

SASKATCHEWAN FARM AND SMALL BUSINESS CAPITAL GAINS TAX CREDIT

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

- you were a resident of Saskatchewan at the end of the year; and
- your taxable income was more than \$37,579.

Attach a copy of this form to your return.

Tax year 2006

Step 1 – Taxable income excluding eligible taxable capital gains			
Enter your taxable income from line 260 of your return			1
			<u> </u>
Enter the total of amounts from lines 107, 110, and 124 on federal Schedule 3 *		2	
Enter the total of amounts from lines 6683 and 6690 of Form T2017			
(If negative, show in brackets and subtract from line 2) *	+	3	
Add line 2 and line 3	=	4	
Applicable rate	× 50%	5	
Multiply line 4 by line 5	=	<u> </u>	
Enter the amount from line 173 on federal Schedule 3 *	+		
Add line 6 and line 7	=	<u> </u>	
Enter the amount from line 127 of your return		9	
Enter the amount from line 173 on federal 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 less		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. Eligible taxable capital gains	=	>	16
Line 1 minus line 16 (if negative, enter "0") Taxable income excluding eligible	e taxable capital gair	ns =	17

^{*} Do not include on this line any amounts related to the disposition of fishing property.

Step 2 - Adjusted Saskatchewan tax on taxable income

Step 2 – Adjusted Saskatchewan tax on taxable in	come		If line 17 is	;				
Use the amount on line 17 to determine which ONE of the following columns you have to complete.	If line 17 is \$37,579 or less	If line 17 is more than \$37,579 , but				If line 17 is nore than \$10	-	
Enter the amount from line 17 in the applicable column			!					18
	- 0 00	=	37,579	00	=	107,367	00	19
Line 18 minus line 19 (cannot be negative)	=	=			=			20
	× 11%	×	13°	%	×	15%	%	21
Multiply line 20 by line 21	=	=			=			22
Saskatchewan tax on taxabl	+ 0 00	+	4,134	00	+	13,206	00	23
income excluding eligible								l
Add lines 22 and 23 taxable capital gain		<u>=</u>			=			24
							ı	
Enter the amount from line 24							<u> </u>	25
Enter the amount from line 16					26			
Lowest tax rate		×	119	%:	27			
Multiply line 26 by line 27		=			+			28
Add lines 25 and 28	Adjusted Saskatchewan	tax on ta	xable inco	ome	=			29
Enter the amount from line 8 of Form SK428 or line 8 in Pa	t 4, Section SK428MJ,							
of Form T2203, Provincial and Territorial Taxes for 2006 -	Multiple Jurisdictions.							30
Enter the amount from line 29 of this form					_			31
Line 30 minus line 31 Saskatchewan t	rm and small business of						$\overline{}$	32

Enter the amount from line 32 on line 40 of Form SK428. If you have to pay tax to more than one jurisdiction, enter the amount from line 32 on line 10 in Part 4, Section SK428MJ, of Form T2203.

