

**SASKATCHEWAN FARM AND SMALL BUSINESS CAPITAL GAINS TAX CREDIT**

Use this form if, in 2001, you reported capital gains from the disposition of qualified farm property or qualified small business corporation shares and if:

- you were a resident of Saskatchewan at the end of the year, and
- your taxable income was more than \$30,000.

Attach a copy of this form to your return.

**Taxable income excluding eligible taxable capital gains**

Enter your <b>taxable income</b> from line 260 of your return					1
Enter the total of amounts from lines 107, 110 and 124 on Schedule 3				2	
Enter the total of amounts from lines 6683 and 6690 from form T2017 (If negative, show in brackets and subtract from line 2)	+			3	
Add line 2 and line 3	=			4	
Applicable rate	x	50%		5	
Multiply the amount on line 4 by 50%	=			6	
Enter the amount from line 173 on Schedule 3	+			7	
Add line 6 and line 7	=			8	
Enter the amount from line 127 of your return				9	
Enter the amount from line 173 on Schedule 3	+			10	
Add line 9 and line 10	=			11	
Enter the net capital losses of other years from line 253 of your return	-			12	
Line 11 minus line 12	=			13	
Enter the amount on line 8 or line 13, whichever is <b>less</b>				14	
Enter your capital gains deduction from line 254 of your return	-			15	
Line 14 minus line 15.					
If the result is zero or negative, you are not entitled to this credit. Do not complete this form.				=	16
<b>Eligible taxable capital gains</b>				=	16
Line 1 minus line 16 (if negative, enter "0")	=			=	17
<b>Taxable income excluding eligible taxable capital gains</b>				=	17

**Adjusted Saskatchewan tax on taxable income**

Use the amount on line 17 to determine which **ONE** of the following columns you have to complete.

	If line 17 is \$30,000 or less	If line 17 is more than \$30,000, but not more than \$60,000	If line 17 is more than \$60,000	
Enter the amount from line 17 in the applicable column	18	18	18	18
	-	-	-	19
Line 18 minus line 19 (cannot be negative)	=	=	=	20
	x	x	x	21
Multiply line 20 by line 21	=	=	=	22
	+	+	+	23
<b>Saskatchewan tax on taxable income excluding eligible taxable capital gains</b>	=	=	=	24
Add lines 22 and 23	=	=	=	24
Enter the amount from line 24				25
Enter the amount from line 16				26
Lowest tax rate		x	x	27
Multiply line 26 by 11.5%		=	=	28
Add lines 25 and 28			+	29
<b>Adjusted Saskatchewan tax on taxable income</b>			=	29

Enter the amount from line 29 on line 39 of Form SK428, replacing any amount already shown on that line. Continue on line 40 to calculate your Saskatchewan tax. If you have to pay tax to more than one jurisdiction, enter the amount from line 29 on line 9 in Part 4, Section SK428MJ, of Form T2203, replacing any amount already shown on that line. Continue on line 10 to calculate your provincial tax.

Enter the amount from line 8 of Form SK428 or line 8 in Part 4, Section SK428MJ, of Form T2203					30
Enter the amount from line 29 of this form	-			31	
Line 30 minus line 31	=			32	
<b>Saskatchewan Farm and Small Business Capital Gains Tax Credit</b>				=	32