

## NOVA SCOTIA TAX ON LARGE CORPORATIONS (1998 and later taxation years)

Day

Name of corporation name	Business Number	Taxation year-end	
		Year	Month
		1 1 1 1	1

- For use by corporations with a permanent establishment (as defined in the federal *Income Tax Regulations*) in the province of Nova Scotia that are liable to pay tax on their taxable capital, for taxation years ending after March 31, 1997, and starting before April 1, 2006.
- The Nova Scotia tax on large corporations will apply to most large corporations including insurance companies, except financial institutions as defined in Part III of the Nova Scotia *Income Tax Act*. Financial institutions include banks, trust companies, and credit unions.
- Corporations exempt from federal Part I.3 tax, in accordance with subsection 181.1(3), are also exempt from Nova Scotia tax on large corporations.
- You have to complete Schedule 33, 34, or 35, whichever applies, in order to complete this schedule. File completed copies of these two schedules with the *T2 Corporation Income Tax Return* within six months of the end of the taxation year.

— Part 1 – Calculation of Nova Scotia taxable capital				
Taxable capital for the year or taxable capital employed in Canada (enter the amount from   line 500, 590, 690, or 790, whichever is applicable, of Schedule 33, 34, or 35)   A				
<b>Deduct</b> : capital deduction claimed for the year				
Net taxable capital for the year (if negative, enter "0") C				
If the corporation has a permanent establishment only in Nova Scotia, enter amount from line C on line G. Otherwise, complete the following:				
Line 107 plus line 108 of Schedule 5 = % D				
Line 129 of Schedule 5				
Line 147 plus line 148 of Schedule 5=%E *Line 169 of Schedule 5				
<b>Add</b> percentages D and E% x 1/2 ** =% F				
Amount C x Percentage on line F * Nova Scotia taxable capital for the year 130 G				
* For an airline corporation, multiply the percentage E by 3.				
** If either line D or E is blank, do not multiply by 1/2. For ship operators, do not multiply by 1/2. For airlines, multiply by 1/4.				
— Part 2 – Calculation of Nova Scotia tax on large corporations				
Is amount A plus the taxable capital for the year for all related corporations less than \$10,000,000?				
If the answer is Yes at line 135, complete the following:				
Amount G x Number of days in the taxation year * x 0.5% = H				
If the answer is <i>No</i> at line 135, complete the following:				
Amount G x Number of days in the taxation year * x 0.25% = I   365				
For a taxation year that straddles March 31, 1997, or April 1, 2006:				
Amount H or I, whichever is applicable X Mumber of days in the taxation year after Amount H or I, whichever is applicable X Mumber of days in the taxation year J Number of days in the taxation year				
Nova Scotia tax on large corporations – enter amount H, I, or J, whichever applies				
Enter amount K on line 765 on page 8 of the T2 return. Amount K may be deducted in calculating net income for federal income tax purposes.				
* Only complete the proration if the taxation year is less than 51 weeks.				

