



PRINCE EDWARD ISLAND MANUFACTURING AND PROCESSING PROFITS TAX CREDIT (1998 and later taxation years)

Name of corporation, Business Number, Taxation year end (Year, Month, Day)

- For use by corporations that maintained a permanent establishment...
- taxable income earned in the taxation year in Prince Edward Island; and
- Canadian manufacturing and processing profits...
This schedule is a worksheet only and is not required to be filed with the T2 Corporation Income Tax Return.

Calculation of Prince Edward Island manufacturing and processing profits tax credit

Canadian manufacturing and processing profits for the year from line 200 in Part 9 of Schedule 27 A
Deduct: The least of amounts on lines 400, 405, 410, and 425 of the small business deduction calculation on page 3 of the T2 return B
Amount from line Y in Part 9 of Schedule 27 D
Lesser of C and D x Taxable income earned in Prince Edward Island / Taxable income earned in all provinces * = E
Amount E x Number of days in the taxation year before July 1, 1997 / Number of days in the taxation year x 7.5% = F
Amount E x Number of days in the taxation year after June 30, 1997 / Number of days in the taxation year x 8.5% = G
Prince Edward Island manufacturing and processing profits tax credit - Amount F plus amount G H

Enter amount H on line 529 of Schedule 5.

* Includes the territories, Nova Scotia and Newfoundland offshore.