



- Use this form to calculate your tax if you were:
  - residing in a province on the last day of a taxation year and part of your business income for the year was earned and allocable to a permanent establishment outside that province or outside Canada, or
  - a non-resident carrying on business in a particular province.
- For the purpose of determining your province of residence for the taxation year, if you ceased to reside in Canada during the taxation year, "the last day of a taxation year" is taken as the last day you ceased to reside in Canada.
- Attach one completed copy to your 1991 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: Any net income from self employment from line 2 that is not allocable to a permanent establishment should be allocated to the province of residence in column (2) below.

Note: Allocate the "excess" from line 3, if any, to the province of residence in column (3) below. If there is no "excess" in line 3, the percentages of the incomes allocated to the jurisdictions (including the province of residence) in column (2) are applied to the Net Income at line 1 to compute the allocations in column (4). The percentages in column (5) are computed for each jurisdiction on the basis of the income allocated 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**

4. Taxable Income \$		(from line (260) on T1 Return)	
5. On the first \$		tax is \$	
6. On remaining \$		tax at % is \$	
7. <b>TOTAL FEDERAL INCOME TAX ON TAXABLE INCOME</b>		\$	
8. Add: Tax Adjustments		\$	
9. <b>Total</b>		\$	
10. Subtract: Total Non-refundable Tax Credits (from line (350) on T1 Return)		\$	
11. Overseas Employment Tax Credit (from Form T626)		\$	
12. Dividend Tax Credit: 13 1/3% of taxable amount of Dividends from Taxable Canadian Corporations (from line (120) on T1 Return)		\$	
13. Minimum Tax Carry-over (from Form T691)		\$	
14. <b>Total of lines 10 to 13</b>		\$	
15. <b>BASIC FEDERAL TAX</b>		\$	

**16. ALLOCATION OF BASIC FEDERAL TAX TO PROVINCES 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 line 15, "BASIC FEDERAL TAX".

17. Add: Federal Surtax: 52% of the "BASIC FEDERAL TAX" allocated to "Other" (from area 16)	\$	
18. Federal Tax before Federal Foreign Tax Credit (enter this amount at line 18 on page 2 of this form)	\$	

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

18. Federal Tax before Federal Foreign Tax Credit (amount reported from line 18 on page 1 of this form) \$ \_\_\_\_\_ (1)

19. Subtract: Federal Foreign Tax Credit: Make a separate calculation for each country (refer to page 4 of this form for explanatory notes)

**Non-Business Foreign Income**

1. Non-Business Income Tax paid to a foreign country *	\$ _____	(A)
2. $\left[ \begin{array}{l} \text{Net Foreign Non-Business Income **} \\ \text{Net Income ***} \end{array} \right] \times \left[ \begin{array}{l} \text{Federal Tax ****} \end{array} \right]$	\$ _____	(B)
Federal Non-Business Foreign Tax Credit is the lesser of (A) and (B)		\$ _____ (C)

**Business Foreign Income**

1. Business Income Tax paid to a foreign country plus any unused foreign tax credit for that country †	\$ _____	(D)
2. (a) $\left[ \begin{array}{l} \text{Net Foreign Business Income ††} \\ \text{Net Income ***} \end{array} \right] \times \left[ \begin{array}{l} \text{Basic Federal Tax ††††} \end{array} \right]$	\$ _____	(E)
(b) Federal Surtax (line 17, or if foreign business-income tax is paid to more than one country, enter the proportion of line 17 allocated to each country)	\$ _____	(E)
Total (a) plus (b)		\$ _____ (E)
3. Basic Federal Tax ††† plus federal surtax (line 17)	\$ _____	(F)
Subtract: any Federal Non-Business Foreign Tax Credit (amount (C))	\$ _____	(F)
Federal Business Foreign Tax Credit is the least of (D), (E) and (F)		\$ _____ (G)

Federal Foreign Tax Credit – Total of amounts (C) and (G) \$ \_\_\_\_\_ (H)

20. Federal Tax (Amount (1) minus amount (H)) \$ \_\_\_\_\_

21. Subtract: Federal Political Contribution Tax Credit (from line (410) on the T1 Return)	\$ _____
22. Investment Tax Credit (from Form T2038-IND or line (412) of the T1 Return)	\$ _____
23. Labour-Sponsored Funds Tax Credit (from line (414) of the T1 Return)	\$ _____
24. Total of above credits	\$ _____

25. Federal Tax before Federal Individual Surtax (enter this amount on line (417) on page 4 of the T1 Return) \$ \_\_\_\_\_

26. Refundable Quebec Abatement: 16.5% of the Basic Federal Tax allocated to Quebec (from area 16) (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 this amount to line 3(a) of Form T2203A, and do not enter it on line (440) on page 4 of the T1 Return. \$ \_\_\_\_\_

27. Federal Individual Surtax:

Total of Basic Federal Tax (line 15), Overseas Employment Tax Credit (line 11) and Federal Tax from line (20) on Form T541 (deceased person only) minus Adjusted Federal Forward Averaging Tax Credit (line 10(e) on Form T2203A).

(i) Amount (2) X 5%	\$ _____	(2)
(ii) (Amount (2) minus \$12,500) X 5%	\$ _____	(2)
Individual Surtax (Total (i) plus (ii))	\$ _____	(3)

Subtract: Additional Foreign Tax Credit: (Make a separate calculation for each foreign country (refer to page 4 of this form for explanatory notes))

**Non-Business Foreign Income**

1. Non-Business Income Tax paid to a foreign country * minus Federal Non-Business Foreign Tax Credit (amount (A) minus amount (C))	\$ _____	(I)
2. $\left[ \begin{array}{l} \text{Net Foreign Non-Business Income **} \\ \text{Net Income ***} \end{array} \right] \times \left[ \begin{array}{l} \text{Individual Surtax} \\ \text{(amount (3))} \end{array} \right]$	\$ _____	(J)
Additional Federal Non-Business Foreign Tax Credit is the lesser of (I) and (J)		\$ _____ (K)

**Business Foreign Income**

1. Business Income Tax paid to a foreign country plus any unused foreign tax credit for that country † minus Federal Business Foreign Tax Credit (amount (D) minus amount (G))	\$ _____	(L)
2. $\left[ \begin{array}{l} \text{Net Foreign Business Income ††} \\ \text{Net Income ***} \end{array} \right] \times \left[ \begin{array}{l} \text{Individual Surtax} \\ \text{(amount (3))} \end{array} \right]$	\$ _____	(M)
3. Individual Surtax (amount (3))	\$ _____	(N)
Subtract: any Additional Federal Non-Business Foreign Tax Credit (amount (K))	\$ _____	(N)
Additional Federal Business Foreign Tax Credit is the least of (L), (M) and (N)		\$ _____ (O)

Additional Federal Foreign Tax Credit: Total of amounts (K) and (O) \$ \_\_\_\_\_ (P)

Subtotal (amount (3) minus amount (P)) \$ \_\_\_\_\_

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**

28. Newfoundland	62% of the BASIC FEDERAL TAX allocated to Newfoundland (from area 16)		\$	
29. Prince Edward Island	58% of the BASIC FEDERAL TAX allocated to P.E.I. (from area 16)	(a) \$		
	Add: 10% of (amount (a) in excess of \$12,500.00)	\$		
	Adjusted Prince Edward Island Income Tax	\$		\$
	Note: If a Forward Averaging Election was made, the adjusted Prince Edward Island Tax is calculated on Form T2203A.			
30. Nova Scotia	59.5% of the BASIC FEDERAL TAX allocated to Nova Scotia (from area 16)	(a) \$		
	Add: 10% of (amount (a) in excess of \$10,000.00)	\$		
	Adjusted Nova Scotia Income Tax	\$		\$
	Note: If a Forward Averaging Election was made, the adjusted Nova Scotia Tax is calculated on Form T2203A.			
31. New Brunswick	60% of the BASIC FEDERAL TAX allocated to New Brunswick (from area 16)	(a) \$		
	Add: 8% of (amount (a) in excess of \$13,500.00)	\$		
	Adjusted New Brunswick Income Tax	\$		\$
	Note: If a Forward Averaging Election was made, the adjusted New Brunswick Tax is calculated on Form T2203A.			
32. Ontario	53% of the BASIC FEDERAL TAX allocated to Ontario (from area 16)	(a) \$		
	Add: 12% of (amount (a) in excess of \$10,000.00)	\$		
	Adjusted Ontario Income Tax	\$		
	Subtract: Provincial Foreign Tax Credit (from line 40)	\$		
	Ontario Income Tax	(b) \$		
	Ontario Tax (Use Form T1C(ONT.)TC to complete the calculation of Ontario Tax and enter computed amount here)			\$
	Note: Amount (b) above is to be used as amount (A) in Section I of Form T1C(ONT.)TC. If a Forward Averaging Election was made, the Ontario Tax is calculated on Form T2203A.			
33. Manitoba	52% of the BASIC FEDERAL TAX allocated to Manitoba (from area 16)	\$		
	Add: Manitoba Net Income Tax: 2% of *Net Income Allocated to Manitoba (from column 4 in Part I)	\$		
	Manitoba Income Tax	(a) \$		
	Manitoba Tax (Use form T1C(MAN.)TC to complete the calculation of Manitoba tax and enter computed amount here)			\$
	Note: Amount (a) above is to be used as amount (C) in Section I 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". * For residents of Manitoba, "Net Income Allocated to Manitoba" should be reduced by any foreign income exempt under a tax treaty (line 256 on T1 Return).			
34. Saskatchewan	50% of the BASIC FEDERAL TAX allocated to Saskatchewan (from area 16)	\$		
	Add: Saskatchewan Flat Tax: 2% of *Net Income Allocated to Saskatchewan (from column 4 in Part I)	\$		
	Basic Saskatchewan Tax	(a) \$		
	Saskatchewan Tax (Use Form T1C(SASK.) to complete the calculation of Saskatchewan tax and enter computed amount here)			\$
	Note: Amount (a) above is to be used as "Basic Saskatchewan Tax" on Form T1C(SASK.). * For residents of Saskatchewan, "Net Income Allocated to Saskatchewan" should be reduced by any foreign income exempt under a tax treaty (line 256 on T1 Return).			
35. Alberta	46.5% of the BASIC FEDERAL TAX allocated to Alberta (from area 16)	(a) \$		
	Add: Alberta Surtax: 8% of (amount (a) in excess of \$3,500.00)	\$		
	Add: Alberta Flat Rate Tax: 0.5% of *Taxable Income allocated to Alberta	\$		
	Adjusted Alberta Income Tax	(b) \$		
	Alberta Tax (Use Form T1C(ALTA.) to complete the calculation of Alberta Tax and enter computed amount here)			\$
	Note: Amount (b) above is to be used as "Adjusted Alberta Income Tax" on Form T1C(ALTA.). * "Taxable Income allocated to Alberta" is the percentage allocated to Alberta in column (5) of Part I applied to the taxable income (line (260) on T1 Return).			
36. British Columbia	51.5% of the BASIC FEDERAL TAX allocated to British Columbia (from area 16)	\$		
	Subtract: Provincial Foreign Tax Credit (from line 40)	\$		
	Subtotal	\$		
	Subtract: Royalty and Deemed Income Rebate (from Form T81)	\$		
	Adjusted British Columbia Tax	(a) \$		
	British Columbia Tax (Use Schedule 1 for British Columbia to complete the calculation of British Columbia Tax and enter computed amount here)			\$
	Note: Amount (a) above is to be used as "Adjusted British Columbia Tax" on Schedule 1. If a Forward Averaging Election was made, the British Columbia Tax is calculated on Form T2203A.			
37. Northwest Territories	44% of the BASIC FEDERAL TAX allocated to Northwest Territories (from area 16)		\$	
38. Yukon Territory	45% of the BASIC FEDERAL TAX allocated to Yukon Territory (from area 16)		\$	
39.	<b>Total of lines 28 to 38</b>			\$
40. Provincial Foreign Tax Credit to be applied to the Province of Residence as of December 31st (from Form T2036)		\$		
41. PROVINCIAL TAX (For residents of Ontario, Manitoba, Saskatchewan, Alberta or British Columbia, enter the amount on line 39. For other residents, enter the amount of line 39 less line 40). Enter this amount on line 428 on page 4 of the T1 Return			\$	

## EXPLANATORY NOTES FOR FOREIGN TAX CREDIT

- \* **Non-Business Income Tax paid to a foreign country** is the total taxes paid to that country (or a state, province or other political subdivision in that country) for the year other than business-income tax, minus any portion of such taxes that is deductible under subsection 20(11) or deducted under subsection 20(12) of the Income Tax Act. It does not include any portion of such taxes that **may reasonably be attributed to an amount**:
- that any other person or partnership received or is entitled to receive from that country;
  - of employment income from that country for which an Overseas Employment Tax Credit is calculated;
  - of taxable capital gains from that country for which a capital gains deduction is claimed;
  - that was deductible as exempt income under the tax treaty between Canada and that country; or
  - that would not have been taxable had you not been a citizen of that country, and that cannot reasonably be regarded as attributable to income from a source outside Canada.
- \*\* **Net Foreign Non-Business Income** must be reduced by any capital gains deduction claimed that is attributable to capital gains from that foreign country and by any income from that country that was deductible as exempt income under the tax treaty between Canada and that country (line 256 on T1 Return). It does not include any portion of employment income from that country for which an Overseas Employment Tax Credit is calculated.
- Note: If you were resident in Canada during part of the year only, include only the income for the period or periods in the year throughout which you were resident in Canada, were employed in Canada or were carrying on a business in Canada.
- \*\*\* **Net Income**, as used for the purposes of this calculation, is:  
The amount at line 236 on T1 Return or if you filed a form T581 election, line 7 of that form  
minus: net capital losses of other years allowed (line 253 on T1 Return),  
capital gains deduction claimed (line 254 on T1 Return),  
foreign income deductible as exempt income under a tax treaty (line 256 on T1 Return),  
amount deductible as an employee home relocation loan deduction (line 248 on T1 Return), and  
amount deductible as a stock option and shares deduction (line 249 on T1 Return).
- (If negative, enter zero)
- Note: If you were resident in Canada during part of the year only, include only the income for the period or periods in the year throughout which you were resident in Canada, were employed in Canada or were carrying on businesses in Canada.
- \*\*\*\* **Federal Tax**, as used in this part of the calculation, is:  
Federal Tax before Federal Foreign Tax Credit (Amount (1) on this form)  
plus: overseas employment tax credit (line 11 on this form), and  
dividend tax credit (line 12 on this form),  
minus: refundable Quebec abatement (line 26 on this form), and  
tax adjustments for CPP/QPP disability benefits for previous years (line 8 on this form).
- † **Business Income Tax paid to a foreign country** is the total of business income tax paid to that country (or a state, province or other political subdivision in that country) for the year and the unused foreign tax credits in respect of that country for the seven taxation years before and the three taxation years immediately following this taxation year. It does not include any portion of the business income tax that may reasonably be attributed to an amount that any other person or partnership has received or is entitled to receive from that country, or was deductible as exempt income under the tax treaty between Canada and that country.
- †† **Net Foreign Business Income** is the total business income from the foreign country other than any portion that was deductible as exempt income under the tax treaty between Canada and that country.
- ††† **Basic Federal Tax**, as used in this part of the calculation, is:  
Federal Tax before Federal Foreign Tax Credit (amount (1) on this form)  
plus: overseas employment tax credit (line 11 on this form), and  
dividend tax credit (line 12 on this form),  
minus: tax adjustments for CPP/QPP disability benefits for previous years (line 8 on this form), and  
Federal Surtax (line 17 on this form).