



PART 1.3 TAX RETURN – TAX ON LARGE FINANCIAL INSTITUTIONS

- This return is to be used for taxation years ending after June, 1989, by a financial institution (other than an insurance corporation) with taxable capital employed in Canada in excess of \$10 million that is liable to pay tax under Part 1.3. An insurance corporation must complete Form T2149(E).
- The basis for determining the carrying value of a corporation's assets or any other amount under Part 1.3 in respect of its capital, investment allowance, taxable capital or taxable capital employed in Canada or in respect of a partnership in which it has an interest, is provided in subsection 181(3).
- The terms "financial institution", "long-term debt" and "reserves" are defined in subsection 181(1).

For Departmental Use Only

NAME OF CORPORATION (PRINT)									
ADDRESS	CORPORATION ACCOUNT NUMBER <table style="width: 100%; border: none;"> <tr> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> <td style="border: 1px solid black; width: 20px; height: 15px;"></td> </tr> </table>								
TAXATION YEAR OF THE CORPORATION FOR THE PERIOD FROM _____ 19 _____ to _____ 19 _____	DISTRICT TAXATION OFFICE								
PERSON TO CONTACT FOR ADDITIONAL INFORMATION	AREA CODE TELEPHONE NUMBER								

- No tax is payable under this Part for a taxation year by a corporation that was a non-resident-owned investment corporation throughout the year, or was a bankrupt (as defined by subsection 128(3)) at the end of the year, or was throughout the year a deposit insurance corporation as defined by subsection 137.1(5) or deemed to be such a corporation by subsection 137.1(5.1), or was throughout the year exempt from tax under section 149 on all of its taxable income, or was neither resident in Canada nor carried on business through a permanent establishment in Canada at any time in the year.
- Parts, sections, subsections and paragraphs referred to in this return are those of the Income Tax Act.
- The completed return is to be filed at the Taxation Centre where the Corporation Income Tax Return (Form T2) is filed, within six months from the end of its taxation year, SEPARATELY FROM ANY OTHER RETURN (you may put it in the same envelope with another return, but do not insert in nor attach to the return).
- Unpaid taxes and penalties bear interest compounded daily at prescribed rates.

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CALCULATION OF PART 1.3 TAX

Complete the following calculation, using the amounts determined on the following pages of this return.

Taxable capital employed in Canada for the year (Amount 865) -----	800	\$	
Deduct: Capital Deduction claimed for the year (Amount 870) -----	801	\$	
Excess (See Note) -----	802	\$	
PART 1.3 TAX:			
(.00175) * X Amount 802 \$ -----	803	\$	
* (.002) for 1991 and subsequent taxation years			

Note: If there is no excess, this return is not required to be filed.

OR

Where the taxation year of a corporation is less than 51 weeks, the amount of tax payable is calculated as follows:

Amount 803 \$ -----	X	Number of days in the year divided by 365	804	=	805 \$ -----
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OR

Where the taxation year of a corporation commences before July, 1989, the amount of tax is calculated as follows:

Amount 803* \$ -----	X	Number of days after June, 1989 Number of days in the year	806	=	808 \$ -----
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* or amount **805**, if applicable.

OR

Where the taxation year of a corporation commences before 1991 and ends after 1990, the tax payable is calculated as follows:

Amount 803* -----	\$	
Deduct:		
Amount 803* \$ -----	X 1/8 X	Number of days before 1991 Number of days in the year
	809	
	810	
Difference -----	812	

* or amount **805**, if applicable.

TAX PAYABLE for the year (Amount 803 or 805 or 808 or 812 , whichever is applicable) -----	813	
Deduct: Instalments paid -----	814	
Payment on filing	Balance unpaid <input type="checkbox"/>	Refund <input type="checkbox"/>
	Balance	

Complete all areas below to determine the amounts for the Calculation of Part I.3 Tax on page 1.

CAPITAL

Reserves that were not deducted in computing income under Part I for the year	820	\$	
Add the following amounts as at the end of the year:			
Long-term debt	821		
Capital stock (see Note below)	822		
Retained earnings	823		
Contributed surplus	824		
Any other surpluses	825		
Total	826	\$	\$
Deduct:			
Any amount deducted under subsection 130.1(1) or 137(2) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of the amounts determined above	827	\$	
Deferred tax debit balance at the end of the year	828		
Any deficit deducted in computing the shareholders' equity at the end of the year	829		
Total deductions	830	\$	\$
Capital for the year			831 \$

Note: In the case of an institution incorporated without share capital, enter the amount of its members' contributions.

INVESTMENT ALLOWANCE

To be completed by a financial institution that was resident in Canada throughout the year or at any time in the year.

Add the carrying value at the end of the year of the following assets of the financial institution:

All shares of the capital stock of related financial institutions	840	\$	
All long-term debts of related financial institutions	841		
Investment allowance for the year	842	\$	

In any other case the Investment Allowance is NIL.

Notes:

- (1) A share of the capital stock or long-term debt of another financial institution that is exempt from Part I.3 tax is to be excluded from the value of any asset determined above.
- (2) Where a credit union is a shareholder or member of another credit union, the two credit unions shall be deemed to be related to each other.

TAXABLE CAPITAL

Capital for the year (Amount 831)		\$	
Deduct: Investment Allowance for the year (Amount 842)			
Taxable Capital for the taxation year	850	\$	

TAXABLE CAPITAL EMPLOYED IN CANADA

The total of all amounts each of which is the carrying value at the end of the year of an asset that is tangible property used in Canada

	860	\$	
Add:			
Where the financial institution has an interest in a partnership at the end of the year, the proportion of the total of all amounts each of which is the carrying value of an asset of the partnership, that is tangible property used in Canada, at the end of its fiscal period ending at or before the end of the year, that the financial institution's share of the partnership's income or loss is of the partnership's income or loss for that period	861		
Taxable capital for the year (Amount 850) \$	x	Canadian assets at year end	862 \$
		Total assets at year end	863 \$
	=		864 \$
Taxable Capital Employed in Canada	865	\$	

(Enter on Page 1)

Complete the applicable areas below to determine the amounts for the calculation of Part I.3 Tax on page 1.

CAPITAL DEDUCTION

Was the corporation related to any other corporation at any time during the year? No Yes

If yes, has an agreement to allocate the capital deduction been made among the related corporations? No Yes

If such an agreement has been made and there is an excess at line 802 on page 1, Form T2150 (Agreement among related corporations – Part I.3 tax) is required to be filed with this return.

CAPITAL DEDUCTION claimed by this corporation – maximum \$10,000,000 ----- 870 \$ _____
(Enter on page 1)

Note: A Canadian-controlled private corporation is deemed to be related only to another corporation with which it is also associated, pursuant to subsection 181.5(7).

INSTALMENTS

• Instalments on account of Part I.3 tax are payable on or before the last day of each month in the year and any remainder on or before the day the corporation is required or would be required to pay the remainder of its tax payable under Part I, pursuant to paragraph 157(1)(b), as amended by paragraph 181.7(1)(b).

• The determination of instalments for a taxation year is to be based on the Part I.3 Tax that was payable (or that would have been payable had this tax been in force) in the preceding two taxation years. Instalment bases are defined in subsection 181.7(2).

Note: Where the immediately and/or second preceding taxation year ends before July 1989, the tax payable under Part I.3 is deemed to be the amount that would have been its tax payable if Part I.3 had applied in respect of that year and its capital deduction for that year were the same amount as its capital deduction for the first taxation year ending after June, 1989.

• Please provide the amounts of this tax payable (or that would have been payable) as follows:

For the immediately preceding taxation year commencing on

_____ 19 ____ and ending on _____ 19 ____ \$ _____

For the second preceding taxation year commencing on

_____ 19 ____ and ending on _____ 19 ____ \$ _____

Documentation relating to the calculation of tax payable declared above need not be filed with the return but must be retained as it may be requested for examination at a later date.

• Attach a cheque or money order payable to the Receiver General. Specify "T2148" on the remittance and indicate the name, account number and taxation year of the corporation whose account is to be credited.

CERTIFICATION

IT IS HEREBY CERTIFIED THAT the information given in this return is true, correct and complete in every respect.

_____ DATE _____ SIGNATURE OF AUTHORIZED OFFICER _____ POSITION _____