

You have to complete this form for a non-resident trust if it carries on a business through a permanent establishment in Newfoundland.

**Taxable income** (line 56 of the return) \_\_\_\_\_                                           **1**

## Step 1 – Newfoundland tax on taxable income

**Testamentary trusts or grandfathered inter vivos trusts** – Complete **one** of the charts below, depending on the taxable income of the trust.

		<b>Chart A</b> Taxable income of \$29,590 or less	<b>Chart B</b> Taxable income more than \$29,590, but not more than \$59,180	<b>Chart C</b> Taxable income more than \$59,180	
Enter the amount from line 1 above	<b>2</b>				<b>2</b>
Income base	<b>3</b>	0 00	29,590 00	59,180 00	<b>3</b>
Line 2 minus line 3	<b>4</b>	=	=	=	<b>4</b>
Tax rate	<b>5</b>	x 10.57%	x 16.16%	x 18.02%	<b>5</b>
Multiply line 4 by line 5	<b>6</b>	=	=	=	<b>6</b>
Tax on income base	<b>7</b>	+ 0 00	+ 3,128 00	+ 7,909 00	<b>7</b>
<b>Newfoundland tax on taxable income</b> (line 6 plus line 7)	<b>8</b>	=	=	=	<b>8</b>
<b>Inter vivos trusts</b> (other than grandfathered)					
<b>Newfoundland tax on taxable income</b>	Line 1	x 18.02% =			<b>9</b>

## Step 2 – Donations and gifts tax credit

Total donations and gifts	Line 17 of Schedule 11	13012 •					
	On the first \$200 or less			x 10.57% =			<b>10</b>
	On the remaining			x 18.02% =	+		<b>11</b>
<b>Donations and gifts tax credit</b> (line 10 plus line 11)					=	13014 •	<b>12</b>

## Step 3 – Newfoundland tax

Enter the amount from line 8 or line 9 above					13011 ■		<b>13</b>
Donations and gifts tax credit (line 12)							<b>14</b>
Dividend tax credit	Line 826 of Schedule 8		x 45% =	13015 •	+		<b>15</b>
Minimum tax carryover	Line 26 of Schedule 11		x 62.2% =	13016 •	+		<b>16</b>
Total credits (add lines 14 to 16)					=		<b>17</b>
Subtotal (line 13 minus line 17 – if negative, enter "0")							<b>18</b>
Minimum tax	Amount A from Chart 1 of Schedule 12	13002 •	+				<b>19</b>
Subtotal (line 18 plus line 19)		13005 ■	=				<b>20</b>
Surtax	(Line 20		minus \$7,032) x 9% =	13030 ■	+		<b>21</b>
Subtotal (line 20 plus line 21)					=		<b>22</b>
Newfoundland foreign tax credit (line 7 of Form T2036)		13060 •	-				<b>23</b>
<b>Newfoundland tax payable</b> (line 22 minus line 23 – if negative, enter "0")							
Enter this amount on line 82 of the return.		13090 =					<b>27</b>

# Newfoundland Tax Instructions

## What's new for 2001?

The way you calculate the trust's Newfoundland tax has changed. It is no longer a percentage of federal income tax. Instead, you calculate it directly on the trust's taxable income (line 56 of the return), the same way you calculate the federal tax, but using Newfoundland's own rates. You now calculate the provincial tax using Form T3NF, *Newfoundland Tax*, on the back of this instruction sheet. This new provincial form also includes provincial rates for such tax credits as donations and gifts, dividend tax credit, and minimum tax carryover.

## If you have questions...

If you have questions about **Newfoundland tax and credits**, contact:

Newfoundland and Labrador Tax Services Office  
Canada Customs and Revenue Agency  
165 Duckworth Street, P.O. Box 12075  
St. John's NF A1B 4R5

You can call us toll free at 1-800-959-8281. For other addresses and telephone numbers, see the listings in the government section of your telephone book, and on our Web site at: [www.ccra.gc.ca/tso/](http://www.ccra.gc.ca/tso/)