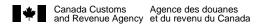
Code 0401



PATRONAGE DIVIDEND DEDUCTION (2004 and later taxation years)

Name of corporation	Business Number	Taxation year-end					
		Ye	ar	Mo	onth	Day	

- Use this form to claim a deduction from income for payments made to customers for allocations in proportion to patronage (patronage dividends) made within the year or within the following 12 months.
- If the patronage dividends are paid to non-arm's length persons after March 22, 2004, only co-operatives and credit unions are entitled to a deduction for such dividends.
- Do not include payments made to member customers in an agency relationship under contractual obligations.
- File an amended Schedule 16 for payments that are deductible in the taxation year, but made to customers after filing this schedule.

File one completed copy of this schedule with the <i>T</i> . For more information, see IT-362, <i>Patronage Divide</i>		·
	Part 1 – Details of patronage divide	nds paid —————
	Member customers	Non-member customers
Payments to customers of the year	101	104
Payments to customers of a previous year	102	105
	Α	В
Total Note: Keep all documents showing how the payments		late(s) of
allocation, and the year(s) of the customer's		ale(S) U
Were the allocations in proportion to patronage calculand non-members), except to allow for different types classes, grades or qualities of these goods, products	s or classes of goods, products or services,	or
Part	2 - Calculation of patronage divider	nd deduction
Total business transacted: a) with member cus b) with non-member Total bus If you answered yes to the question at line 200 about If you answered no to the question at line 200 about Income attributable to member-customer business	r customers 111	
Percentage C	Net income before x patronage dividend deduction	12 =
Add: Allocation in prope	ortion to patronage made to non-member cu	ustomers of the year
		Total of amounts E and F
Lesser of amount on line 109 or amount G above .		·····
Patronage dividend deduction for current year pay	rments (enter amount from line 109 or amou	unt H) 113
. Deduction for amounts carried forward:		
Balance of undeducted amounts carried forward from		
Income attributable to member-customer business	(amount E)	···
Less: amount 113 minus amount F		· · · · <u> </u>
Portion of amount carried forward that is deductible line 114 or amount I, whichever is less)	e in the current year (amount from	115
Patronage dividend deduction (total of amounts (Deduct this amount on line 416 of Schedule 1.)	on lines 113 and 115)	116

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	

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	
7	Total I	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) Total of amounts at lines 121 and 123		0
Patronage dividend deduction (amount K or O, whichever applies)		Р
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.)		

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