



SASKATCHEWAN CORPORATION TAX CALCULATION
(2009 and later tax years)

Name of corporation	Business Number	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center; border-bottom: 1px solid black;">Year</td> <td style="text-align: center; border-bottom: 1px solid black;">Tax year-end Month</td> <td style="text-align: center; border-bottom: 1px solid black;">Day</td> </tr> <tr> <td style="width:33%; height: 20px;"></td> <td style="width:33%;"></td> <td style="width:33%;"></td> </tr> </table>	Year	Tax year-end Month	Day			
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- Use this schedule if your corporation had a permanent establishment (as defined in section 400 of the federal *Income Tax Regulations*) in Saskatchewan and had taxable income earned in the year in Saskatchewan.
- This schedule is a worksheet only and does not have to be filed with your *T2 Corporation Income Tax Return*.

Part 1 – Calculation of income subject to Saskatchewan lower and higher tax rates

Period before July 1, 2008

If there are days in the tax year in the period mentioned above, calculate the income subject to Saskatchewan lower and higher tax rates as follows:

Taxable income for Saskatchewan * A1

Income eligible for Saskatchewan lower tax rate:

Amount from line 400 of the T2 return ** B1
 Amount from line 405 of the T2 return C1
 Amount from line 425 of the T2 return $\times \frac{450,000}{\text{line 4 on page 4 of the T2 return}} =$ D1
 Amount B1, C1, or D1, whichever is the least E1

For credit unions only:

Amount from line D of Schedule 17, *Credit Union Deductions*
Deduct: amount E1 above F1
 Excess (if negative, enter "0") ▶

Total of amounts E1 and F1 G1

Amount G1 $\times \frac{\text{taxable income for Saskatchewan}^*}{\text{taxable income for all provinces}^{***}} =$ H1

Income subject to Saskatchewan higher tax rate (amount A1 minus amount H1) I1

Enter amount H1 and/or amount I1 on the applicable line(s) in Part 3.

Period after June 30, 2008

If there are days in the tax year in the period mentioned above, calculate the income subject to Saskatchewan lower and higher tax rates as follows:

Taxable income for Saskatchewan * A2

Income eligible for Saskatchewan lower tax rate:

Amount from line 400 of the T2 return B2
 Amount from line 405 of the T2 return C2
 Amount from line 425 of the T2 return $\times \frac{500,000}{\text{line 4 on page 4 of the T2 return}} =$ D2
 Amount B2, C2, or D2, whichever is the least E2

For credit unions only:

Amount from line D of Schedule 17, *Credit Union Deductions*
Deduct: amount E2 above F2
 Excess (if negative, enter "0") ▶

Total of amounts E2 and F2 G2

Amount G2 $\times \frac{\text{taxable income for Saskatchewan}^*}{\text{taxable income for all provinces}^{***}} =$ H2

Income subject to Saskatchewan higher tax rate (amount A2 minus amount H2) I2

Enter amount H2 and/or amount I2 on the applicable line(s) in Part 3.

* If the corporation has a permanent establishment only in Saskatchewan, enter the taxable income from line 360 of the T2 return. Otherwise, enter the taxable income allocated to Saskatchewan from column F in Part 1 of Schedule 5, *Tax Calculation Supplementary – Corporations*.

** If the corporation is a member of a partnership, complete Part 2 to calculate income from active business.

*** Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 2 – Calculation of income from active business when there is partnership income

Complete this part only if the amount on line 450 of Schedule 7, *Calculation of Aggregate Investment Income and Active Business Income*, is positive.

Period before July 1, 2008

If there are days in the tax year in this period, calculate the income from active business as follows:

Amount RR from Part 5 of Schedule 7 J1

Deduct partnership income:

Amount II from Part 4 of Schedule 7 K1

L1	M1	N1	O1
Amounts from column E in Part 3 of Schedule 7	Amounts from column G in Part 3 of Schedule 7 multiplied by <u>450,000</u> 500,000	Column L1 minus column M1 (if negative, enter "0")	Lesser of columns L1 and M1 (if column L1 is negative, enter "0")
1.			
2.			
3.			
Totals		P1	Q1

Amount on line 370 from Part 3 of Schedule 7 . . . R1

Amount on line 380 from Part 3 of Schedule 7 . . . S1

Subtotal (amount R1 **plus** amount S1) T1

Enter amount P1 or amount T1, whichever is **less** U1

Specified partnership income (amount Q1 **plus** amount U1) V1

Partnership income (amount K1 **minus** amount V1) W1

Income from active business in this period (amount J1 **minus** amount W1) X1

Enter the amount from line X1 on line B1 in Part 1.

Part 3 – Calculation of Saskatchewan tax before credits

Saskatchewan tax at the lower rate:

Amount H1 _____ × $\frac{\text{Number of days in the tax year before July 1, 2008}}{\text{Number of days in the tax year}}$ × 4.5% = _____ AA

Amount H2 _____ × $\frac{\text{Number of days in the tax year after June 30, 2008}}{\text{Number of days in the tax year}}$ × 4.5% = _____ BB

Total Saskatchewan tax at the lower rate (amount AA **plus** amount BB) CC

Saskatchewan tax at the higher rate:

Amount I1 _____ × $\frac{\text{Number of days in the tax year before July 1, 2008}}{\text{Number of days in the tax year}}$ × 13% = _____ DD

Amount I2 _____ × $\frac{\text{Number of days in the tax year after June 30, 2008}}{\text{Number of days in the tax year}}$ × 12% = _____ EE

Total Saskatchewan tax at the higher rate (amount DD **plus** amount EE) FF

Saskatchewan tax before credits (amount CC **plus** amount FF) * GG

* If the corporation has a permanent establishment in more than one jurisdiction or is claiming a Saskatchewan tax credit, enter amount GG on line 235 of Schedule 5. Otherwise, enter it on line 760 of the T2 return.