

Part 3 – Patronage dividends carried forward

Balance carried forward from previous taxation year J

Deduct: Portion of carry-forward deducted in the current taxation year (amount at line 115) Net amount

Add: Portion of current year payments not deductible (amount at line 109 minus amount at line 113)

Balance of patronage dividends available for carry-forward **117**

Part 4 – Calculation of income from an active business carried on in Canada (ABI)

Active business income before patronage dividend deduction **118**

If the amount at line 118 is equal to the amount at line 112, enter the patronage dividend deduction from line 116 at line K K

If the amount at line 118 is different from the amount at line 112, complete the following:

Total patronage dividends (paid to all customers) attributable to the ABI **119**

ABI attributable to member customer business:

Percentage C from Part 2 _____ % x Amount at line 118 _____ = _____ L

Add: Allocation in proportion to patronage made to non-member customers of the year and attributable to income earned from an active business **120**

Total M

Patronage dividend deduction for current year payments (the lesser of amount at line 119 and amount M) **121**

Deduction for amounts carried forward:

ABI attributable to member customer business (amount L)

Less: Amount at line 121 minus amount at line 120 N

Portion of amount carried forward that relates to the active business carried on in Canada **122**

Amount carried forward that is deductible in the current year (lesser of amount N and amount at line 122) **123**

Total of amounts at lines 121 and 123 O

Patronage dividend deduction (amount K or O, whichever applies) P

Income from active business carried on in Canada (amount at line 118 minus amount P) **124**

(Enter amount from line 124 at line 400 of the T2 return.)