



# CALCULATION OF TAX IN RESPECT OF MULTIPLE JURISDICTIONS

- For use by an individual carrying on business, part of whose income for the year was earned and is allocable to a permanent establishment outside the Province or Territory of Residence at the end of the year and by a non-resident individual carrying on business in a particular Province or Territory.
- For the purpose of determining an individual's Province or Territory of Residence for the relevant taxation year, where the individual ceased to reside in Canada during a taxation year, the last day on which the individual ceased to reside in the country is deemed to be the "last day of a taxation year" under subsection 2601(5) of the Income Tax Regulations.
- Attach one completed copy to your 1989 T1 Income Tax Return.
- Where an allocation of Federal Forward Averaging Tax Credit is required, complete and attach one copy of form T2203A along with this form.
- Where minimum tax is applicable, use form T691A.

Name \_\_\_\_\_ Social Insurance Number \_\_\_\_\_

Address \_\_\_\_\_

### PART I - CALCULATION OF INCOME ALLOCABLE TO VARIOUS JURISDICTIONS

1. Net Income (from line (236) on page 2 of T1 Return) \$ \_\_\_\_\_

2. Net Income from Self-Employment including partnership income at line (122) of T1 Return (excluding losses) \$ \_\_\_\_\_

3. Excess (if any) of "Net Income" over "Net Income from Self-Employment" \$ \_\_\_\_\_

Note: If there is an "Excess", enter the excess in column (3) below and allocate that amount to the Province of Residence. The percentages in column (5) are to be computed for each jurisdiction on the basis of the incomes in column (4). If there is no "Excess", the percentages in column (5) are to be computed on the basis of the incomes allocated to the jurisdictions (including the province of residence) in column (2), which percentages are applied to the Net Income at line (1) above to compute the allocations in column (4).

(1) Jurisdiction	(2) Allocation of Net Income from Self-Employment (line (2) above)	(3) Excess income (line (3) above)	(4) Income Allocable to Jurisdiction (column (2) plus column (3))	(5) % of Income Allocable to Jurisdiction
Newfoundland				
Prince Edward Island				
Nova Scotia				
New Brunswick				
Quebec				
Ontario				
Manitoba				
Saskatchewan				
Alberta				
British Columbia				
Northwest Territories				
Yukon Territory				
Other				
<b>TOTALS</b>				<b>100%</b>

### PART II - CALCULATION OF NET FEDERAL TAX

- \* Foreign Tax for the year not included in Business-Income Tax, minus any amount deductible under subsection 20(11) or deducted under subsection 20(12) of the Income Tax Act, but does not include a tax, or a portion of a tax: (a) that would not have been payable had the taxpayer not been a citizen of the foreign country, and that cannot reasonably be regarded as attributable to income from a source outside Canada, (b) that may reasonably be regarded as relating to an amount that any other person or partnership received or is entitled to receive from the foreign country, (c) that may reasonably be regarded as attributable to the taxpayer's income from employment to the extent of the lesser of the amounts determined in respect thereof under paragraphs 122.3(1)(c) and (d) for the year, or (d) that may reasonably be attributed to a taxable capital gain or a portion thereof in respect of which the taxpayer has claimed a deduction for the year under section 110.6.
  - \*\* Net foreign non-business income less any capital gains deduction claimed attributable to capital gains from the foreign country and any portion thereof that was deductible under subparagraph 110(1)(f)(i).
  - \*\*\* Net income less any capital losses of other years allowed, capital gains deduction claimed, stock option and shares deductions, employee home relocation loan deduction and any portion thereof that was deductible under paragraph 110(1)(f).
- NOTE: If an election was made on form T581 for the year, use line (7) of that form. If negative, the "Net Income" is Nil.
- \*\*\*\* Does not include a tax, or the portion of a tax, that may reasonably be regarded as relating to an amount that any other person or partnership received or is entitled to receive from the foreign country.

1. Taxable Income \$ \_\_\_\_\_ (from line (260) of the T1 Return)

2. On the first \$ \_\_\_\_\_ tax is \$ \_\_\_\_\_

3. On remaining \$ \_\_\_\_\_ tax at \_\_\_\_\_ % is \$ \_\_\_\_\_

4. TOTAL FEDERAL INCOME TAX ON TAXABLE INCOME \$ \_\_\_\_\_

5. Add: Tax Adjustments \$ \_\_\_\_\_

6. Subtract: Total Non-refundable Tax Credits (from line (350) on page 2 of the T1 Return) \$ \_\_\_\_\_

7. Subtract: Overseas Employment Tax Credit (from form T626) \$ \_\_\_\_\_

8. Subtract: Dividend Tax Credit: 13 1/3% of taxable amount of Dividends from Taxable Canadian Corporations \$ \_\_\_\_\_

9. Subtract: Minimum Tax Carry-over (from form T691) \$ \_\_\_\_\_

10. **BASIC FEDERAL TAX** \$ \_\_\_\_\_

### ALLOCATION OF BASIC FEDERAL TAX TO PROVINCES, NORTHWEST TERRITORIES, YUKON AND OTHER

% to Newfoundland \$ _____	% to Ontario \$ _____	% to N.W.T. \$ _____
% to P.E.I. \$ _____	% to Manitoba \$ _____	% to Yukon \$ _____
% to Nova Scotia \$ _____	% to Saskatchewan \$ _____	% to Other \$ _____
% to New Brunswick \$ _____	% to Alberta \$ _____	
% to Quebec \$ _____	% to British Columbia \$ _____	

The Total Allocated MUST equal the Total of line 10 "BASIC FEDERAL TAX".

11. Add: Surtax: 49.5% of the "BASIC FEDERAL TAX" allocated to "Other" above \$ \_\_\_\_\_

12. Federal Tax before Federal Foreign Tax Credit (enter this amount at line 12 on page 2 of this form) \$ \_\_\_\_\_ (1)

**PART II - CALCULATION OF NET FEDERAL TAX (Continued)**

12. Federal Tax before Federal Foreign Tax Credit (amount reported from line 12 on page 1 of this form) \$ \_\_\_\_\_ (1)

13. Subtract: Federal Foreign Tax Credit: Make a separate calculation for each foreign country

**NON-BUSINESS FOREIGN INCOME**

Non-Business Income Tax paid to a foreign country*	\$ _____		(A)
Net Foreign Non-Business Income**			
$\frac{\$ \text{ _____ } \times (\text{amount (1) above} + \text{line 7} + \text{line 8} - \text{line 20})}{\text{Net Income*** } \$ \text{ _____}}$	\$ _____		(B)
FEDERAL NON-BUSINESS FOREIGN TAX CREDIT IS THE LESSER OF (A) AND (B)	\$ _____		

**BUSINESS FOREIGN INCOME**

1. Business Income Tax paid to a foreign country plus any unused foreign tax credit for that country****	\$ _____		(C)
2. Net Foreign Business Income			
$\frac{\$ \text{ _____ } \times (\text{amount (1) above} + \text{line 7} + \text{line 8} - \text{line 11})}{\text{Net Income*** } \$ \text{ _____}}$	\$ _____		(a)
Surtax (line 11)	\$ _____		(b)
Total (a) plus (b)	\$ _____		(D)
3. Total of amount (1) above + line 7 + line 8	\$ _____		
Less any Federal Non-Business Foreign Tax Credit	\$ _____	=	\$ _____ (E)
FEDERAL BUSINESS FOREIGN TAX CREDIT IS THE LEAST OF (C), (D) AND (E)	\$ _____		

Enter the amount of the Non-Business and/or Business Foreign Tax Credit \$ \_\_\_\_\_

14. FEDERAL TAX	\$ _____		
15. Subtract: Federal Political Contribution Tax Credit (from line (410) on page 4 of the T1 Income Tax Return)	\$ _____		
16. Investment Tax Credit (from form T2038-IND.): line (412) of the T1 Return	\$ _____		
17. Labour-Sponsored Funds Tax Credit (attach receipts): line (414) of the T1 Return	\$ _____		
18. TOTAL OF ABOVE CREDITS	\$ _____	▶	\$ _____
19. Federal Tax before Federal Individual Surtax (enter this amount on line (417) on page 4 of the T1 Return)	\$ _____		
20. Refundable Quebec Abatement: 16.5% of the Basic Federal Tax allocated to Quebec (line 10 above: enter this amount on line (440) on page 4 of the T1 Return for residents of Quebec; for all other returns, enter above line (444))	\$ _____		

NOTE: Where a T2203A is required, transfer the above amount to line 3(a) of form T2203A.  
(Do not enter this amount on line (440) on page 4 of the T1 Return).

21. Federal Individual Surtax: Total of Basic Federal Tax and Overseas Employment Tax Credit (line 10 + line 7) and Federal Tax from line (20) on form T541 (deceased taxpayer only) Less Federal Forward Averaging Tax Credit (line (e) of area 4 on page 3 of form T2203A)	\$ _____		(A)
Individual Surtax: (i) Amount (A) × 4%	\$ _____		
(ii) Amount (A) minus \$15,000.00 × 1.5%	\$ _____		
Individual Surtax: Total of lines (i) and (ii) above	\$ _____	▶	\$ _____

Subtract: Additional Federal Foreign Tax Credit:

**NON-BUSINESS FOREIGN INCOME**

Non-Business Income Tax paid to a foreign country*	\$ _____		(A)
Net Foreign Non-Business Income**			
$\frac{\$ \text{ _____ } \times (\text{amount (1) above} + \text{line 7} + \text{line 8} - \text{line 20} + \text{Individual Surtax above})}{\text{Net Income*** } \$ \text{ _____}}$	\$ _____		(B)
ADJUSTED FEDERAL NON-BUSINESS FOREIGN TAX CREDIT IS THE LESSER OF (A) AND (B)	\$ _____		(F)

**BUSINESS FOREIGN INCOME**

1. Business Income Tax paid to a foreign country plus any unused foreign tax credit for that country****	\$ _____		(C)
2. Net Foreign Business Income			
$\frac{\$ \text{ _____ } \times (\text{amount (1) above} + \text{line 7} + \text{line 8} - \text{line 11} + \text{Individual Surtax above})}{\text{Net Income*** } \$ \text{ _____}}$	\$ _____		(a)
Surtax (line 11)	\$ _____		(b)
Total (a) plus (b)	\$ _____		(D)
3. Total of amount (1) above + line 7 + line 8 + Individual Surtax above	\$ _____		
Less any adjusted Federal Non-Business Foreign Tax Credit	\$ _____	=	\$ _____ (E)
ADJUSTED FEDERAL BUSINESS FOREIGN TAX CREDIT IS THE LEAST OF (C), (D) AND (E)	\$ _____		(G)

Total Adjusted Federal Foreign Tax Credit: Total of lines (F) and (G)	\$ _____		
Subtract: Federal Foreign Tax Credit from line 13	\$ _____		
Additional Federal Foreign Tax Credit	\$ _____	▶	\$ _____
Total	\$ _____		
Subtract: Additional Investment Tax Credit from Section II of form T2038-IND.	\$ _____		
Federal Individual Surtax (enter this amount on line (419) on page 4 of the T1 Return)	\$ _____		

**PART III - CALCULATION OF PROVINCIAL TAX**

1. Newfoundland	61% of the BASIC FEDERAL TAX allocated to Newfoundland		\$ _____
2. Prince Edward Island	57% of the BASIC FEDERAL TAX allocated to Prince Edward Island (a)	\$ _____	\$ _____
	Add: 10% of (amount (a) in excess of \$12,500.00)	\$ _____	
	Adjusted Prince Edward Island Income Tax	\$ _____	
	Subtract: Provincial Foreign Tax Credit (from line 13)	\$ _____	
	Prince Edward Island Tax	\$ _____	▶ \$ _____
	NOTE: If a Forward Averaging Election was made, the Prince Edward Island Tax is calculated on form T2203A.		
3. Nova Scotia	56.5% of the BASIC FEDERAL TAX allocated to Nova Scotia		\$ _____
4. New Brunswick	60% of the BASIC FEDERAL TAX allocated to New Brunswick		\$ _____
5. Ontario	52% of the BASIC FEDERAL TAX allocated to Ontario (a)	\$ _____	
	Add: 10% of (amount (a) in excess of \$10,000.00)	\$ _____	
	Adjusted Ontario Income Tax	\$ _____	
	Subtract: Provincial Foreign Tax Credit (from line 13)	\$ _____	
	Ontario Income Tax	\$ _____	
	Subtract: Ontario Tax Reduction*	\$ _____	
	If your "Ontario Income Tax" is \$150.00 or less, the reduction is equal to the "Ontario Income Tax". If the "Ontario Income Tax" is \$225.00 or over the reduction is zero. If your "Ontario Income Tax" is between \$150.00 and \$225.00, the reduction is calculated as: \$450.00 minus (2 × "Ontario Income Tax")		
	Ontario Tax	\$ _____	▶ \$ _____
	NOTE: If a Forward Averaging Election was made, the Ontario Tax is calculated on form T2203A. *If you are subject to Minimum Tax (from form T691) you are not entitled to claim an Ontario Tax Reduction.		
6. Manitoba	52% of the BASIC FEDERAL TAX allocated to Manitoba (a)	\$ _____	
	Add: Manitoba Net Income Tax: 2% of Net Income Allocated to Manitoba (b)	\$ _____	
	Total (Use form T1C(MAN.)TC to complete the calculation of Manitoba tax and enter computed amount here)	\$ _____	
	NOTE: Amounts (a) and (b) above are to be used as amounts (A) and (B) in completing Section 1 of form T1C(MAN.)TC. The reference to "Net Income" in the opening line of Section II of form T1C(MAN.)TC should be read as "Net Income allocated to Manitoba".		
7. Saskatchewan	50% of the BASIC FEDERAL TAX allocated to Saskatchewan (a)	\$ _____	
	Add: Saskatchewan Flat Tax: 2% of Net Income Allocated to Saskatchewan (b)	\$ _____	
	Total (Use form T1C(SASK.) to complete the calculation of Saskatchewan tax and enter computed amount here)	\$ _____	
	NOTE: Total of amounts (a) and (b) above should be used as "Basic Saskatchewan Tax" on form T1C(SASK.).		
8. Alberta	46.5% of the BASIC FEDERAL TAX allocated to Alberta (a)	\$ _____	
	Add: Alberta Surtax: 8% of (amount (a) in excess of \$3,500.00)	\$ _____	
	Add: Alberta Flat Rate Tax: .5% of Taxable Income allocated to Alberta	\$ _____	
	Adjusted Alberta Income Tax	\$ _____	
	Subtract: Royalty Tax Rebate applied (from form T79)	\$ _____	
	Alberta Income Tax after Rebate (b)	\$ _____	
	Subtract: Alberta Selective Tax Reduction	Basic Claim \$ 430 00	
		Subtract: 1/2 of amount (b) \$ _____	
	Total (if negative, enter zero) (c)	\$ _____	
	Claim the lesser of (b) or (c)	\$ _____	
	Reduced Alberta Income Tax	\$ _____	
9. British Columbia	51.5% of the BASIC FEDERAL TAX allocated to British Columbia (a)	\$ _____	
	Subtract: Provincial Foreign Tax Credit (from line 13)	\$ _____	
	Subtotal	\$ _____	
	Subtract: Royalty and Deemed Income Rebate (from form T81)	\$ _____	
	British Columbia Tax	\$ _____	▶ \$ _____
10. Northwest Territories	43% of the BASIC FEDERAL TAX allocated to Northwest Territories		\$ _____
11. Yukon Territory	45% of the BASIC FEDERAL TAX allocated to Yukon Territory		\$ _____
12. Total of lines 1 to 11			\$ _____
13. Subtract: Provincial Foreign Tax Credit			
	(a) Balance of Non-Business Tax † (a)	\$ _____	
	(b) Net Foreign Income ††	\$ _____	
	\$ _____ × Provincial Tax before Foreign Tax Credit = (b) \$ _____ Net Income ††† \$ _____		
	Claim the lesser of (a) or (b) and apply to the Province of Residence ( _____ ) as of December 31st		\$ _____
	† Balance of Non-Business Tax from Federal Foreign Tax Credit Calculation (line 13) less Additional Non-Business Foreign Tax Credit (line 21).		
	†† Business Income allocable to a permanent establishment outside Canada is not subject to provincial tax. Such income must not be included in "Net Foreign Income" in this calculation.		
	††† Net Income less any Capital losses of other years allowed, Capital Gains Deduction claimed, stock option and shares deductions and Employee Home Relocation Deduction. Business Income allocable to a permanent establishment outside Canada or outside the province of residence on the last day of the year is not included in "Net Income" in this calculation. If an election was made on form T581 for the year, use line (7) of that form. If Negative, the "Net Income" is Nil.		
14. PROVINCIAL TAX (enter this amount on page 4 of the T1 Return)			\$ _____