

## SASKATCHEWAN FARM AND SMALL BUSINESS CAPITAL GAINS TAX CREDIT (TRUSTS)

- This tax credit applies only to spousal or common-law partner trusts that are resident in Saskatchewan on the last day of the trust's 2009 tax year and that have not elected to defer the deemed disposition date. The credit can only be claimed in the year the beneficiary spouse or common-law partner died. The credit does not apply to joint spousal or common-law partner or alter ego trusts.
- Do not complete this form if:
- for testamentary trusts or grandfathered inter vivos trusts, the taxable income on line 56 of the T3 return is \$40,113 or less; or
  the total of lines 1 and 2 on T3 Schedule 1, and lines 1, 2, 5, and 6 on T3 Schedule 2, is zero or negative.
- On this form, **qualified taxable capital gains** are the net taxable capital gains from the disposition of (or reserves from) qualified farm property (QFP) and qualified small business corporation shares (QSBCS).
- Attach a copy of this form to the T3 Trust Income Tax and Information Return.

Step 1 – Eligible taxable capital gains Qualified taxable capital gains								
Taxable capital gains included on line 01 of the T3 return								1
Deemed dispositions (line 11 of the T3 return)					+			2
			Sub	t <b>otal</b> (line 1 <b>plus</b> line 2)	=			3
Net capital losses of other years (line 52 of the T3 return)					_			4
			То	tal (line 3 minus line 4)	=			5
Taxable capital gains (losses) included on lines 1 and 2 of T3 Sche of Form T1055 (do not include amounts related to dispositions of fi				6				
Capital gains (losses) from reserves on QFP and QSBCS (lines 1, 2, 5, and 6 of T3 Schedule 2)			+	7				
5	Subtot	al (line 6 plus line 7	<u>')</u> =	8				
Line 8 multiplied by 1/2			×	1/2 =				9
Deemed total taxable capital gains on disposition of eligible capital QFP (included on line 07 of the T3 return)	prope	rty:			+			10
Taxable capital gains on qualified farm property and qualified smal Line 9 <b>plus</b> line 10 (if negative, enter "0")	l busin	ess corporation sha	res		=			11
Amount from line 5 or line 11, whichever is less.						I		12
Total of amounts from lines 929 and 930 of T3 Schedule 9 (do not	include	amounts related to	disposit	ions of fishing property)	_			13
Qualified taxable capital gain (line 12 minus line 13)								
If the amount is negative or zero, no credit is allowed - do not cont	tinue.				=			14
Eligible taxable capital gains								
Qualified taxable capital gain (enter the amount from line 14 above	e)							15
Capital gains deductions (line 53 of the T3 return)					_			16
Eligible taxable capital gains (line 15 minus line 16)								
If the amount is negative or zero, no credit is allowed - do not cont	tinue.				=			17
Step 2 – Adjusted Saskatchewan tax								
Taxable income from line 56 of the T3 return						I		18
Eligible taxable capital gains (line 17 above)					_			19
Adjusted taxable income (line 18 <b>minus</b> line 19)					=			20
Testamentary trusts or grandfathered inter vivos trusts Use the amount from line 20 to determine which one of the followir columns you have to complete.				more than <b>\$40,113</b> , but not more than				
If the amount from line 20 is:		\$40,113 or less	·	\$114,610	more that	.n \$114	1,610	
Enter the amount from line 20 above	21							21
Income base	22	- 0 00		- 40,113 00		4,610	00	22
Line 21 minus line 22	23	=		=	=	4.50/		23
Tax rate	24	× 11%		× 13%	×	15%		24

line 17

## 13% 4,412 00

15% =

=

+

22	00	114,610
23		
24		15%
25		
26	00	14,097
27		

28

 29		
 30		31
		-

=

## Step 3 – Tax credit

Tax on eligible taxable capital gains

Adjusted Saskatchewan tax (line 29 plus line 30)

Saskatchewan tax on taxable income from line 8 or line 9 of Form T3SK, Saskatchewan Income Tax, whichever applies		32
Adjusted Saskatchewan tax (line 31above)		33
Saskatchewan farm and small business capital gains tax credit (line 32 minus line 33)		
Enter this amount on line 14 of Form T3SK.	=	34

11% =

х