

NET INCOME (LOSS) FOR INCOME TAX PURPOSES
 (1998 and later taxation years)

Name of corporation	Business Number	Taxation year end		
		Year	Month	Day

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with Generally Accepted Accounting Principles (GAAP).
- Sections, subsections and paragraphs referred to on this schedule are from the *Income Tax Act*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Net income (loss) after taxes and extraordinary items per financial statements		A	
Add:			
Provision for income taxes – current	101	_____	
Provision for income taxes – deferred	102	_____	
Interest and penalties on taxes	103	_____	
Amortization of tangible assets	104	_____	
Amortization of natural resource assets	105	_____	
Amortization of intangible assets	106	_____	
Recapture of capital cost allowance – Schedule 8	107	_____	
Gain on sale of eligible capital property – Schedule 10	108	_____	
Income/loss for tax purposes – joint ventures/partnerships	109	_____	
Loss in equity of subsidiaries and affiliates	110	_____	
Loss on disposal of assets	111	_____	
Charitable donations – Schedule 2	112	_____	
Taxable capital gains – Schedule 6	113	_____	
Political donations	114	_____	
Holdbacks	115	_____	
Deferred and prepaid expenses	116	_____	
Depreciation in inventory – end of year	117	_____	
Scientific research expenditures deducted per financial statements	118	_____	
Capitalized interest	119	_____	
Non-deductible club dues and fees	120	_____	
Non-deductible meals and entertainment expenses	121	_____	
Non-deductible automobile expenses	122	_____	
Non-deductible life insurance premiums	123	_____	
Non-deductible company pension plans	124	_____	
Tax reserves deducted in prior year – Schedule 13	125	_____	
Reserves from financial statements – balance at the end of the year	126	_____	
Soft costs on construction and renovation of buildings	127	_____	
Subtotal of fields 201 to 294 (page 2)	199	_____	
Subtotal of fields 101 to 199	500	_____	▶
Deduct:			
Gain on disposal of assets per financial statements	401	_____	
Dividends not taxable under Section 83 – Schedule 3	402	_____	
Capital cost allowance – Schedule 8	403	_____	
Terminal loss – Schedule 8	404	_____	
Cumulative eligible capital deduction – Schedule 10	405	_____	
Allowable business investment loss – Schedule 6	406	_____	
Foreign non-business tax deduction under subsection 20(12)	407	_____	
Holdbacks	408	_____	
Deferred and prepaid expenses	409	_____	
Depreciation in inventory – end of prior year	410	_____	
Scientific research expenses claimed in year – Form T661	411	_____	
Tax reserves claimed in current year – Schedule 13	413	_____	
Reserves from financial statements – balance at the beginning of the year	414	_____	
Provincial capital tax	415	_____	
Patronage dividends – Schedule 16	416	_____	
Contributions to deferred income plans – Schedule 15	417	_____	
Subtotal of fields 300 to 394 (page 3)	499	_____	
Subtotal of fields 401 to 499	510	_____	▶
Net income (loss) for income tax purposes (enter on line 300 on the T2 return)		_____	

Add:

Accounts payable and accruals for cash basis – closing	201	_____
Accounts receivable and prepaid for cash basis – opening	202	_____
Accrual inventory – opening	203	_____
Accrued dividends – prior year	204	_____
Book loss on joint ventures/partnerships	205	_____
Capital items expensed	206	_____
All crown charges, royalties, rentals, etc.	207	_____
Debt issue expense	208	_____
Deemed dividend income	209	_____
Deemed interest on loans to non-residents	210	_____
Deemed interest received	211	_____
Development expenses claimed in current year	212	_____
Dividend stop-loss adjustment	213	_____
Dividends credited to the investment account	214	_____
Exploration expenses claimed in current year	215	_____
Financing fees deducted in books	216	_____
Foreign accrual property income	217	_____
Foreign affiliate property income	218	_____
Foreign exchange included in retained earnings	219	_____
Gain on settlement of debt	220	_____
Interest paid on income debentures	221	_____
Limited partnership losses – Schedule 4	222	_____
Loss from international banking centres	223	_____
Mandatory inventory adjustment – included in current year	224	_____
Mining royalties (provincial mining taxes)	225	_____
Non-deductible advertising	226	_____
Non-deductible interest	227	_____
Non-deductible legal and accounting fees	228	_____
Optional value of inventory – included in current year	229	_____
Other expenses from financial statements	230	_____
Recapture of SR&ED expenditures – Form T661	231	_____
Resource amounts deducted	232	_____
Restricted farm losses – current year – Schedule 4	233	_____
Sales tax assessments	234	_____
Share issue expense	235	_____
Write-down of capital property	236	_____
Amounts received in respect of qualifying environmental trust per paragraphs 12(1)(z.1) and 12(1)(z.2)	237	_____
Other additions:		
600 _____	290	_____
601 _____	291	_____
602 _____	292	_____
603 _____	293	_____
604 _____	294	_____

Enter the total at line 199 on page 1 of this schedule

Deduct:

Accounts payable and accruals for cash basis – opening	300	_____
Accounts receivable and prepaid for cash basis – closing	301	_____
Accrual inventory – closing	302	_____
Accrued dividends – current year	303	_____
Bad debt	304	_____
Book income of joint venture/partnership	305	_____
Equity in income from subsidiaries/affiliates	306	_____
Exempt income under section 81	307	_____
Income from international banking centres	308	_____
Mandatory inventory adjustment – included in prior year	309	_____
Contributions to a qualifying environmental trust	310	_____
Non-Canadian advertising expenses – broadcasting	311	_____
Non-Canadian advertising expenses – printed materials	312	_____
Optional value of inventory – included in prior year	313	_____
Other income from financial statements	314	_____
Payments made pursuant to allocations in proportion to borrowing and bonus interest payment – Schedule 17	315	_____

Resource deductions:

Canadian development expenses – Schedule 12	340	_____
Canadian exploration expenses – Schedule 12	341	_____
Canadian oil and gas property expenses – Schedule 12	342	_____
Deductible crown charges	343	_____
Depletion – Schedule 12	344	_____
Foreign exploration and development expenses – Schedule 12	345	_____
Resource allowance	346	_____

Other deductions:

700 _____	390	_____
701 _____	391	_____
702 _____	392	_____
703 _____	393	_____
704 _____	394	_____

Enter the total at line 499 on page 1 of this schedule

