%;">Day</th> </tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </table>	Year	Month	Day													_____	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <th style="width:33%;">Year</th> <th style="width:33%;">Month</th> <th style="width:33%;">Day</th> </tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> </table>	Year	Month	Day													_____
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Total (equals line 200 in Part 2)		_____																															