**Canada Revenue Agency** **Agence du revenu du Canada**

# SASKATCHEWAN CORPORATION TAX CALCULATION
## (2006 and later tax years)

**SCHEDULE 411**
Code 0602

| Name of corporation | Business Number | Tax year-end | | |
|---|---|---|---|---|
| | | Year | Month | Day |

- Use this schedule if your corporation had a permanent establishment (as defined in Regulation 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*.

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

### Period before July 1, 2006

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 at line 400 of the T2 return ** ....................................... _____ B2
Amount at line 405 of the T2 return ........................................ _____ C2

Amount at line 425 of
the T2 return ............. _____ × $\dfrac{300,000}{\text{line 4 on page 4 of the T2 return}}$ = _____ D2

Amount B2, C2, or D2, whichever is **less** ................................. _____ E2

For credit unions – **add** the following amount:

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

Total of amounts E2 and F2 _____ G2

Amount G2 ............. _____ × $\dfrac{\text{taxable income for Saskatchewan *}}{\text{taxable income for all provinces ***}}$ = ................ _____ H2

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

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### Period after June 30, 2006, and before July 1, 2007

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 * ........................................................ _____ A3

**Income eligible for Saskatchewan lower tax rate:**

Amount at line 400 of the T2 return ** ....................................... _____ B3
Amount at line 405 of the T2 return ........................................ _____ C3

Amount at line 425 of
the T2 return ............. _____ × $\dfrac{400,000}{\text{line 4 on page 4 of the T2 return}}$ = _____ D3

Amount B3, C3, or D3, whichever is **less** ................................. _____ E3

For credit unions – **add** the following amount:

Amount at line D from Schedule 17,
*Credit Union Deductions* ............................... _____
**Deduct:** amount E3 above ............................... _____
Excess (if negative, enter "0") _____ ► _____ F3

Total of amounts E3 and F3 _____ G3

Amount G3 ............. _____ × $\dfrac{\text{taxable income for Saskatchewan *}}{\text{taxable income for all provinces ***}}$ = ................ _____ H3

**Income subject to Saskatchewan higher tax rate** (amount A3 **minus** amount H3) ................... _____ I3

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\*   If the corporation has a permanent establishment only in Saskatchewan, enter the taxable income from line 360 on page 3 of the T2 return. Otherwise, enter the taxable income allocated to Saskatchewan from column F in Part 1 of Schedule 5.

\*\*  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 1 – Calculation of income subject to Saskatchewan lower and higher tax rates (continued)**

**Period after June 30, 2007, and 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 * . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **A4**

**Income eligible for Saskatchewan lower tax rate:**

Amount at line 400 of the T2 return ** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **B4**

Amount at line 405 of the T2 return . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **C4**

Amount at line 425 of
the T2 return . . . . . . . . . . . . . .  _____  ×  $\dfrac{450{,}000}{\text{line 4 on page 4 of the T2 return}}$  =  _____ **D4**

Amount B4, C4, or D4, whichever is **less** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **E4**

For credit unions – **add** the following amount:

Amount at line D from Schedule 17,
*Credit Union Deductions* . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  _____

**Deduct:** amount E4 above . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  _____

Excess (if negative, enter "0")  _____  ▶  _____ **F4**

Total of amounts E4 and F4  _____ **G4**

Amount G4 . . . . . . . . . . . . . .  _____  ×  $\dfrac{\text{taxable income for Saskatchewan *}}{\text{taxable income for all provinces ***}}$  =  . . . . . . . . . . . . . . . . . . .  _____ **H4**

**Income subject to Saskatchewan higher tax rate** (amount A4 **minus** amount H4) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **I4**

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**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 * . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **A5**

**Income eligible for Saskatchewan lower tax rate:**

Amount at line 400 of the T2 return ** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **B5**

Amount at line 405 of the T2 return . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **C5**

Amount at line 425 of
the T2 return . . . . . . . . . . . . . .  _____  ×  $\dfrac{500{,}000}{\text{line 4 on page 4 of the T2 return}}$  =  _____ **D5**

Amount B5, C5, or D5, whichever is **less** . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **E5**

For credit unions – **add** the following amount:

Amount at line D from Schedule 17,
*Credit Union Deductions* . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  _____

**Deduct:** amount E5 above . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . .  _____

Excess (if negative, enter "0")  _____  ▶  _____ **F5**

Total of amounts E5 and F5  _____ **G5**

Amount G5 . . . . . . . . . . . . . .  _____  ×  $\dfrac{\text{taxable income for Saskatchewan *}}{\text{taxable income for all provinces ***}}$  =  . . . . . . . . . . . . . . . . . . .  _____ **H5**

**Income subject to Saskatchewan higher tax rate** (amount A5 **minus** amount H5) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ **I5**

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\* If the corporation has a permanent establishment only in Saskatchewan, enter the taxable income from line 360 on page 3 of the T2 return.
  Otherwise, enter the taxable income allocated to Saskatchewan from column F in Part 1 of Schedule 5.

\*\* 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**

**Period before July 1, 2006**

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

Net amount on line R from Part 5 of Schedule 7, *Calculation of Aggregate Investment Income and Active Business Income* . . . . . . . _____ J2

**Deduct partnership income:**

Amount M from Part 4 of Schedule 7 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ K2

| | L2 | M2 | N2 | O2 |
|---|---|---|---|---|
| | Amounts from column E in Part 3 of Schedule 7 | Amounts from column G in Part 3 of Schedule 7 multiplied by $\frac{300{,}000}{\text{Business limit *}}$ | Column L2 **minus** column M2 (if negative, enter "0") | Lesser of columns L2 and M2 (if column L2 is negative, enter "0") |
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| **Totals** | | | P2 | Q2 |

Amount on line 370 from Part 3 of Schedule 7 . . _____ R2

Amount on line 380 from Part 3 of Schedule 7 . . _____ S2

Subtotal (amount R2 **plus** amount S2) _____ T2

Enter amount P2 or amount T2, whichever is **less** . . . . . . . . . . . . . . . . . . _____ U2

Specified partnership income (amount Q2 **plus** amount U2) . . . . . . . . . . . _____ ▶ _____ V2

Partnership income (amount K2 **minus** amount V2) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ ▶ _____ W2

**Income from active business in this period** (amount J2 **minus** amount W2) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ X2

(Enter on line B2 on page 1 of this schedule the **greater of** the amount from line X2 above or from line 400 of the T2 return.)

\* If the corporation's tax year ends in 2006, the federal business limit is $300,000. If the tax year ends in 2007 or later, the federal business limit is $400,000.

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**Period after June 30, 2006, and before July 1, 2007**

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

Net amount on line R from Part 5 of Schedule 7, *Calculation of Aggregate Investment Income and Active Business Income* . . . . . . . _____ J3

**Deduct partnership income:**

Amount M from Part 4 of Schedule 7 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ K3

| | L3 | M3 | N3 | O3 |
|---|---|---|---|---|
| | Amounts from column E in Part 3 of Schedule 7 | Amounts from column G in Part 3 of Schedule 7 multiplied by $\frac{400{,}000}{\text{Business limit *}}$ | Column L3 **minus** column M3 (if negative, enter "0") | Lesser of columns L3 and M3 (if column L3 is negative, enter "0") |
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| **Totals** | | | P3 | Q3 |

Amount on line 370 from Part 3 of Schedule 7 . . _____ R3

Amount on line 380 from Part 3 of Schedule 7 . . _____ S3

Subtotal (amount R3 **plus** amount S3) _____ T3

Enter amount P3 or amount T3, whichever is **less** . . . . . . . . . . . . . . . . . . _____ U3

Specified partnership income (amount Q3 **plus** amount U3) . . . . . . . . . . . _____ ▶ _____ V3

Partnership income (amount K3 **minus** amount V3) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ ▶ _____ W3

**Income from active business in this period** (amount J3 **minus** amount W3) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ X3

(Enter on line B3 on page 1 of this schedule the **greater of** the amount from line X3 above or from line 400 of the T2 return.)

\* If the corporation's tax year ends in 2006, the federal business limit is $300,000. If the tax year ends in 2007 or later, the federal business limit is $400,000.

**Part 2 – Calculation of income from active business when there is partnership income (continued)**

### Period after June 30, 2007, and before July 1, 2008

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

Net amount on line R from Part 5 of Schedule 7, *Calculation of Aggregate Investment Income and Active Business Income* . . . . . . . _____ J4

**Deduct partnership income:**

Amount M from Part 4 of Schedule 7 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ K4

| | L4 | M4 | N4 | O4 |
|---|---|---|---|---|
| | Amounts from column E in Part 3 of Schedule 7 | Amounts from column G in Part 3 of Schedule 7 multiplied by $\frac{450,000}{400,000}$ | Column L4 **minus** column M4 (if negative, enter "0") | Lesser of columns L4 and M4 (if column L4 is negative, enter "0") |
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| | **Totals** | | P4 | Q4 |

Amount on line 370 from Part 3 of Schedule 7 . . _____ R4
Amount on line 380 from Part 3 of Schedule 7 . . _____ S4
Subtotal (amount R4 **plus** amount S4) _____ T4
Enter amount P4 or amount T4, whichever is **less** . . . . . . . . . . . . . . . . . . _____ U4
Specified partnership income (amount Q4 **plus** amount U4) . . . . . . . . . . . _____ ▶ _____ V4
Partnership income (amount K4 **minus** amount V4) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ ▶ _____ W4
**Income from active business in this period** (amount J4 **minus** amount W4) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ X4

(Enter on line B4 on page 2 of this schedule the **greater of** the amount from line X4 above or from line 400 of the T2 return.)

### Period after June 30, 2008

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

Net amount on line R from Part 5 of Schedule 7, *Calculation of Aggregate Investment Income and Active Business Income* . . . . . . . _____ J5

**Deduct partnership income:**

Amount M from Part 4 of Schedule 7 . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ K5

| | L5 | M5 | N5 | O5 |
|---|---|---|---|---|
| | Amounts from column E in Part 3 of Schedule 7 | Amounts from column G in Part 3 of Schedule 7 multiplied by $\frac{500,000}{400,000}$ | Column L5 **minus** column M5 (if negative, enter "0") | Lesser of columns L5 and M5 (if column L5 is negative, enter "0") |
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| | **Totals** | | P5 | Q5 |

Amount on line 370 from Part 3 of Schedule 7 . . _____ R5
Amount on line 380 from Part 3 of Schedule 7 . . _____ S5
Subtotal (amount R5 **plus** amount S5) _____ T5
Enter amount P5 or amount T5, whichever is **less** . . . . . . . . . . . . . . . . . . _____ U5
Specified partnership income (amount Q5 **plus** amount U5) . . . . . . . . . . . _____ ▶ _____ V5
Partnership income (amount K5 **minus** amount V5) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ ▶ _____ W5
**Income from active business in this period** (amount J5 **minus** amount W5) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ X5

(Enter on line B5 on page 2 of this schedule the **greater of** the amount from line X5 above or from line 400 of the T2 return.)

**Part 3 – Calculation of Saskatchewan tax before credits**

**Saskatchewan tax at the lower rate:**

Amount H2 _____ x $\dfrac{\text{Number of days in the tax year in 2004}}{\text{Number of days in the tax year}}$ _____ x 5.5% = . . . . . . . . . . . . . . . _____ B

Amount H2 _____ x $\dfrac{\text{Number of days in the tax year after December 31, 2004, and before July 1, 2006}}{\text{Number of days in the tax year}}$ _____ x 5% = . . . . . . . . . . . . . . . _____ C

Amount H3 _____ x $\dfrac{\text{Number of days in the tax year after June 30, 2006, and before January 1, 2007}}{\text{Number of days in the tax year}}$ _____ x 5% = . . . . . . . . . . . . . . . _____ D

Amount H3 _____ x $\dfrac{\text{Number of days in the tax year after December 31, 2006, and before July 1, 2007}}{\text{Number of days in the tax year}}$ _____ x 4.5% = . . . . . . . . . . . . . . . _____ E

Amount H4 _____ x $\dfrac{\text{Number of days in the tax year after June 30, 2007, and before July 1, 2008}}{\text{Number of days in the tax year}}$ _____ x 4.5% = . . . . . . . . . . . . . . . _____ F

Amount H5 _____ x $\dfrac{\text{Number of days in the tax year after June 30, 2008}}{\text{Number of days in the tax year}}$ _____ x 4.5% = . . . . . . . . . . . . . . . _____ G

Total Saskatchewan tax at the lower rate (total of amounts B, C, D, E, F, and G) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ H

**Saskatchewan tax at the higher rate:**

Amount I2 _____ x $\dfrac{\text{Number of days in the tax year before July 1, 2006}}{\text{Number of days in the tax year}}$ _____ x 17% = . . . . . . . . . . . . . . . _____ I

Amount I3 _____ x $\dfrac{\text{Number of days in the tax year after June 30, 2006, and before July 1, 2007}}{\text{Number of days in the tax year}}$ _____ x 14% = . . . . . . . . . . . . . . . _____ J

Amount I4 _____ x $\dfrac{\text{Number of days in the tax year after June 30, 2007, and before July 1, 2008}}{\text{Number of days in the tax year}}$ _____ x 13% = . . . . . . . . . . . . . . . _____ K

Amount I5 _____ x $\dfrac{\text{Number of days in the tax year after June 30, 2008}}{\text{Number of days in the tax year}}$ _____ x 12% = . . . . . . . . . . . . . . . _____ L

Total Saskatchewan tax at the higher rate (total of amounts I, J, K, and L) . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ M

**Saskatchewan tax before credits** (amount H **plus** amount M) * . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . . _____ N

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