

### CALCULATION OF TAX FOR 1995 – MULTIPLE JURISDICTIONS

- Use this form to calculate your tax if:
  - you resided in a province on December 31, 1995, and all or part of your business income for the year was earned and is allocable to a permanent establishment outside that province or outside Canada; or
  - you were a non-resident carrying on business in one or more provinces.
- If you ceased to reside in Canada during 1995, your province of residence on December 31, 1995, is the province you lived in on the last day you resided in Canada.
- Attach one completed copy of this form to your 1995 income tax return.
- If an allocation of the federal forward averaging tax credit is being made, also complete and attach one copy of Form T2203A.
- If minimum tax applies, complete and attach Forms T691A and T691.

#### Part I – Income Allocated to Various Jurisdictions

Net income (from line 236 of your return) ..... 1. \_\_\_\_\_

Net income from self-employment including partnership income from line 122, and lines 135 to 143 of your return (excluding losses) ..... 2. \_\_\_\_\_

Excess income (line 1 minus line 2; if negative, enter "0") ..... 3. \_\_\_\_\_

**Note:** In column 2 below, allocate to your province of residence any net income from self-employment from line 2 above that is not allocable to a permanent establishment.

**Note:** In column 3 below, allocate to your province of residence the amount from line 3, if any. If line 3 is zero, calculate the allocations in column 4 by applying the percentages of the incomes allocated to the jurisdictions (including your province of residence) in column 2, to the net income on line 1. In column 5 below, determine the percentage 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 allocated to jurisdiction (column 2 plus column 3)	(5) % of income allocated to jurisdiction
Newfoundland				
Prince Edward Island				
Nova Scotia				
New Brunswick				
Quebec				
Ontario				
Manitoba				
Saskatchewan				
Alberta				
British Columbia				
Northwest Territories				
Yukon Territory				
Other (outside Canada)				
<b>Totals</b>				<b>100%</b>

#### Part II – Net Federal Tax

Taxable income 4. \_\_\_\_\_ (from line 260 of your return) See Part 2 of Schedule 1 of your return for the income tax percentages.

On the first \_\_\_\_\_ tax is 5. \_\_\_\_\_

On remaining \_\_\_\_\_ tax at \_\_\_\_\_ % is 6. \_\_\_\_\_

**Total federal income tax on taxable income** 7. \_\_\_\_\_

**Add:** Tax adjustments (from line 500 of Schedule 1) 8. \_\_\_\_\_

**Total** 9. \_\_\_\_\_

**Subtract:** Total non-refundable tax credits (from line 350 of your return) 10. \_\_\_\_\_

Overseas employment tax credit (from Form T626) 11. \_\_\_\_\_

Dividend tax credit: 13 1/3% of the amount on line 120 of your return 12. \_\_\_\_\_

Minimum tax carry-over (from Form T691) 13. \_\_\_\_\_

**Total of lines 10 to 13** 14. \_\_\_\_\_

**Basic federal tax** (line 9 minus line 14) 15. \_\_\_\_\_

**16. Allocation of basic federal tax to jurisdictions**

% 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".

**Add:** Federal surtax: 52% of the basic federal tax allocated to "Other" (from area 16) 17. \_\_\_\_\_

**Federal tax before the federal foreign tax credit** (line 15 plus line 17) 18. \_\_\_\_\_

**Part II – Net Federal Tax (Continued)**

Federal tax before the federal foreign tax credit (enter the amount from line 18 on page 1 of this form) ..... 18. \_\_\_\_\_

**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)  $\left[ \begin{array}{l} \text{Net foreign business income ††} \\ \text{Net income ***} \end{array} \right] \times \left[ \begin{array}{l} \text{Basic federal tax †††} \end{array} \right] =$  \$ \_\_\_\_\_ (1)

(b) Federal surtax (line 17) (If you paid business income tax to more than one country, enter the proportion of line 17 that applies to each country.) ..... \$ \_\_\_\_\_ (2)

**Total:** Line 1) plus line 2) ..... \$ \_\_\_\_\_ (E)

3. Basic federal tax ††† plus federal surtax (line 17) ..... \$ \_\_\_\_\_ (F)

**Subtract:** The amount from line (C), if any ..... \$ \_\_\_\_\_ (F)

**Federal business foreign tax credit is the least of (D), (E), and (F)** ..... \$ \_\_\_\_\_ (G)

**Federal foreign tax credit:** Line (C) plus line (G) ..... 19. \_\_\_\_\_

**Federal tax:** Line 18 minus line 19 ..... 20. \_\_\_\_\_

**Subtract:** Federal political contribution tax credit (from line 410 of your return) ..... 21. \_\_\_\_\_

Investment tax credit (from line 412 of your return) ..... 22. \_\_\_\_\_

Labour-sponsored funds tax credit (from line 414 of your return) ..... 23. \_\_\_\_\_

**Total of lines 21 to 23** ..... 24. \_\_\_\_\_

**Federal tax before the federal individual surtax** (line 20 minus line 24) (enter this amount on line 417 of your return) ..... 25. \_\_\_\_\_

**Refundable Quebec abatement:** 16.5% of the basic federal tax allocated to Quebec (from area 16) (If you are using a return for residents of Quebec, enter this amount on line 440. For all other returns, enter this amount in the space above line 437) ..... 26. \_\_\_\_\_

If you have to complete Form T2203A, enter the amount on line 26, on line 3 of the T2203A, and do not enter it on line 440 of your return.

**Federal individual surtax:** Total of the basic federal tax (line 15), overseas employment tax credit (line 11) and net federal tax from line 20 of Form T541 (deceased person only) minus any adjusted federal forward averaging tax credit (line 12 of Form T2203A) ..... 27. \_\_\_\_\_

3% of the amount on line 27 ..... 28. \_\_\_\_\_

5% of (the amount on line 27 in excess of \$12,500) ..... 29. \_\_\_\_\_

**Individual surtax:** Line 28 plus line 29 ..... 30. \_\_\_\_\_

**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. Line (A) minus line (C) ..... \$ \_\_\_\_\_ (H)

2.  $\left[ \begin{array}{l} \text{Net foreign non-business income **} \\ \text{Net income ***} \end{array} \right] \times \left[ \begin{array}{l} \text{Individual surtax} \\ \text{(line 30)} \end{array} \right] =$  \$ \_\_\_\_\_ (I)

**Additional federal non-business foreign tax credit is the lesser of (H) and (I)** ..... \$ \_\_\_\_\_ (J)

**Business foreign income**

1. Line (D) minus line (G) ..... \$ \_\_\_\_\_ (K)

2.  $\left[ \begin{array}{l} \text{Net foreign business income ††} \\ \text{Net income ***} \end{array} \right] \times \left[ \begin{array}{l} \text{Basic federal tax †††} \\ \text{plus Individual surtax} \\ \text{(line 30)} \end{array} \right] =$  \$ \_\_\_\_\_ (3)

Federal surtax (line 17) (If you paid business income tax to more than one country, enter the proportion that applies to this particular country) ..... \$ \_\_\_\_\_ (4)

Line 3) plus line 4) ..... \$ \_\_\_\_\_ (5)

Line 5 minus line (G) ..... \$ \_\_\_\_\_ (L)

3. Individual surtax (line 30) ..... \$ \_\_\_\_\_ (M)

**Subtract:** The amount from line (J), if any ..... \$ \_\_\_\_\_ (M)

**Additional federal business foreign tax credit is the least of (K), (L), and (M)** ..... \$ \_\_\_\_\_ (N)

**Additional federal foreign tax credit:** Line (J) plus line (N) ..... 31. \_\_\_\_\_

**Subtotal:** Line 30 minus line 31 ..... 32. \_\_\_\_\_

**Subtract:** Additional investment tax credit (from Section II of Form T2038 (IND)) ..... 33. \_\_\_\_\_

**Federal individual surtax** (enter this amount on line 419 of your return) ..... 34. \_\_\_\_\_

**Part III – Provincial Tax**

<b>Newfoundland:</b>	69% of the basic federal tax allocated to Newfoundland (from Part II, area 16) . . . . .	(a)		35.	
<b>Prince Edward Island:</b>	59.5% of the basic federal tax allocated to P.E.I. (from Part II, area 16) . . . . . (a)				
	<b>Add:</b> 10% of (amount (a) in excess of \$12,500) . . . . .				
	Adjusted Prince Edward Island income tax . . . . .			▶	36.
	If you made a forward averaging election, calculate the adjusted Prince Edward Island tax on Form T2203A.				
<b>Nova Scotia:</b>	59.5 % of the basic federal tax allocated to Nova Scotia (from Part II, area 16) . . . . . (a)				
	<b>Add:</b> 10 % of (amount (a) in excess of \$10,000) . . . . .				
	Adjusted Nova Scotia tax . . . . .				
	<b>Subtract:</b> Provincial foreign tax credit (from line 47) . . . . .				
	Nova Scotia income tax . . . . . (b)				
	Nova Scotia tax (use Form T1C(N.S.)TC to complete the calculation of Nova Scotia tax and enter the result here) . . . . .			▶	37.
	Use amount (b) as amount (D) on Form T1C(N.S.)TC. If you made a forward averaging election, calculate the adjusted Nova Scotia tax on Form T2203A.				
<b>New Brunswick:</b>	64% of the basic federal tax allocated to New Brunswick (from Part II, area 16) . . . . . (a)				
	<b>Add:</b> 8% of (amount (a) in excess of \$13,500) . . . . .				
	Adjusted New Brunswick income tax . . . . .			▶	38.
	If you made a forward averaging election, calculate the adjusted New Brunswick tax on Form T2203A.				
<b>Ontario:</b>	58% of the basic federal tax allocated to Ontario (from Part II, area 16) . . . . . (a)				
	<b>Add:</b> 20% of (amount (a) in excess of \$5,500), plus . . . . .				
	10% of (amount (a) in excess of \$8,000) . . . . . =				
	Adjusted Ontario tax . . . . .				
	<b>Subtract:</b> Provincial foreign tax credit (from line 47) . . . . .				
	Ontario income tax . . . . . (b)				
	Ontario tax (use Form T1C(ONT.)TC to complete the calculation of Ontario tax and enter the result here) . . . . .				39.
	Use amount (b) as amount (E) on Form T1C(ONT.)TC. If you made a forward averaging election, calculate the Ontario tax on Form T2203A.				
<b>Manitoba:</b>	52% of the basic federal tax allocated to Manitoba (from Part II, area 16) . . . . .				
	<b>Add:</b> 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 the result here) . . . . .				40.
	Use amount (a) as amount (C) on 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, reduce "Net income allocated to Manitoba" by the amount deducted as an other payments deduction (line 250 of your return) and by any foreign income exempt under a tax treaty (included on line 256 of your return).				
<b>Saskatchewan:</b>	50% of the basic federal tax allocated to Saskatchewan (from Part II, area 16) . . . . .				
	<b>Add:</b> Saskatchewan flat tax: 2% of "Net income allocated to Saskatchewan" (from column 4 in Part I) . . . . .				
	Basic Saskatchewan tax . . . . . (a)				
	Net Saskatchewan tax (For residents of Saskatchewan, use Form T1C(SASK.) to complete the calculation of Net Saskatchewan tax and enter the result here. Use amount (a) as "Basic Saskatchewan tax." For all others, enter amount (a) here) . . . . .				41.
	For residents of Saskatchewan, reduce "Net income allocated to Saskatchewan" by the amount deducted as an other payments deduction (line 250 of your return) and by any foreign income exempt under a tax treaty (included on line 256 of your return).				
<b>Alberta:</b>	45.5% of the basic federal tax allocated to Alberta (from Part II, area 16) . . . . . (a)				
	<b>Add:</b> Alberta surtax: 8% of (amount (a) in excess of \$3,500) . . . . .				
	<b>Add:</b> 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 the result here) . . . . .				42.
	Use amount (b) 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 of your return).				
<b>British Columbia:</b>	52.5% of the basic federal tax allocated to B.C. (from Part II, area 16) . . . . .				
	<b>Subtract:</b> Provincial foreign tax credit (from line 47) . . . . .				
	Adjusted British Columbia income tax . . . . . (a)				
	British Columbia tax (use Form T1C(B.C.)TC to complete the calculation of B.C. tax and enter the result here) . . . . .				43.
	Use amount (a) as "Adjusted British Columbia income tax" on Form T1C(B.C.)TC. If you made a forward averaging election, calculate the British Columbia tax on Form T2203A.				
<b>Northwest Territories:</b>	45% of the basic federal tax allocated to Northwest Territories (from Part II, area 16) . . . . .				44.

## Part III – Provincial Tax (Continued)

<b>Yukon Territory:</b> 50% of the basic federal tax allocated to Yukon Territory (from area 16) . . . . . (a)		
<b>Add:</b> 5% of (amount (a) in excess of \$6,000) . . . . .		
Adjusted Yukon Territory income tax . . . . .		45. _____
If you made a forward averaging election, calculate the adjusted Yukon Territory tax on Form T2203A.		
<b>Total of lines 35 to 45</b> . . . . .		46. _____
<b>Provincial foreign tax credit:</b> From Form T2036 (apply this amount to your province or territory of residence as of December 31) . . . . .	47.	_____
<b>Provincial tax</b> (For residents of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, enter the amount from line 46 on line 428 of your return. For other residents, enter the amount of line 46 minus line 47 on line 428 of your return). . . . .		48. _____

### Explanatory Notes for Foreign Tax Credit

- \* **Non-business income tax paid to a foreign country** is the total income or profits taxes paid to that country (or to a political subdivision of the country) for the year (excluding business income tax), minus any part 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 part of such taxes that can reasonably be attributed to amounts that:
- any other person or partnership received or is entitled to receive from the foreign country;
  - relate to employment income from that country for which you claimed an overseas employment tax credit;
  - relate to taxable capital gains from that country for which you claimed a capital gains deduction;
  - were deductible as exempt income under a tax treaty between Canada and that country; or
  - were taxable in the foreign country because you were a citizen of that country, and relate to income from a source within Canada.
- \*\* **Net foreign non-business income**<sup>1</sup> is the total non-business income from the foreign country before deducting the foreign tax, minus allowable expenses and deductions relating to the foreign income (other than any deduction you claimed in respect of a dividend you received from a controlled foreign affiliate). Reduce this amount by any income from that foreign country for which you claimed a capital gains deduction, and by any income from that country that was deductible as exempt income under a tax treaty between Canada and that country. Also, reduce this amount by any part of employment income from that country for which you claimed an overseas employment tax credit. If the net foreign non-business income is greater than the net income, use the amount of net income in the calculation.
- \*\*\* **Net income**<sup>2</sup> is the amount on line 236 of your return (or if you filed a Form T581 election, it is the amount on line 7 of that form) minus any:
- amounts deductible as an employee home relocation loan deduction (line 248 of your return);
  - amounts deductible as a stock option and shares deductions (line 249 of your return);
  - amounts deductible as an other payments deduction (line 250 of your return);
  - net capital losses of other years claimed (line 253 of your return);
  - capital gains deduction claimed (line 254 of your return); and
  - foreign income deductible as exempt income under a tax treaty, or deductible as net employment income from a prescribed international organization (included on line 256 of your return).
- \*\*\*\* **Federal tax** is the federal tax before the federal foreign tax credit (from line 18 of this form) plus any:
- overseas employment tax credit (line 11 of this form); and
  - dividend tax credit (line 12 of this form);
- and minus any:
- refundable Quebec abatement (for residents of Quebec only) (line 26 of this form); and
  - tax adjustments for CPP/QPP disability benefits for previous years (included on line 8 of this form).
- † **Business income tax paid to a foreign country** is the total of business income or profits taxes paid to that country (or to a political subdivision of the country) for the year and the unused foreign tax credits for that country for the seven taxation years before and the three taxation years immediately after this taxation year. It does not include any part of the business income tax that can be reasonably 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 a tax treaty between Canada and that country.
- †† **Net foreign business income**<sup>1</sup> is the total business income from the foreign country minus allowable expenses and deductions relating to the foreign income, and minus any part that was deductible as exempt income under a tax treaty between Canada and that country. If the net foreign business income is greater than the net income, use the amount of net income in the calculation.
- ††† **Basic federal tax** is the federal tax before the federal foreign tax credit (from line 18 of this form) plus any:
- overseas employment tax credit (line 11 of this form); and
  - dividend tax credit (line 12 of this form);
- and minus any:
- tax adjustments for CPP/QPP disability benefits for previous years (included on line 8 of this form), and
  - federal surtax (line 17 of this form).

<sup>1</sup> **Note:** If you were a resident of Canada for part of the year, only include the income for the part of the year when you were a resident of Canada.

<sup>2</sup> **Note:** If you were a resident of Canada for part of the year, include the income for the part of the year when you were a resident of Canada, and your taxable income earned in Canada (before deductions in paragraphs 115(1)(d) to (f) of the *Income Tax Act*) as reported on your Canadian income tax return, for the part of the year when you were not a resident of Canada.