

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

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

**Step 1 – Nunavut 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 \$30,754 or less	<b>Chart B</b> Taxable income more than \$30,754, but not more than \$61,509	<b>Chart C</b> Taxable income more than \$61,509, but not more than \$100,000	<b>Chart D</b> Taxable income more than \$100,000	
Enter the amount from line 1 above	2				2
Income base	3	0 00	30,754 00	61,509 00	100,000 00
Line 2 minus line 3	4	=	=	=	=
Tax rate	5	x 7.2%	x 9.9%	x 11.7%	x 13.05%
Multiply line 4 by line 5	6	=	=	=	=
Tax on income base	7	+ 0 00	+ 2,214 00	+ 5,259 00	+ 9,762 00
<b>Nunavut tax on taxable income</b> (line 6 plus line 7)	8	=	=	=	=
<b>Inter vivos trusts</b> (other than grandfathered)					
<b>Nunavut tax on taxable income</b>	Line 1			x 13.05% =	

**Step 2 – Donations and gifts tax credit**

Total donations and gifts	Line 17 of Schedule 11	13712 •				
	On the first \$200 or less			x 7.2% =		10
	On the remaining			x 13.05% =	+	11
<b>Donations and gifts tax credit</b> (line 10 plus line 11)					13714 • =	12

**Step 3 – Nunavut tax**

Enter the amount from line 8 or line 9 above					13701 ■	13
Donations and gifts tax credit (line 12)						14
Dividend tax credit	Line 826 of Schedule 8		x 30% =	13715 • +		15
Minimum tax carryover	Line 26 of Schedule 11		x 45% =	13716 • +		16
Total credits (add lines 14 to 16)				=		17
Subtotal (line 13 minus line 17 – if negative, enter "0")						18
Minimum tax	Amount K from Chart 1 of Schedule 12	13702 •	+			19
Subtotal (line 18 plus line 19)					13705 ■ =	20
Nunavut foreign tax credit (line 7 of Form T2036)		13550 •				21
Total Nunavut political contributions		13620 •			22	22
Allowable political contribution tax credit (see instructions on back)		13610 ■	+			23
Other Nunavut tax credits (see instructions on back)						24
Specify:				+		24
Total credits (add lines 21, 23, and 24)				=		25
<b>Nunavut tax payable</b> (line 20 minus line 25 – if negative, enter "0")						26
Enter this amount on line 82 of the return.					13700 =	26

# Nunavut Tax Instructions

## What's new for 2001?

The way you calculate the trust's Nunavut 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 the territory's own rates. You now calculate the Nunavut tax using Form T3NT, *Nunavut Tax*, on the back of this instruction sheet. This new form also includes territorial rates for such tax credits as donations and gifts, dividend tax credit, and minimum tax carryover.

See below for additional information about the following amounts:

- allowable political contribution tax credit
- risk capital investment tax credits

### Line 23 – Allowable political contribution tax credit

A trust can deduct from the taxes payable to a territory a portion of amounts paid to:

- a registered political party of the territory;
- a registered constituency association of the territory; or
- a candidate seeking election to the territory's legislature.

Attach an official receipt to the return as proof of payment, and use **one** of the three methods below to calculate the allowable credit:

Total political contributions in the year \_\_\_\_\_ **A**  
Enter amount A on line 22.

	Contributions of \$100 or less	Contributions more than \$100, but not more than \$900	Contributions over \$900
Amount A	1		
Contribution base	2	– 100 00	
Line 1 minus line 2	3	=	
Credit rate	4	× 50%	
Line 3 multiplied by line 4	5	=	
Base credit	6	+ 100 00	
Allowable credit – line 5 plus line 6	7	=	\$500.00
Enter this amount on line 23.			

### Line 24 – Risk capital investment tax credits

You can claim the following Nunavut tax credits:

- Labour-sponsored venture capital (LSVC) tax credit;
- Community endorsed venture capital corporation (CEVCC) tax credit; and
- Territorial business corporation direct investment (TBCDI) tax credit.

If you do not need to use the whole amount of the credit to reduce the territorial tax payable to zero, you can carry any unused risk capital investment tax credits back for three years or forward for seven years. If you want to carry a credit back or forward, attach a letter to the return, telling us:

- the amount of the carryback or carryforward;
- the year(s) of the original investment; and
- the year(s) to which the credit is to be applied.

Use the following formula to calculate this year's credit:

LSVC cost of shares (maximum \$200,000)	_____	1
CEVCC cost of shares (maximum \$200,000)	+	2
TBCDI cost of shares (maximum \$200,000)	+	3
Add lines 1 to 3	=	4
	× 15%	
Line 4 multiplied by 15%	=	5
Enter carryforward from previous years	+	6
Total credit – line 5 plus line 6	=	7

Allowable credit – enter the lesser of line 7 or \$30,000 on line 24.

At line 24, specify the type of tax credit in the space provided for the Nunavut credit. Attach Form T2C(NWT), *Risk Capital Investment Tax Credit*, as proof of payment of the investment.

## If you have questions...

If you have questions about **Nunavut tax credits**, contact:

Fiscal Policy and Taxation Division  
Finance and Administration Department  
Government of Nunavut  
P.O. Box 2260  
Iqaluit NT X0A 0H0  
Telephone: (867) 975-5800  
Fax: (867) 975-5845

If you have questions about **Nunavut tax**, contact:

Ottawa Tax Services Office  
Canada Customs and Revenue Agency  
333 Laurier Avenue West  
Ottawa ON K1A 0L9

You can call any of our tax services offices at 1-800-959-8281. For our addresses and other 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/)