



WORKSHEET FOR CALCULATING 2001 INSTALMENT PAYMENTS

Please read the instructions on the back of this worksheet before you complete this form.

Social insurance number									

Calculating net tax owing by instalments

Note: The line references are from the General income tax return.

Net federal tax (line 420)	_____	A	
Old Age Security (OAS) repayment (from line 422)	_____	B	
Provincial or territorial tax (line 428)	_____	C	
First Nations tax (line 432)	_____	D	
Total payable (add lines A, B, C, and D)	_____		▶ _____ 1
Total income tax deducted (line 437)* (If you are a resident of Quebec, use line 439.) ...	_____	E	
Refundable abatement (line 440 plus line 441)	_____	F	
Refundable medical expense supplement (line 452)	_____	G	
Refund of investment tax credit (line 454)	_____	H	
Part XII.2 trust tax credit (line 456)	_____	I	
Provincial or territorial tax credits (line 479)	_____	J	
Total credits (add lines E, F, G, H, I and J)	_____		▶ _____ 2
Net tax owing by instalments (line 1 minus line 2)	_____		_____ 3

*If you are calculating your **2000** net tax owing (prior year option), include in the amount on line E the total amount withheld from your OAS pension benefits during **2000**. If you are estimating your **2001** net tax owing (current year option), do the calculation for "line E" on the back of this worksheet.

Canada Pension Plan (CPP) contributions payable by instalments

If you reported self-employment income on lines 135 to 143 of your return or business or professional income from a partnership on line 122 of your return, complete Schedule 8, *Canada Pension Plan Contributions on Self-Employment and Other Earnings*, included with your individual tax package. If you are using the prior year option, report the amount you calculated on line 10 of Schedule 8 on line 4 below. If you are estimating your 2001 CPP contributions payable (current year option), use the following figures to complete Schedule 8:

- \$3,500 on line 6
- \$34,800 on line 7
- 8.6% on line 8

CPP contributions payable by instalments _____ 4

Total amount payable by instalments

Add lines 3 and 4 _____ 5

Instalment amount due:

If you have to make instalment payments every three months, divide the amount on line 5 by 4 and send it by each due date. _____ 6

If your main source of income is self-employment income from farming or fishing, calculate 2/3 of the amount on line 5 and send it in one instalment payment by December 31 _____ 7

Note
If the amount on line 6 or 7 is more than the amount on your instalment reminders, and you pay only the amount on each of your reminders by the due date, you will not have to pay instalment interest or penalties.

Instructions

Do you have to make instalment payments?

You have to make quarterly instalment payments for 2001 if in 2001 and **either** 2000 or 1999 your net tax owing is more than \$2,000 (\$1,200 if you live in Quebec). However, you only have to make one instalment payment for 2001 if your chief source of income in 2001 is self-employment income from farming or fishing and your net tax owing in 2001, 2000, and 1999 is more than \$2,000 (\$1,200 for residents of Quebec).

Note

If you moved to or from Quebec in 2001, 2000, or 1999, please use the threshold amount (\$2,000 or \$1,200) that applies to the province you lived in on December 31 of those years.

If you have to make instalment payments, we will mail you an *Instalment Reminder* before each payment is due. The reminders will tell you how much you can pay under the no-calculation option. We will mail reminders for the March 15 and June 15 instalment payments in February, and for the September 15 and December 15 payments in August. If your main source of income is self-employment income from farming or fishing, you should receive your reminder at the end of November.

If you do not receive an *Instalment Reminder* and you believe you should be making instalment payments, contact your tax services office for more information. You can find the address and telephone numbers listed under "Canada Customs and Revenue Agency" in the Government of Canada section of the telephone book.

Can you use this worksheet?

If your net income for 2000 or your expected net income for 2001, is less than the net income of 1999, the tax year we used to calculate your instalment payments indicated on the reminder for the March 15 and June 15, 2001 due dates, you can choose to pay lower amounts. If you make this choice, use this worksheet to determine the instalment amount(s) that you should pay using your 2000 or 2001 net tax owing. If the instalment amount due on line 6 or 7 on the other side is less than the amount indicated on your instalment reminders, you can pay the lesser amount **without contacting us**. Regardless of the amount you pay, your reminders will continue to show the amounts we calculated according to the information on file.

If your income increases or stays about the same from year to year, you do not have to use this worksheet. Instead, you should pay the amounts shown on all your reminders by the due dates. This ensures that you will not have to pay instalment interest, even if the total payments are less than the total amount of tax you may owe for the year.

How do you use this worksheet?

If you want to calculate your instalment payments using your income for the 2000 tax year (prior-year option), complete your 2000 income tax return and copy the information onto the corresponding lines on this worksheet.

If you want to use your estimated income for the 2001 tax year (current-year option), complete a 2000 income tax return using your 2001 figures and copy that information onto the corresponding lines on this worksheet. **Use this income tax return only to calculate your estimated net tax owing. Do not send it to your tax centre for processing.**

If you are estimating your 2001 net tax owing and CPP contributions payable using a 2000 return, use the following amounts:

- Maximum CPP contributions (line 308) \$ 1,496.40
- Maximum Employment Insurance premiums (line 312) \$ 877.50
- Base amount for Employment Insurance repayment (line 235) \$48,750.00
- Base amount for OAS repayment (line 235) \$55,309.00

Line E "Special calculation for clients receiving Old Age Security (OAS) pension"

Use the table below to estimate your total income tax deducted at source during 2001. It applies only if you meet the following two conditions:

- you are 65 years of age or older in 2001;
- your net income before adjustments (line 234) was more than \$53,215 for 1999 or more than \$53,960 for 2000.

<u>Estimated tax deducted at source during 2001 from your OAS</u>			
● 1999 net income before adjustments (line 234) minus \$53,215 = _____	X 0.075	_____	A
● 2000 net income before adjustments (line 234) minus \$53,960 = _____	X 0.075	_____	B
● Total voluntary tax that will be withheld from your 2001 OAS		_____	C
		Add lines A, B, and C (maximum \$5,215.00)	▶ _____ 1
Estimated total tax deducted at source during 2001 (excluding tax deducted from your OAS)			_____ 2
Estimated total income tax deducted at source during 2001 (line 1 plus line 2)			===== 3
(Enter the amount from line 3 on line E on the other side.)			