Ontario

Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2002 Corporations Tax Return CT8

Pursuant to the Corporations Tax Act

For taxation years commencing after May 1, 2000

This return is to be filed by all insurance corporations within 6 months of the taxation year-end.

Identification

Ontario Corporations Tax Account No. (MOF)

Corporation's Legal Name (including punctuation)

Date of Incorporation — year / month / day

This CT8 Return covers the Taxation Year — Start year / month / day — End year / month / day

Has the mailing address changed since last filed CT8 return? Yes ☐ — Date of Change — year / month / day

Registered Head Office Address

Location of Books and Records

Name of person to contact	Telephone No.	Fax No.

Has the corporation's Canada Customs and Revenue Agency (formerly Revenue Canada) T2 Return been filed? Yes ☐ No ☐

Canada Customs and Revenue Agency (formerly Revenue Canada) Business No.

If applicable, enter — RC

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)

If incorrect or missing, enter

Ontario Employer Health Tax Account No. (Use Head Office no.)

If applicable, enter

Jurisdiction Incorporated

If not incorporated in Ontario, indicate date business commenced in Ontario — Commenced year / month / day — Ceased year / month / day

(Not Applicable) ▸ ☐

Type of Corporation – Please check ☑ appropriate box(es):

1 ☐ Canadian-controlled private all year (Generally a private corporation of which 50% or more shares are owned by Canadian residents.) (fed.s.125(7)(b))

2 ☐ Other Private

3 ☐ Public

5 ☐ Other (specify)

Share Capital with full voting rights owned by Canadian Residents (nearest percent) . %

Are you requesting a refund due to:
- the Carry-back of a Loss? Yes ☐ No ☐
- an Overpayment? Yes ☐ No ☐
- a Specified Refundable Tax Credit? Yes ☐ No ☐

Are you a Member of a Partnership or Joint Venture? Yes ☐ No ☐

Are you an association registered under the Prepaid Hospital and Medical Services Act? Yes ☐ No ☐

Are you a reciprocal or inter-insurance exchange within the meaning of the Insurance Act? Yes ☐ No ☐

Are you an insurance broker remitting premium tax with respect to insurance contracts placed with unlicensed insurers? Yes ☐ No ☐

Type of insurance (Canadian Life, Foreign, General, Canadian Fraternal, etc.)

Was the corporation inactive throughout the taxation year? Yes ☐ No ☐

Please check ☑ appropriate box(es) if applicable:

- ☐ First Year of Filing
- ☐ Amended Return
- ☐ Taxation Year-End has changed - approval required by Canada Customs and Revenue Agency (formerly Revenue Canada)
- ☐ Final Taxation Year up to Dissolution (wind-up) *(Note: For discontinued businesses see Guide.)*
- ☐ Final Taxation Year before Amalgamation
- ☐ Floating Fiscal Year-End
- ☐ Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
- ☐ Acquisition of Control fed s. 249(4)

Date Control was acquired — year / month / day

Language of Choice / *Langue de préférence*

English / *anglais* ☐ French / *français* ☐

Ministry Use

SIC LOC FC Seq. No

ISBN 0-7794-3823-X

DOLLARS ONLY

Net Income (loss) for Ontario purposes (includes income exempt under fed.s.149(1)(4)) ± From 690

Subtract: Charitable donations – 1

Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule)* – 2

Subtract: Taxable dividends deductible, per federal T2 SCH 3 – 3

Subtract: Ontario political contributions *(Attach schedule)* – 4

Subtract: Federal Part VI.1 tax ____ X 9/4 – 5

Subtract: Prior years' losses applied – Non-capital losses – From 704

Net capital losses From 715 (page 11) ____ X inclusion rate ____ % = – 714

Limited partnership losses – From 754

Subtract: Exempt income relating to the insurance of farmers and fishermen in accordance with fed.s.149(1)(t) (if applicable) – 7

Taxable Income (Non-capital loss) = 10

Addition to taxable income for unused foreign tax deduction for federal purposes + 11

Adjusted Taxable Income 10 + 11 (if 10 is negative, enter 11) = 20

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable) ____ X 30 ____ % X 14.5% X 24 ____ ÷ 73 ____ = + 25
Ontario Allocation — Days after May 1, 2000 and before Jan. 1, 2001 / Total Days

From 10 (or 20 if applicable) ____ X 30 ____ % X 14.0% X 26 ____ ÷ 73 ____ = + 27
Ontario Allocation — Days after Dec. 31, 2000 and before Oct. 1, 2001 / Total Days

From 10 (or 20 if applicable) ____ X 30 ____ % X 12.5% X 33 ____ ÷ 73 ____ = + 29
Ontario Allocation — Days after Sept. 30, 2001 and before Jan. 1, 2004 / Total Days

Income Tax Payable (before deduction of tax credits) 25 + 27 + 29 = 40

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

(If this section is not completed, the IDSBC will be denied.)

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (✔) ☐ Yes ☐ No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a)) 50

Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b)) + 51

Add: Losses of other years deducted for federal purposes (fed.s.111) + 52

Subtract: Losses of other years deducted for Ontario purposes (s.34) – 53

= ____ ▶ 54

Federal Business limit for the year before the application of fed.s.125(5.1) (not exceeding $200,000) + 55

Add: Ontario enhancement of federal business limit

Number of Days in Taxation Year

40,000 X 26 ____ ÷ 73 ____ (Days after Dec. 31, 2000 and before Oct. 1, 2001 / Total Days)
X From 55 ____ ÷ 200,000 = + 42

80,000 X 28 ____ ÷ 73 ____ (Days after Sept. 30, 2001 and before Jan. 1, 2003 / Total Days)
X From 55 ____ ÷ 200,000 = + 43

120,000 X 31 ____ ÷ 73 ____ (Days after Dec. 31, 2002 and before Jan. 1, 2003 / Total Days)
X From 55 ____ ÷ 200,000 = + 46

Ontario enhancement of federal business limit 42 + 43 + 46 = ____ ▶ + 44

Business Limit for Ontario purposes 55 + 44 = ____ ▶ 45

Income eligible for the IDSBC From 30 ____ % X 56 ____ = 60
*Ontario Allocation — Least of 50, 54 or 45

*** Note:** *Ontario Allocation for IDSBC purposes may differ from* 30 *if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).*

continued on Page 3

Corporation's Legal Name | Ontario Corporations Tax Account No. (MOF) | Taxation Year End

DOLLARS ONLY

Income Tax *continued from Page 2*

Number of Days in Taxation Year

Calculation of IDSBC Rate

		Days after Dec. 31, 1999 and before Oct. 1, 2001		Total Days		
7.5% X	76		÷ 73		= + 77	

		Days after Sept. 30, 2001 and before Jan. 1, 2003		Total Days		
6.5% X	28		÷ 73		= + 79	

		Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days		
7.0% X	31		÷ 73		= + 89	

IDSBC Rate for Taxation Year 77 + 79 + 89 = 78

Claim From 60 X From 78 % = 70

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

*****Short Taxation Years -*** Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.
Associated Corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

**** Taxable Income of the corporation** From 10 (or 20 if applicable) + 80

Add: Exempt income From 07

Taxable income including exempt income 80 + 07 = + 90

If you are a member of an associated group (✔) 81 (Yes)

Name of associated corporation (Canadian & foreign) (*if insufficient space, attach schedule*)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End		** Taxable Income (if loss, enter nil)
			+ 82	
			+ 83	
			+ 84	

Aggregate Taxable Income 90 + 82 + 83 + 84 , etc. = 85

Number of Days in Taxation Year

			Days		Total Days		
Subtract:	200,000 X	32	Days before Jan. 1, 2001	÷ 73		= + 111	
	240,000 X	26	Days after Dec. 31, 2000 and before Oct. 1, 2001	÷ 73		= + 112	
	280,000 X	28	Days after Sept. 30, 2001 and before Jan. 1, 2003	÷ 73		= + 113	
	320,000 X	31	Days after Dec. 31, 2002 and before Jan. 1, 2004	÷ 73		= + 115	

111 + 112 + 113 + 115 = ▸ − 114

(If negative, enter nil) = 86

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax

		Days		Total Days		
5.0% X	76	Days after Dec. 31, 1999 and before Oct. 1, 2001	÷ 73		= + 93	
4.333% X	28	Days after Sept. 30, 2001 and before Jan 1, 2003	÷ 73		= + 95	
4.667% X	31	Days after Dec 31, 2002 and before Jan 1, 2004	÷ 73		= + 96	

Specified rate of surtax for Taxation Year 93 + 95 + 96 = 94

From 86 X From 94 % = 87

From 87 X From 60 ÷ From 114 = 88

Surtax Lesser of 70 or 88 = 100

continued on Page 4

Income Tax

DOLLARS ONLY

continued from Page 3

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001) *(Attach schedule).* - - - 170 ______

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former Small Business Development Corporations Act)

Eligible Credit 175 ______ Credit Claimed 180 ______

Sub-total of Income Tax

40 − 70 + 100 − 170 − 180 - - - - - - - - - - - - - - = 190 ______

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to Scientific Research and Experimental Development (SR & ED) in Ontario.

Eligible Credit From 5620 OITC Claim Form *(attach original claim form)* - - - - - - - - - - - - - - - - - + 191 ______

Co-operative Education Tax Credit (CETC) (s.43.4) ***Applies*** to employment of eligible students.

Eligible Credit From 5798 Summary Schedule F - + 192 ______

Graduate Transitions Tax Credit (GTTC) (s.43.6)

Applies to employment of eligible unemployed graduate students.

No. of Graduates From 6596 194 ______

Eligible Credit From 6598 Summary Schedule G - + 195 ______

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)

Applies to qualifying R & D expenditures under an eligible research institute contract.

Eligible Credit From 7100 OBRITC Claim Form *(attach original claim form)* - - - - - - - - - - - - - - - - + 198 ______

Total Specified Tax Credits 191 + 192 + 195 + 198 - - - - - - - - - - - - - - - - - - = 220 ______

Specified Tax Credits ***Applied to reduce Income Tax*** *(Refer to Guide)* - - - - - - - - - - - - - - - - = 225 ______

Income Tax

190 − 225 **OR Enter NIL if reporting Non-Capital loss** - - - - - - - - - - - - - - = 230 ______

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation (see ***Determination of Applicability*** section for the CMT on ***Page 6***)

If CMT and the Special Additional Tax are not applicable, transfer amount in 230 to Income Tax in Summary section on Page 12 of CT8.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carry-overs that you want to apply to reduce income tax otherwise payable, then proceed to and complete the ***Application of CMT Carry-overs*** section part B, on ***Page 6*** of CT8.

DOLLARS ONLY

Special Additional Tax (refer to s.74.1)

Applies to life insurance corporations for taxation years ending after April 30, 1992. Note: The Special Additional Tax is based, in part, on federal definitions.

Resident Life Insurance Corporations

Capital

Capital for the taxation year for corporations s.74.1(4)	+ 240	
Capital for the taxation year for foreign insurance subsidiaries s.74.1(6)	+ 241	
Total Capital	= 250	

Reserve Liabilities

Total Reserve Liabilities as at the taxation year end for corporation	+ 260	
Total Reserve Liabilities as at the taxation year end for foreign insurance subsidiaries s.74.1(7)	+ 261	
Total Consolidated Reserve Liabilities as at Year End	= 270	

Canadian Paid-up Capital

From 250 ______ X Canadian Reserve Liabilities (fed.Reg.s.2405(3) 280 ______ ÷ From 270 ______ = + 281 ______

The amount, if any, that is described in s.74.1(2)(b) as part of its "taxable capital employed in Canada" for the taxation year	+ 282	
Canadian Paid-up Capital	= 290	

Taxable Paid-Up Capital

Canadian Paid-up Capital	+ From 290	
Subtract: Capital Allowance s.74.1(8)(Attach the federal prescribed form, if related to another life insurance corporation that carries on business in Canada)	– 291	
Taxable Paid-up Capital (If negative, enter NIL)	= 295	

Non-Residential Life Insurance Corporations

Canadian Paid-up Capital	+ 300	
Capital Allowance s.74.1(8) (if related to another life insurance corporation that carries on business in Canada)	– 301	
Taxable Paid-up Capital (If negative, enter NIL)	= 305	

Calculation: Special Additional Tax

From 295 or 305 ______ X From 30 ______ % X 1.25% = 310 ______

*Ontario Allocation

From 310 ______ X 311 ______ (No. of Days in Taxation Year After April 30, 1992) ÷ 365 = + 312 ______

Deduct: Income Tax Payable 190 (Page 4) ______ – 351 (Page 6) ______ = ______

Corporate Minimum Tax Payable + From Summary, Page 12 ______

= ______ – 313 ______

Sub-Total of Special Additional Tax (if negative, enter NIL) 312 – 313 = 314 ______

Deduct: Specified Credits Applied to reduce Special Additional Tax – 315 ______

Special Additional Tax 314 – 315 = 318 ______

Transfer to Summary, Page 12

***Note:** Allocation for Special Additional Tax purposes may differ from 30 if taxable income is allocated to foreign jurisdictions.*

Corporate Minimum Tax (CMT)

DOLLARS ONLY

* **Total Assets of the corporation**	+ 320	
* **Total Revenue of the corporation**	+ 321	

If you are a member of an associated group (✔) 322 ☐ (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space attach schedule)*	Ontario Corporations Tax Account No. (if applicable)	Taxation Year End		* Total Assets		* Total Revenue
			+ 323		+ 324	
			+ 325		+ 326	
			+ 327		+ 328	

Aggregate of Total Assets 320 + 323 + 325 + 327 , etc. = 329

Aggregate of Total Revenue 321 + 324 + 326 + 328 , etc. = 330

Determination of Applicability

Applies if ***either*** Total Assets 329 exceeds $5,000,000 ***or*** Total Revenue 330 exceeds $10,000,000.

* These amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue,

Short Taxation Years - Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s)/joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation - The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

If CMT is applicable to current taxation year, complete section ***Calculation: CMT*** below and ***Corporate Minimum Tax Schedules A through E on Pages 13, 14 and 15 of CT8.***

Calculation: CMT *(Attach Schedule A: Calculation of CMT Base on Page 13 of CT8.)*

Gross CMT Payable CMT base from 2136 (If negative, enter zero) X From 30 (Ontario Allocation) % X 4% = + 345

Subtract: Foreign Tax Credit for CMT purposes *(Attach schedule)*	−	346
Subtract: Income Tax	− From	190
Net CMT Payable (If negative, enter Nil on Page 12 of CT8)	=	347

If 347 is less than zero and you do not have a CMT credit carryover, transfer 230 from ***Page 4*** to ***Income Tax Summary, Page 12*** of CT8.

If 347 is less than zero and you have a CMT credit carryover, complete A & B below.

If 347 is greater than or equal to zero, transfer 230 to ***Page 12*** of CT8 and transfer 347 to ***Page 12*** of CT8, and to ***Schedule D: Continuity of CMT Credit Carryovers***, on ***Page 15*** of CT8.

CMT Credit Carryover available From 2333

Application of CMT Credit Carryovers

A.

Income Tax (before deduction of specified credits)			+ From	190
Gross CMT Payable	+ From	345		
Subtract: Foreign Tax Credit for CMT purposes	− From	346		
	=	348		
Gross Special Additional Tax (Life insurance corporations only. Others enter NIL.)	From	312		
Subtract: Greater of 348 and 312 (if negative, enter NIL)			−	349
Income Tax eligible for CMT Credit (cannot be negative)			=	350

B.

Income Tax (after deduction of specified credits)	+ From	230
Subtract: CMT credit used to reduce income taxes	−	351
Income Tax (cannot be negative)	=	352

Transfer to Page 12

If A & B apply, 351 ***cannot exceed the lesser of*** 230 ***and your CMT credit carryover available*** 2333.

If only B applies, 351 ***cannot exceed the lesser of*** 230 ***and your CMT credit carryover available*** 2333.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End

DOLLARS ONLY

Premium Tax

If claiming an exemption from Premium Tax, indicate reason and applicable section of the Act (see Guide).

Taxable Insurance Premiums (excluding Uninsured Benefits Arrangements)

1. Life, Accident and Sickness Premiums	Life	Accident & Sickness
Add: Direct written premiums in Ontario as reported in the Annual Statement filed with the federal Superintendent of Financial Institutions or the Ontario Superintendent of Insurance	360	380
Other premiums not reported in the Annual Statement: Direct Written Premiums in respect of persons resident in Ontario, paid to offices outside Canada	361	381
Staff Life, Staff Accident and Sickness on residents in Ontario	362	382
Self-administered group plan on residents in Ontario	363	383
Other direct Written Premiums in Ontario	364	384
Sub-Total	365	385
Subtract: Dividends with respect to Direct Writings in Ontario	366	386
Sub-Total	367	387
+ or – Sundry adjustments (specify) (Registered Insurance Brokers only. Refer to Guide)	368	388
+ Gross Premiums for Insurance placed with unlicensed insurers (refer to Guide)		390
Total (if negative, enter NIL)	370	+ 400

= 410 — **Total Taxable Premiums** to which 2% tax rate applies

2. Property and Other Premiums	Property	Other except premiums included in 410
Add: Direct written premiums in Ontario as reported in the Annual Statement filed with the federal Superintendent of Financial Institutions or the Ontario Superintendent of Insurance	430	470
Other premiums not reported in the Annual Statement: Direct Written Premiums in respect of persons resident in Ontario, paid to offices outside Canada	431	471
Other direct Written Premiums in Ontario	432	472
Sub-Total	433	473
Subtract: Dividends with respect to Direct Writings in Ontario	434	474
Sub-Total	435	475
+ or – Sundry adjustments (specify) (Registered Insurance Brokers only)	436	476
+ Gross Premiums for Insurance placed with unlicensed insurers	440	480
+ Reciprocal or Inter-Insurance Exchange only: Enter taxable net premiums in 445 and/or 485 (Refer to Guide)	445	485
Total (if negative, enter NIL)	450	+ 490

450: **Total Taxable Premiums** to which additional 0.5% tax rate applies

= 500 — **Total Taxable Premiums** to which 3% tax rate applies

Calculation: Premium Tax

Life, Accident and Sickness Premiums	From 410	X 2%	+ 511	
Property Premiums	From 450	X 0.5%	+ 512	
Property and Other Premiums	From 500	X 3%	+ 513	
Uninsured Benefits Arrangements *(refer to Guide)*	510	X 2%	+ 514	
Sub-Total of Premium Tax 511 + 512 + 513 + 514			= 520	
Deduct: Specified Credits *Applied to reduce Premium Tax*			– 521	
Premium Tax 520 – 521			= 522	

Transfer to Summary, Page 12

DOLLARS ONLY

Gross Revenue (Include Premium and Investment Income) - - - - - - - - - - - - 530

Allocation

To be completed by a corporation claiming a tax abatement in respect of the portion of its taxable income or taxable paid-up capital deemed to have been earned or used, respectively, in jurisdictions outside Ontario where it maintained permanent establishments. An Insurance corporation has a permanent establishment in a jurisdiction in which it is registered or licensed to do business. Note: All Insurance corporations are deemed to have a permanent establishment in the Yukon, Northwest Territories, and Nunavut.

Life

Enter Net Premiums (if incorporated in Canada include marine insurance premiums) of jurisdictions within Canada only for those jurisdictions in which the corporation maintained permanent establishments, and which were included in income.

Other than Life

Enter Net Premiums (if incorporated in Canada include marine insurance premiums) only for those jurisdictions in which the corporation maintained permanent establishments, and which were included in income.

Refer to the Regulations made under the Corporation Tax Act for details on Allocation.

Indicate whether a permanent establishment was maintained in the jurisdictions listed Yes	No		Net Premium A	% (A ÷ C) B
		Newfoundland	540	560
		Prince Edward Island	541	561
		Nova Scotia	542	562
		New Brunswick	543	563
		Quebec	544	564
		Manitoba	545	565
		Saskatchewan	546	566
		Alberta	547	567
		British Columbia	548	568
		Yukon	549	569
		Northwest Territories	550	570
		Nunavut	551	559
		Foreign Countries (provide details at right)	From 595	571
		Ontario	552	572
		Total	555 C	575 **100%**

To 30

Jurisdictions outside Canada

A corporation claiming a tax abatement with respect to jurisdictions outside Canada in which the corporation maintained permanent establishments and where a portion of its taxable income or taxable paid-up capital was deemed to be earned or used, respectively, complete below.

Country where permanent establishment was maintained	Net Premium
	580
	581
	582
	583
	584
	585
	586
	587
	588
	589
	590
	591
	592
Total Net Premiums	595

DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - - - - - - - - - - - - ± 600 ______

Add:

Federal capital cost allowance	+ 601	
Federal cumulative eligible capital deduction	+ 602	
Ontario taxable capital gain	+ 603	
Federal non allowable reserves (Balance beginning of year)	+ 604	
Federal allowable reserves (Balance end of year)	+ 605	
Ontario non allowable reserves (Balance end of year)	+ 606	
Ontario allowable reserves (Balance beginning of year)	+ 607	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	
Federal resource allowance	+ 609	
Federal depletion allowance	+ 610	
Federal foreign exploration and development expenses	+ 611	
Tax on investment income under Part XII.3, if applicable	+ 612	

Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼

Number of Days in Taxation Year

		Days after May 1, 2000 and before Jan. 1, 2001		Total Days	
612 ______	X 5/14.5 X	24 ______	÷	73 ______	= + 631 ______
		Days after Dec. 31, 2000 and before Oct. 1, 2001		Total Days	
612 ______	X 5/14.0 X	26 ______	÷	73 ______	= + 632 ______
		Days after Sept. 30, 2001 and before Jan. 1, 2004		Total Days	
612 ______	X 5/12.5 X	33 ______	÷	73 ______	= + 633 ______

Total add-back amount for Management fees, etc. 631 + 632 + 633 = ______ ▶ + 613 ______

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 plus any negative amount in 473 from Ont. CT23 schedule 161 - - - - - - - - - - + 615 ______

Federal allowable business investment loss - - - - - - - - - - - - - - - - - - + 620 ______

Total of other items not allowed by Ontario but allowed federally *(Attach schedule)* - - - - + 614 ______

Sub Total of Additions 601 to 613 + 615 + 620 + 614 - - - - - - - - - - = ______ ▶ 640 ______

Transfer to Page 10

continued on Page 10

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

DOLLARS ONLY

continued from Page 9

Net Income (loss) for federal income tax purposes, per federal T2 SCH 1 - From ± 600 .

Sub Total of Additions - From = 640 .

Deduct:

Ontario capital cost allowance - + 650 .
Ontario cumulative eligible capital deduction - - - - - - - - - - - - - - - - - - + 651 .
Federal taxable capital gain - + 652 .
Ontario non-allowable reserves. Balance beginning of year - - - - - - - - - - - - - + 653 .
Ontario allowable reserves. Balance end of year - - - - - - - - - - - - - - - - - + 654 .
Federal non-allowable reserves. Balance end of year - - - - - - - - - - - - - - - + 655 .
Federal allowable reserves. Balance beginning of year - - - - - - - - - - - - - - - + 656 .
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)* + 657 .
Ontario depletion allowance - + 658 .
Ontario resource allowance - + 659 .
Ontario research and development super allowance *(Attach schedule)* - - - - - - - - - + 660 .
Ontario current cost adjustment *(Attach schedule)* - - - - - - - - - - - - - - - - - + 661 .

Ontario New Technology Tax Incentive (ONTTI) Gross-up
Applies only to those corporations whose Ontario allocation is less than 100 % in the current taxation year.

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - 662 .

ONTTI Gross-up deduction calculation:

Gross-up of CCA

[From 662 . X 100 / (From 30 Ontario Allocation)] − From 662 . = 663 .

Workplace Child Care Tax Incentive:

Qualifying expenditures: [665 . X 30% X 100 / (From 30 Ontario allocation)] = 666 .

Workplace Accessibility Tax Incentive: (***Applies*** to qualifying expenditures incurred after July 1, 1998.)

Qualifying expenditures: [667 . X 100 % X 100 / (From 30 Ontario allocation)] = 668 .

Number of Employees accommodated 669

Educational Technology Tax Incentive:

Qualifying expenditures: [672 . X 15% X 100 / (From 30 Ontario allocation)] = 673 .

Ontario allowable business investment loss - - - - - - - - - - - - - - - - - - + 678 .

Ontario Scientific Research Expenses claimed in year in 477 **from Ont. CT23 Schedule 161** + 679 .

Total of other deductions allowed by Ontario *(Attach schedule)* - - - - - - - - - - + 664 .

Sub Total of Deductions 650 to 660 + 661 + 663 + 666 + 668 + 673 + 678 + 679 + 664 = . ▶ 680 .

Net income (loss) for Ontario Purposes 600 + 640 − 680 - - - - - - - - - - - - - - - - = 690 .

Transfer to Page 2

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End

DOLLARS ONLY

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	740	750
Add: Current year's losses (7)	701	711	741	751
Losses from predecessor corporations (3)	702	712		752
Sub-Total	703	713	743	753
Subtract: Utilized during the year to reduce taxable income	704	715 (4)	744 (4)	754 (4)
Expired during the year	705		745	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 12	716 (2) to Page 12	746	
Sub-Total	707	717	747	757
Balance at End of Year	709	719	749	759

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839 .

(9) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.

(10) This column now refers to Total Capital Losses (100% of loss), whereas prior to the 2001 CT8 the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first) Y Y Y Y M M D D	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)
803	820	830	840
804	821	831	841
805	822	832	842
806	823	833	843
807	824	834	844
808	825	835	845
809	826	836	846
Total	829	839	849

Request for Loss Carry-Back (s.80(16))

DOLLARS ONLY

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under ***any Act administered by the Ministry of Finance.***
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year-end in the spaces provided under Application of Losses below.

Application of Losses

	Predecessor Ontario Corporation's Tax Account No. (MOF) (if applicable)	Taxation Year Ending Y Y Y Y M M D D	Non-Capital Losses	Total Capital Losses
Total amount of loss			910	920
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
i) 3rd preceding		901	911	921
ii) 2nd preceding		902	912	922
iii) 1st preceding		903	913	923
Total loss to be carried back			From 706	From 716
Balance of loss available for carry-forward			919	929

Summary

Income tax	+ From 230 or 352	
Corporate Minimum Tax	+ From 347	
Special Additional Tax	+ From 318	
Premium Tax	+ From 522	
Total Tax Payable	= 950	
Subtract: Payments	– 960	
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	– 985	
Specified Tax Credits *(Refer to Guide)*	– 955	
Balance	= 970	
If payment due Enclosed *	990	
If overpayment: Refund *(Refer to Guide)*	= 975	
Apply to Y Y Y Y M M D D	980	*(Includes credit interest)*

*Make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, ***payable to the Minister of Finance*** and print your Corporation's Tax Account Number on the back of cheque or money order.

Certification

I am an authorized signing officer of the corporation. I certify that this return, including all schedules and statements filed with or as part of this return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the Corporations Tax Act. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

Title

Full Residence Address

Signature

Date

Corporate Minimum Tax
Schedule A: Calculation of CMT Base

Life Insurance Corporations - Net income/loss before Special Additional Tax as determined under s.57.1(2)(c) or (d) (unconsolidation, determined in accordance with GAAP)

Net Income/Loss (unconsolidated, determined in accordance with GAAP) - - - ± 2100 ______ •

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes - - - + 2101 ______ •
Provision for deferred income taxes (credits) / benefit of future income taxes - - - + 2102 ______ •
Equity income from corporations - - - + 2103 ______ •
Share of partnership(s)/joint venture(s) income - - - + 2104 ______ •
Dividends received/receivable deductible under fed.s.112 - - - + 2105 ______ •
Dividends received/receivable deductible under fed.s.113 - - - + 2106 ______ •
Dividends received/receivable deductible under fed.s.83(2) - - - + 2107 ______ •
Dividends received/receivable deductible under fed.s.138(6) - - - + 2108 ______ •

Federal Part VI.1 tax paid on dividends declared and paid after May 5, 1997, under fed.s.191.1(1) ______ • X 9/4 - - - + 2109 ______ •

Sub-Total - - - = ______ • ▶ − 2110 ______ •

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes - - - + 2111 ______ •
Provision for deferred income taxes (debits) / cost of future income taxes - - - + 2112 ______ •
Equity losses from corporations - - - + 2113 ______ •
Share of partnership(s)/joint venture(s) losses - - - + 2114 ______ •

Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) - - - + 2115 ______ •

Sub-Total - - - = ______ • ▶ + 2116 ______ •

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85 - - - + 2117 ______ • or − 2118 ______ •
** Fed.s.85.1 - - - + 2119 ______ • or − 2120 ______ •
** Fed.s.97 - - - + 2121 ______ • or − 2122 ______ •

** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years - - + 2123 ______ • or − 2124 ______ •

** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years - - + 2125 ______ • or − 2126 ______ •

** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years + 2127 ______ • or − 2128 ______ •

Interest allowable under ss. 20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income − 2150 ______ •

Subtotal (Additions) - - - = ______ • ▶ + 2129 ______ •
Subtotal (Subtractions) - - - = ______ • ▶ − 2130 ______ •

** Other adjustments - - - ± 2131 ______ •

Subtotal ± 2100 − 2110 + 2116 + 2129 − 2130 ± 2131 - - - = 2132 ______ •
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss - - - ± 2133 ______ •
Adjusted net income (loss) (if loss, transfer to 2202 in ***Schedule B: Continuity of CMT Losses Carried Forward, Page 20***.) - = 2134 ______ •

Deduct: * CMT losses: pre-1994 Loss - - - + From 2210 ______ •
* CMT losses: other eligible losses - - - + 2211 ______ •
= ______ • ▶ − 2135 ______ •

* CMT losses applied cannot exceed adjusted net income or increase a loss
** *Retain calculations. Do not submit with this tax return.*

CMT Base - - - = 2136 ______ •

Transfer to CMT Base, Page 6

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Schedule B: Continuity of CMT Losses Carried Forward

Balance at Beginning of year (1) & (2) + 2201

Add:
- Current year's losses + 2202
- Losses from predecessor corporations on amalgamation (3) + 2203
- Losses from predecessor corporations on wind-up (3) + 2204
- Amalgamation (✔) 2205 Yes   Wind-up (✔) 2206 Yes

Sub-Total = ▶ + 2207

Adjustments (attach schedule) ± 2208

CMT losses available 2201 + 2207 ± 2208 = 2209

Subtract:
- Pre-1994 loss utilized during the year to reduce adjusted net income + 2210
- Other eligible losses utilized during the year to reduce adjusted net income (4) + 2211
- Losses expired during the year + 2212

Sub-total = ▶ – 2213

Balances at End of Year (5) 2209 – 2213 = 2214

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

Schedule C: Analysis of CMT Losses Year-End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year-end before your corporation's first taxation year commencing after 1993.

	Year of Origin(see Note) (oldest year first) Y Y Y Y M M D D	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240		2260	2280
2241		2261	2281
2242		2262	2282
2243		2263	2283
2244		2264	2284
2245		2265	2285
2246		2266	2286
2247		2267	2287
2248		2268	2288
2249		2269	2289
Totals		2270	2290

The sum of amounts 2270 + 2290 must equal amount in 2214.

DOLLARS ONLY

Corporate Minimum Tax (CMT)

Schedule D: Continuity of CMT Credit Carryovers

Balance at Beginning of year Note (1) - + 2301 ____

Current year's CMT Credit from ***Page 6 of CT8*** (If 347 is negative, enter NIL) - - - - - + From 347 ____

Gross Special Additional Tax Note (3)
(Life Insurance corporations only. Others enter NIL.) - - - + From 312 ____
Subtract: Income Tax - - - - - - - - - - - - - - - − From 190 ____
Sub-Total (if negative, enter NIL 312 − 190 - - - - = ____ ▸ − 2305 ____
Current year's CMT credit (if negative, enter NIL) 347 − 2305 - - - - - - - - - - - - = ____ ▸ + 2310 ____

CMT Credit Carryovers from predecessor corporations Note (2) - - - - - - - - - - - - - - - - - - + 2325 ____
Amalgamation (✔) 2315 ☐ Yes Wind-up (✔) 2320 ☐ Yes
Sub-Total 2301 + 2310 + 2325 - = 2330 ____

Adjustments *(Attach schedule)* - ± 2332 ____

CMT credit carryover available 2330 ± 2332 - = 2333 ____
Transfer to Page 6

Subtract: CMT Credit utilized during the year to reduce income tax, from ***Page 6 of CT8*** - + From 351 ____
CMT Credit expired during the year - - - - - - - - - - - - - - - - - - - + 2334 ____
Sub-Total 351 + 2334 - = ____ ▸ − 2335 ____

Balance at End of Year Note (4) 2333 − 2335 - = 2336 ____

Notes:
(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
(2) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
(3) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b))
(4) Amount in 2336 must equal sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

	Year of Origin (oldest year first) Y Y Y Y M M D D	CMT Credit Carryovers of Corporations	CMT Credit Carryovers of Predecessor Corporation(s)
2340		2360	2380
2341		2361	2381
2342		2362	2382
2343		2363	2383
2344		2364	2384
2345		2365	2385
2346		2366	2386
2347		2367	2387
2348		2368	2388
2349		2369	2389
Totals		2370	2390

The sum of amounts 2370 + 2390 must equal amount in 2336.

Schedule F:
Summary of Co-operative Education Tax Credit Claimed

DOLLARS ONLY

Complete a separate entry for each student work placement which ended during the corporation's taxation year. The tax credit is for co-op work placements commencing after July 31, 1996 and leading-edge technology work placements commencing after December 31, 1997. A work placement is generally considered to be a full-time work assignment for up to 4 months in duration.

Example: If a corporation, with a December 31, 2001 taxation year end, hires an eligible student from September 1, 2001 until April 30, 2002, this would be considered 2 work placements. The first work placement is September 1, 2001 to December 31, 2001 and would be claimed in the 2001 taxation year. The second placement is January 1, 2002 to April 30, 2002 and must be claimed in the 2002 taxation year.

Qualifying Work Placements

Name of University/College and Education Program	Name of Student	Social Insurance No. of Student	Work Placement Start and End Dates (year / month / day)	Eligible Costs of Placement (ECP)	* Credit Claimed (See notes below) (max. $1,000 per work placement)
			From / To	5750	5776
			From / To	5751	5777
			From / To	5752	5778
			Totals	5774	5798

If insufficient space, attach schedule

Note: Enter corporation's salaries & wages paid in the preceding taxation year A $

Transfer to 192 on Page 4

If A is $600,000 or greater use 10%. If A is $400,000 or less use 15%.

If A is over $400,000 but less than $600,000 use the following formula to calculate the rate: Rate = .15 – [.05 (From A – $400,000) ÷ $ 200,000]

Indicate rate used: %. *** Credit claimed equals ECP multiplied by rate.**

Schedule G: Summary of Graduate Transitions Tax Credit Claimed

Complete a separate entry for each graduate, that is unrelated to the employer, that has worked full-time for a minimum of a six-month period. This credit applies to new hires commencing after May 6, 1997 for a maximum credit of $4,000 each and may only be claimed once.

Example: A taxpayer, with a December 31, 2001 taxation year end, hires an otherwise eligible graduate on June 1, 2001 who is still employed on December 31, 2002 at a salary of $3,500 per month. The salaries and wages in the taxpayer's preceding taxation year was $700,000. The taxpayer may only make one tax credit claim for each graduate employed. Although the graduate is employed for 7 months during the 2001 taxation year, the taxpayer must claim the full credit in the taxation year in which the first 12 months of employment falls or when employment is ended if less than 12 months. In this example, the credit must be claimed in the 2002 taxation year. The credit claimed is the lesser of 10% of salary for the maximum 12 months of employment (10% x $3,500 x 12 = $4,200) or $4,000.

Qualifying Employment

Name of University/College and Date Program Completed	Name of Graduate	Social Insurance No. of Graduate	Employment Period (year / month / day)	Qualified Eligible Expenditures (QEE)	* Credit Claimed (See notes below) (max. $4,000 per graduate)
			From / To	6551	6576
			From / To	6552	6577
			From / To	6553	6578
			Totals	6574	6598

If insufficient space, attach schedule

Note: Enter corporation's salaries & wages paid in the preceding taxation year A $

Transfer to 195 on Page 4

If A is $600,000 or greater use 10%. If A is $400,000 or less use 15%.

If A is over $400,000 but less than $600,000 use the following formula to calculate the rate: Rate = .15 – [.05 (From A – $400,000) ÷ $ 200,000]

Indicate rate used: %. *** Credit claimed equals QEE multiplied by rate.**

Total Number of Graduates - = 6596

Transfer to 194 on Page 4

Ontario

Guide to the 2002 CT8 Corporations Tax Return

An Information Guide including 2002 budget items and other legislative amendments.

General Information	Registration & Filing Requirements	Address Change & Account Numbers	Forms & Publications

English 1-800-263-7965
French 1-800-668-5821
TTY (Deaf) 1-800-263-7776

Ministry of Finance
P.O. Box 622, 33 King Street West
Oshawa ON L1H 8H6

Hours of Service
Monday to Friday
8:15 am to 5:00 pm

Corporations Tax Branch Enquiries

We want to provide you with the best service possible. You can help us answer your questions more quickly if you have all of your information ready. Before contacting us you should do all of the following:

- read the appropriate sections of this Guide;
- read the appropriate sections of other publications we mention in this Guide;
- prepare all the details of your situation and question;
- have on hand the working copy of your CT8, any related papers or receipts, a pencil, and some paper; and
- have the following account numbers available –
  - Ontario Corporations Tax Account No. (MOF), and
  - Canada Customs and Revenue Agency Business Number (CCRA).

Accounts

Payments, interest and penalties

Toronto (416) 920-9048 ext. 3036; French ext. 6069
Oshawa (905) 433-6708
Toll-Free 1-800-262-0784 ext. 3036; French ext. 6069
Fax (905) 433-5197

Desk Audit

General tax enquiries, (re)assessments, amended returns, loss carry-back requests

Toronto (416) 920-9048 ext. 6559 & 6539; French ext. 6211
Oshawa (905) 433-6559 & 433-6539
Toll-Free 1-800-262-0784 ext. 6559 & 6539; French ext. 6211
Fax (905) 433-6998

Returns Processing Centre

D-FILE

Toronto (416) 920-9048 ext. 4440
Oshawa (905) 436-4440
Toll-Free 1-800-262-0784 ext. 4440
Fax (905) 433-5287

Paper

Toronto (416) 920-9048 ext. 6700
Oshawa (905) 433-6700
Toll-Free 1-800-262-0784 ext. 6700
Fax (905) 433-5287

E-FILE

Toll-Free 1-800-959-2803
1-800-959-2804,
French (select option # 3 (Ontario))

Specialty Assessments

Specified refundable tax credits

Toronto (416) 920-9048 ext. 5450; French ext. 6196
Oshawa (905) 433-5450
Toll-Free 1-800-262-0784 ext. 5450; French ext. 6196
Fax (905) 433-6137

Quality Assurance

Ontario Business-Research Institute Tax Credit (OBRITC) advance rulings

Toronto (416) 920-9048 ext. 6618
Oshawa (905) 433-6618
Toll-Free 1-800-262-0784 ext. 6618
Fax (905) 433-6998

Tax Roll Services

Extra Provincial Corporations, consent to dissolve, continue or revive

Toronto (416) 920-9048 ext. 6666; French ext. 5972
Oshawa (905) 433-6666
Toll-Free 1-800-262-0784 ext. 6666; French ext. 5972
Fax (905) 433-5418

Hours of Service
Monday to Friday 8:30 am to 5:00 pm

Ministry of Finance Website **www.trd.fin.gov.on.ca**

Write to us at:
Ministry of Finance
Corporations Tax Branch, Unit Name (From above)
PO Box 622, 33 King Street West
Oshawa ON L1H 8H6

Cette publication existe aussi en français

ISBN -0-7794-3827-2

The Corporations Tax Act

This Guide is provided for convenience only. For legislative accuracy refer to the *Corporations Tax Act,* R.S.O. 1990, Chapter 40, as amended ("the Act"). Failure to comply with the provisions of the Act may result in loss of your Ontario Charter, dissolution and forfeiture of the corporation's property to the Crown.

References to the *Corporations Tax Act* are noted in this manner – s.5 (meaning refer to section 5).

References to the Ontario Ministry of Finance Information or Interpretation Bulletins are noted – Inf.B.4003 or Int.B.3004. Copies of these Bulletins may be obtained by calling the Ministry Information Centre at the numbers shown on page 1 or by visiting the Ministry's website at: **www.trd.fin.gov.on.ca**

References to the federal *Income Tax Act,* Canada are noted as "fed".

Submitting your CT8

Generally, every insurer carrying on a business in Ontario through a permanent establishment (as defined in s.4) must submit a Corporations Tax Return – CT8.

A completed CT8 and supporting documents must be submitted within 6 months after the end of your taxation year. If the CT8 Return is filed late, a penalty may be imposed. The penalty for filing incomplete or late returns that are required to be filed before December 18, 1998, is 5% of the amount of the deficiency in the tax account for the taxation year, as of the day the return was required to be filed (six months following the taxation year end), with no maximum amount.

Rules for Calculating Penalty

The following penalties may be imposed for filing incomplete or late CT8s that are required to be filed on or after December 18, 1998. A taxpayer having 1 late filed CT8 may be subject to a penalty of 5% of the deficiency in the tax account for the taxation year, plus an additional 1% for each full month that the CT8 is late, to a maximum of 12 months. A taxpayer having 2 late filed CT8s within 4 taxation years may be subject to a penalty on the latter return of 10% plus 2% for each full month that the CT8 is late to a maximum of 20 months.

For additional details on these penalties, refer to Information Bulletin 4004, Penalties and Fines.

Attach a complete copy of:

- The corporation's financial statements for the taxation year;
- Financial statements of all partnerships or joint ventures of the corporation;
- The federal Corporate Income Tax Return including all schedules and other information filed with the return; and
- Federal Part VI Tax Return.

Send your tax payment(s), payable to the Minister of Finance, and completed CT8 to:

Ministry of Finance
P.O. Box 620, 33 King Street West
Oshawa ON L1H 8E9

Need help completing the form? Call the Desk Audit Section, Corporations Tax Branch, Ministry of Finance at the telephone number listed on page 1 of this guide.

CT8 Design

This return contains 12 pages plus 4 pages of CT8 schedules. Schedules A-E pertain to corporations subject to the Corporate Minimum Tax (CMT), Schedule F pertains to the Co-operative Education Tax Credit (CETC) and Schedule G pertains to the Graduate Transitions Tax Credit (GTTC).

Return Highlights

Identification (Page 1)

Complete the page accurately in order to avoid delays in processing the return and to enable proper identification of your application.

Income Tax (Pages 2 – 4)

The 2001 Ontario Budget introduced further reductions to the Ontario corporate income tax rate. Effective October 1, 2001, the rate is reduced from 14% to 12.5%. The rate will be further reduced to 11% on January 1, 2003, with a further reduction to 9.5% on January 1, 2004 and on January 1, 2005, the rate will be reduced to 8%. For a taxation year that straddles an effective date, the rates will be prorated. These measures received legislative authority through Bills 45 and 127 which received Royal Assent on June 29 and December 5, 2001 respectively.

The 2002 Ontario Budget has proposed to reschedule the reduction to the corporate income tax rates. Effective October 1, 2001, the rate was reduced from 14% to 12.5%. The rate will be further reduced on January 1, 2004 to 11%, with a further reduction on January 1, 2005 to 9.5% and on January 1, 2006, the rate will be reduced to 8%.

On Page 2, line 40 enter the amount of the corporation's Income Tax that you determine. Enter NIL if reporting a non-capital loss.

The October 1, 2001 announcement by the Premier accelerated changes introduced in the 2001 Ontario Budget to enhance and extend, ***for Ontario purposes only***, the Incentive Deduction for Small Business Corporations (IDSBC). Changes scheduled to the business limit and the phase-out limit for January 1, 2002 have been accelerated and are effective October 1, 2001. All other changes introduced in the 2000 Ontario Budget remain the same. The following chart provides details of the business limit and phase-out limit changes. Legislation enacting the accelerated change was included in Bill 127 which received Royal Assent on December 5, 2001.

Ont. Bus. Limit	IDSBC Phase-Out Range	Applicable Period
$200,000	$200,000 to $500,000	Prior to January 1, 2001
$240,000	$240,000 to $600,000	January 1, 2001 to September 30, 2001
$280,000	$280,000 to $700,000	October 1, 2001 to December 31, 2002
$320,000	$320,000 to $800,000	2003 calendar year
$360,000	$360,000 to $900,000	2004 calendar year
$400,000	$400,000 to $1,000,000	2005 calendar year and thereafter

If applicable, please complete:

- The federal business limit determined prior to the application of fed.s.125(5.1) as used in calculating the Incentive Deduction for Small Business Corporations (IDSBC) on page 2, line 55 ;
- If claiming an IDSBC, check the YES box and complete lines 50 , 54 , 55 , 45 on page 2.

The 2002 Ontario Budget has proposed to reschedule the reduction to the corporate income tax rates. As a result, to ensure that the small business corporate income tax rate is reduced to 4% on January 1, 2005, the Schedule below outlines the corresponding changes to the IDSBC rates, the corresponding surtax rates and the applicable periods to which the rates apply.

IDSBC Rate	Surtax Rate*	Applicable Period
6.5%	4.333%	October 1, 2001 to December 31, 2002
7.0%	4.667%	January 1, 2003 to December 31, 2003
6.0%	4.0%	January 1, 2004 to December 31, 2004
5.5%	3.667%	January 1, 2005 to December 31, 2005
4.0%	2.667%	January 1, 2006 and thereafter

* applies to corporations where their taxable income and all associated corporations' taxable income exceeds the Ontario business limit.

Capital Gains – The 2000 Ontario Budget announced that Ontario would reduce the inclusion rate for capital gains from 75% to 66 2/3% effective for capital gains realized after February 27, 2000. In addition as announced by the Minister of Finance in a news release, "Province Forecasts $1.4 Billion Surplus" dated December 4, 2000, that Ontario would further reduce the capital gains inclusion rate from 66 2/3% to 50% effective retroactively to capital gains realized after October 17, 2000. These changes and effective dates coincide with the federal treatment regarding capital gains inclusion rate reductions.

On line 230 on page 4, enter the amount of the corporation's Income Tax that you determine. Enter NIL if reporting a non-capital loss.

If applicable, please attach Schedule of computations on the Credit for Foreign Taxes Paid, line 170 .

Exemptions

Every insurer having a permanent establishment in Ontario is subject to pay income tax except for the following, which may be wholly or partially exempt:

a. A fishing or farming property insurer that meets the conditions of fed.s.149(1)(t) as made applicable by s.57(1)(a).
b. A benevolent or fraternal benefit society, the profits of which are not derived from carrying on a life insurance business (fed.s.149(1)(k) as made applicable by s.57(1)(a)).
c. A mutual benefit society, employees' mutual benefit society, a non-profit medical insurance association (s.57(1)(b)).
d. A corporation established or incorporated solely in connection with, or for the administration of, a registered pension fund or plan (fed.s.149(1)(o.1) as made applicable by s.57(1)(a)).
e. Foreign insurance corporations, the profits of which are derived from marine insurance.
f. The non-marine underwriter members operation on the plan know as Lloyds.

Special Additional Tax (SAT) (Page 5)

Applies to life insurance corporations for taxation years ending after April 30, 1992. (Attach a copy of the federal Part VI Tax Return for the same taxation year).

Qualifying Environmental Trust (QET) (Page 12)

Ontario has paralleled the federal income tax treatment regarding qualifying environmental trusts. The tax credit is treated as a deemed payment on account of taxes payable. If you are claiming QET, enter the total amount of the QET credit on line 985 , on page 12 of the CT8.

Specified Tax Credits (Page 4)

The following 4 tax credits are specified refundable tax credits. These credits must first be applied individually to reduce taxes payable (income, premium and capital) and any unused portion of the tax credits will be treated as a deemed payment on account of taxes payable. For administrative ease, the sum of the 4 credits should be entered on line 220 on page 4 of the CT8. Enter the amount of the specified tax credit applied to reduce income tax on line 225 on page 4 of the CT8, to reduce SAT on line 315 on page 5 of the CT8 and to reduce premium tax on line 521 on page 7 of the CT8. Enter any unused portion of the specified tax credit to be used as a deemed payment on the summary on line 955 on page 12 of the CT8.

Ontario Innovation Tax Credit (OITC) (Page 4)

If claiming the OITC, complete and attach the OITC Claim form and enter the total amount on page 4, line 191 . Claim forms can be obtained by calling the Ministry Information Centre at the telephone numbers on page 1 of this guide or by downloading the form at the Ministry's website: **www.trd.fin.gov.on.ca**

The OITC is a 10% refundable tax credit for qualifying public and private corporations, (prior to May 5, 1999 only qualifying Canadian-controlled private corporations were eligible) having a permanent establishment in Ontario.

The OITC is calculated on qualifying expenditures (annual maximum of $2,000,000) made in the taxation year for Scientific Research and Experimental Development (SR&ED) carried on in Ontario that are eligible for the federal investment tax credit under fed.s.127.

Corporations are eligible to claim the full OITC where their Ontario taxable paid-up capital and federal taxable income in the preceding taxation year do not exceed $25 million and $200,000 respectively. The annual qualifying expenditure limit of $2,000,000 is progressively reduced for those corporations:

- whose taxable paid-up capital or "adjusted taxable paid-up capital" in the preceding taxation year, is greater than $25 million, but less than $50 million, and;
- whose federal taxable income is more than $200,000, but less than $400,000 in the preceding taxation year.

If the corporation is part of an associated group, the taxable paid-up capital and federal taxable income of those corporations must also be included in the determination of the annual qualifying expenditure limit.

Credit unions and insurance corporations are required to use taxable paid-up capital employed in Canada as determined for the federal large corporations tax instead of "taxable paid-up capital" or "adjusted taxable paid-up capital".

Co-operative Education Tax Credit (CETC) (Pages 4 & 16)

If claiming this credit complete Schedule F on page 16 and enter the total tax credit claimed on page 4, line 192 (s.43.4). Retain the letter of certification or voucher – **do not** include it with your CT8.

The CETC is a refundable 10% (15%) tax credit available to taxpayers hiring eligible university or college students enrolled in a recognized post-secondary education program. Ontario corporations with a permanent establishment in Ontario subject to Ontario corporate income tax are eligible for the credit.

There are two types of work placements: co-operative work placements which commence after July 31, 1996 and leading edge technology (LET) work placements which commence after December 31, 1997.

The 10% rate applies to corporations whose previous taxation year's salaries and wages paid are equal to $600,000 or more. An enhanced credit of 15% is available to businesses whose previous taxation year's payroll was $400,000 or less. The enhanced credit is phased out for payroll between $400,000 and $600,000. The enhanced credit applies to work placements commencing after December 31, 1997.

The maximum credit is $1,000 for each work placement, regardless of the rate claimed in calculating the credit.

A qualifying co-operative work placement must be a minimum of 10 weeks while a **qualifying leading edge technology work placement** must be a minimum of 10 weeks with an average of 24 hours of employment per week. For all work placements, the maximum employment period is four months.

The **maximum** number of work placements that an employer can have for a student, with two exceptions, are 4 (i.e. 16 months). The first exception is for a qualifying co-op work placement that is not an internship, there is no limit to the number of placements. The second exception is for a qualifying apprenticeship whose employment commences after May 4, 1999, the maximum number of placements is 6 (i.e. 24 months).

Eligibility for the CETC requires:

- A letter of certification from the Ontario college, university or other post-secondary institution containing information as specified by the Minister, stating that the student is enrolled in a qualifying education program; or
- A voucher for the LET program (other than an apprenticeship), stating that the education program meets the definition of a qualifying program in leading-edge technology and that the work performed by that student during the work placement is in a related field.

For a LET work placement commencing before March 1, 1999 refer to the important notice section of the Ontario Jobs Opportunity Voucher for special instructions.

Leading-edge technology programs include such fields as computer science, telecommunications technology, sciences (microbiology), mathematics and engineering.

For additional information on the CETC refer to Tax Legislation Bulletin, Number 96-2R2, dated June 2000.

Graduate Transitions Tax Credit (GTTC) (Pages 4 & 16)

If claiming this credit, complete Schedule G on page 16 of the CT8 and enter the total tax credit claimed on page 4, line 195 of the CT8 and enter the total number of graduates hired on page 4, line 194 of the CT8.

The GTTC, introduced in the 1997 Ontario Budget, is a refundable tax credit that applies to qualifying expenditures incurred after May 6, 1997 in hiring unemployed post-secondary graduates for positions in Ontario.

If the qualifying employment commenced after May 6, 1997, but before January 1, 1998, the GTTC rate is 10 percent.

If the qualifying employment commenced after December 31, 1997, the following rates apply:

- For corporations whose salaries and wages in the previous taxation year were $400,000 or less, the GTTC rate is 15%.
- The GTTC rate will be progressively reduced for corporations whose salaries and wages paid in the previous taxation year were over $400,000, but less than $600,000.
- For corporations whose salaries and wages in the previous taxation year were $600,000 or greater, the GTTC rate is 10%.

The maximum credit for each qualifying placement is $4,000, regardless of the rate claimed in calculating the credit.

Qualifying employment is considered to be working an average of more than 24 hours per week during the employment period.

The tax credit may only be claimed by the corporation based on qualified expenditures paid during the first twelve-month period of qualified employment. The credit must be claimed in the taxation year in which the last day of the twelve-month period of employment falls. The minimum employment period to qualify for the GTTC is six consecutive months.

Consecutive periods of employment by two or more associated corporations is considered to be one continuous period of employment.

Qualifying post-secondary graduates must have graduated from a prescribed program of study, as prescribed by the regulations, within the past three years and **cannot be related** to the qualifying employer.

Qualifying graduates must have been unemployed or have not been employed by any person for more than 15 hours per week for at least 16 of the last 32 weeks immediately preceding the first day of qualifying employment.

A person who is considered to be a full-time student by the educational institution, is deemed to be employed while enrolled in a prescribed program of study.

Qualifying expenditures are salaries and wages, including taxable benefits, paid or payable to the employee during the first twelve-month period of employment, less any related government assistance received, including assistance received by associated corporations in respect of the qualifying employment (including grants, subsidies and forgivable loans).

For additional information on the GTTC, refer to Tax Legislation Bulletin, Number 01-3, dated March 2001.

Ontario Business-Research Institute Tax Credit (OBRITC) (Page 4)

If claiming the OBRITC, complete the schedule and enter the tax credit on page 4, line 198 of the CT8.

The OBRITC claim form can be obtained by calling the Information Centre of the Ministry of Finance at the telephone numbers on page 1 of this guide or by downloading the form at the ministry's website: **www.trd.fin.gov.on.ca**

The OBRITC, introduced in the 1997 Ontario Budget, is a 20% refundable tax credit on all qualified research and development expenditures incurred in respect of an eligible research contract entered into, between a corporation operating in Ontario and an eligible research institute, during the taxation year after May 6, 1997; to the extent that no tax credit was claimed for a prior taxation year on these expenditures.

An advance ruling is required from the Minister with respect to the contract, prior to the corporation incurring any expenditures. If the corporation incurs an expenditure under more than one contract, an advance ruling must be obtained for each of the contracts. When expenditures are incurred prior to the advance ruling being obtained, the expenditures will be considered made after the ruling, provided:

- the corporation subsequently obtains a favourable ruling;
- the ruling was applied for within 90 days of the later of, the day the contract was made and December 18, 1997; or
- the ruling was applied for within 3 years after the contract was made, if the Minister is satisfied that the corporation could not apply earlier because of factors beyond its control.

An eligible contract is:

- one entered into by a corporation or a partnership with an eligible research institute if the eligible research institute agrees to directly perform in Ontario scientific research and experimental development related to a business carried on in Canada by the corporation or partnership; and
- the contract is entered into after May 6, 1997 or, if entered into prior to May 7, 1997, the terms of the contract are such that the research institute will continue to carry out scientific research under contract until after May 6, 1999.

An eligible research institute means a provincially (Ontario) assisted post-secondary institute such as:

- A university or college of applied arts and technology in Ontario;
- An Ontario Centre of Excellence;
- A non-profit organization that is prescribed by the regulations; and
- A hospital research institute.

For additional information on the OBRITC, refer to Tax Legislation Bulletin, Number 00-2, dated January 2000.

Corporate Minimum Tax (CMT)
(Pages 6, 13, 14 & 15)

Complete if your Total Assets exceeds $5,000,000 or Total Revenue exceeds $10,000,000. These amounts include the aggregate of the total assets and total revenue of any associated corporation. These amounts also include the corporation's and/or any associated corporation's share of any partnership/joint venture total assets and total revenue. Your insurance corporation is exempt from CMT if it is exempt from income tax or is a non-resident corporation that is subject to income tax only because it disposed of taxable Canadian property situated in Ontario. Life Insurance Corporations that are subject to both the CMT and SAT must complete the CMT calculations prior to finalizing the SAT. Corporations that are subject to CMT should complete page 6 of the CT8 and the applicable CMT schedules on pages 13, 14 and 15. Although corporations filing CT23 tax returns on or after June 1, 1995 are either allowed to file their returns electronically or on computer disk, insurance corporations must continue to file paper CT8 tax returns. (Refer to Information Bulletin 2749 dated March 1995.)

Premium Tax (Page 7)

Every insurer is liable to the premium tax on total taxable premiums unless exempted by one of the following provisions:

Exemptions

a. Fraternal societies with respect to contracts entered into prior to the first day of January, 1974, (s.74(7)(d)).
b. Mutual benefit societies, pension funds, employees' mutual benefit societies and non-profit medical insurance associations (s.74(7)(e) and (f)).

Partial Exemptions

c. Premium paid for annuities (s.74(1)).
d. Marine insurance premiums (s.74(7)(a)).
e. Premiums payable under contracts of insurance issued on the premium note plan by mutual insurance corporations insuring agricultural and other non-hazardous risks, the sole business of which is carried on in Ontario (s.74(7)(b)).
f. Premiums payable to mutual insurance corporations insuring agricultural and other non-hazardous risks, which are parties to the agreement pursuant to s.169 of the *Insurance Act,* establishing the Fire Mutuals Guarantee Fund (s.74(7)(c)).

Note:

1. Fraternal societies are liable to the premium tax with respect to all insurance contracts entered into on or after January 1, 1974.
2. The premium tax applies to insurers, including underwriters and syndicates of underwriters, operating on the plan known as Lloyds.
3. Segregated fund premiums (other than annuities) are subject to premium tax.
4. Associations registered under the *Prepaid Hospital and Medical Services Act* are deemed to be insurance companies for purposes of the insurance premium tax. This change is effective for premiums received under new or substantially modified contracts and for renewals of existing contracts coming into effect after May 19, 1993.

Additional Tax of ½ of 1% on Property Premiums

Every insurance corporation writing property premiums in Ontario is liable to the additional tax of ½ of 1% on property premiums. This also applies to fraternal societies as defined in the *Insurance Act* and to underwriters and syndicates of underwriters which operate on the plan known as Lloyds. There are no exceptions.

Premium Tax on Uninsured Benefits Arrangements (UBA) (Page 7)

Complete this section if you administer Ontario-related UBA and are liable to collect and remit premium tax related to the UBA. This provision applies to corporations and to unincorporated entities. If reporting UBA premiums, enter the amount of UBA premiums on line 510 on page 7 of the CT8 and the related amount of premium tax on line 514 on page 7 of the CT8.

If an UBA plan has more than one administrator at the same time, one administrator may file an election in a letter form to account for all tax owing for the plan. The letter must include the name of the plan, name and address of all administrators of the plan and a certification that all tax has been accounted for during the period covered by the election.

If partners of a partnership are each administrators of the same plan, the partners may wish to account for their UBA liability for the taxation year by filing a joint CT23 tax return for their UBA tax only. A letter signed by each partner must be filed with each joint return certifying that the partners' UBA liability has been reported in full for the taxation year.

Registered Insurance Brokers

If you are a registered insurance broker who has placed insurance with an insurer not licensed in Ontario, please enter the total net premiums subject to tax on lines 390 , 440 , and 480 as applicable, and the related premium taxes on lines 511, 512 and 513 . You should also answer "yes" to the following question on page 1 of the return, "Are you an insurance broker remitting premium tax with respect to insurance contracts placed with unlicensed insurers?" (A registered insurance broker that is a corporation filing a CT23 return should report this tax on the CT23, not on this CT8 return).

The premiums are subject to tax under the *Corporations Tax Act* if they are received by brokers during their taxation years commencing after 1997.

Insurance Exchanges

If you are a reciprocal or inter-insurance exchange, please enter the total net premiums subject to tax on lines 445 and 485 as applicable, and the related taxes on lines 512 and 513.

You should also answer "yes" to the following question on page 1 of the return, "Are you a reciprocal or inter-insurance exchange within the meaning of the *Insurance Act*?".

Insurance exchanges are required to pay premium tax under the Corporations Tax Act for premiums collected in taxation years commencing after 1997.

Allocation (Page 8)

If applicable, complete the schedule and enter the Ontario allocation percentage on line 572 of the CT8.

Reconciliation of net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes (Pages 9 & 10)

Enter Net Income for federal income tax purposes on line 600 and Net Income for Ontario purposes on line 690 of the CT8, even if these amounts do not require reconciliation with each other or with Net Income per financial statements, e.g. if net income for federal income tax purposes and net income for Ontario purposes both equal $10,000.

Transfer the net income (loss) determined on page 10, line 690 to page 2 of the CT8.

The following changes were introduced in the 1997, 1998, 1999, 2000, 2001 and 2002 Ontario Budgets.

Royalties (Page 9)

As announced in the 1999 Ontario Budget, the following royalties will no longer be subject to the $^5/_{15.5}$ add-back rule:

Amounts paid or payable to a non-arm's length non-resident person or a non-arm's length non-resident owned investment corporation:

- for the use or right to use in Canada computer software; or
- for the use or right to use in Canada patents or information concerning industrial, commercial or scientific experience (know-how), including designs, models, plans, formulas and processes.

This is regardless of whether a tax treaty exempts the royalty from federal withholding taxes under the *Income Tax Act* (Canada).

This change is effective for amounts which are deducted and are payable by a corporation for a taxation year ending after May 4, 1999.

The 2001 Ontario Budget and announcement by the Premier on October 1, 2001, introduced changes to the add-back rate for management fees, rents and other payments to non-arm's length non-residents as a result of the reduction in the Ontario corporate income tax rate. The 2002 Budget proposed to reschedule these rates. The following schedule provides details of these proposed rates and the effective date for each. If a taxation year straddles more than one rate period, a proration of each applicable rate will be required based on the ratio that the days in the taxation year that fall within a specific rate period are to the total days in the taxation year.

Add-Back Rate	Applicable Period
$^5/_{14}$	January 1, 2001 to September 30, 2001
$^5/_{12.5}$	October 1, 2001 to December 31, 2002
$^5/_{12.5}$	2003 calendar year
$^5/_{11}$	2004 calendar year
$^5/_{9.5}$	2005 calendar year
$^5/_{8}$	2006 and thereafter

Ontario New Technology Tax Incentive (ONTTI) (Pages 10, line 663)

The ONTTI, introduced in the 1997 Ontario Budget, is a 100% capital cost allowance on the eligible capital cost of an arm's length acquisition of prescribed intellectual property such as patents, know-how, licences, etc., (excluding trade-marks and copyrights) if used to implement a process, an innovation or an invention in Ontario.

The eligible costs of qualifying intellectual properties are included in a class 12 capital cost allowance pool and allowed as a 100% deduction from income in the year of acquisition.

Multi-jurisdictional firms that use the technology in Ontario and in other parts of the country are entitled to a share of the capital cost allowance in proportion to the level of activity in Ontario. If the technology is used exclusively in Ontario, the corporation is entitled to a "gross-up" deduction under s.13.1 similar to the R&D Super Allowance. The "gross-up" deduction is entered on page 10, line 663 .

The maximum eligible expenditures allowed in a year is $20 million for a corporation, or if associated, $20 million for the associated group of corporations.

Both the capital cost allowance and the gross-up deductions may be subject to recapture (add back to income) when the property is disposed.

For additional information on the ONTTI refer to Tax Legislation Bulletin, 98-12, dated October 1998.

Workplace Child Care Tax Incentive (WCCTI) (Page 10, line 666)

The WCCTI, introduced in the 1998 Ontario Budget, is a 30% deduction of qualifying capital cost expenditures, incurred by a corporation to construct new on-site licenced child care facilities in Ontario, to renovate existing facilities in Ontario or for contributions made to an unrelated party for these types of expenditures.

The corporation must obtain from the child care operator written confirmation that the money or qualified contributions are used for the purposes of constructing or renovating a child care facility or for the acquisition of playground equipment. The child care operator must provide the corporation with its licence number under the *Day Nurseries Act.*

Corporations which allocate part of their taxable income to other jurisdictions are entitled to "gross-up" the WCCTI deduction to ensure that the full benefit of the deduction is realized.

For additional information on the WCCTI refer to Tax Legislation Bulletin, Number 99-2, dated August 1999.

Workplace Accessibility Tax Incentive (WATI) (Part 10, line 668)

The WATI, introduced in the 1998 Ontario Budget, provides a deduction in respect of qualifying expenditures incurred after July 1, 1998. The WATI can only be claimed once on a particular qualifying expenditure and is in addition to other deductions available for income tax purposes in respect of the qualifying expenditures.

The amount of the WATI for a corporation or partnership of which the corporation is a member during a particular taxation year is the total of:

1. The expenditures incurred to provide the support services of a sign language interpreter, an intervenor, a note-taker, a reader or an attendant, during a job interview in Ontario.
2. Qualifying expenditures up to a maximum of $50,000 per qualifying employee, other than the qualified expenditures included in the amount determined under paragraph 1 above. The maximum of $50,000 per qualified employee is reduced by any qualified expenditures incurred in a prior taxation year, in respect of the qualifying employee which were included in determining a WATI deduction in that prior year. Corporations with allocation to other jurisdictions are entitled to “gross-up” the WATI to ensure that the full benefit of the deduction is realized.

A corporation or partnership making a WATI deduction must keep as part of their books and records a copy of the certificate or relevant documentation on which the corporation is relying in claiming that the employee is a qualifying individual.

For additional information on the WATI refer to Tax Legislation Bulletin, Number 99-1, dated August 1999.

Educational Technology Tax Incentive (ETTI) (Page 10, line 673)

The Educational Technology Tax Incentive (ETTI), introduced in the 2000 Ontario Budget, is a 15% deduction calculated on the amount of a price discount given or a donation made after May 2, 2000 to an eligible Ontario community college or eligible Ontario university with respect to new eligible teaching equipment and new eligible learning technologies.

The ETTI is available to corporations and to a corporation that is a general partner in a partnership where the partnership has made the price discount or donation.

In order to claim this incentive the corporation must obtain a certificate issued by the eligible educational institution which received the donation or price discount stating that the equipment or technology meets the conditions of eligibility for the ETTI. The certification form **must** be retained by the corporation in order to claim the incentive. The certificate should **not** be submitted with the corporation’s tax return.

If claiming the ETTI enter the total eligible amount for donations and price discounts in line 672 on page 10 of the CT8 return. The amount of ETTI claim should be entered in line 673 and will be 15% of the amount in line 672 for corporations operating only in Ontario (100% allocation to Ontario). For multi-jurisdictional corporations (less than 100% allocation to Ontario) the amount in line 672 must be grossed up by dividing it by the corporation’s Ontario allocation factor. The 15% incentive is then taken on the grossed up figure and entered in line 673 .

For additional information on the ETTI refer to Tax Legislation Bulletin, Number 01-07, dated June 2001.

Continuity of Losses Carried Forward – Analysis of Balance by Year of Origin (Page 11)

Complete these schedules whenever losses are incurred or losses are carried forward.

Note: Commencing with the 2001 CT8 tax return capital losses are now shown at 100% of losses (before applying the inclusion rate).

Request for Loss Carry-Back (Page 12)

Complete this schedule if the corporation is carrying back a non-capital or net capital loss. The onus is on the taxpayer to substantiate any loss being carried back to a prior year.

Summary of Taxes Payable (Page 12)

In the summary section, carry forward the amounts of Income Tax, Corporate Minimum Tax, Special Additional Tax, Premium Tax and enter the total on page 12, line 950 . As well, enter payments made on page 12, line 960 . Corporations may enter their QET on page 12, line 985 . If claiming the Specified Tax Credits, enter the unapplied amount (see Specified Tax Credits section) on page 12, line 955 .

If you are requesting a refund:

- for the full overpayment, complete line 975 - any related credit interest will also be refunded.
- if you want the total overpayment, including any related credit interest, to be applied to a particular taxation year, complete the “Apply to” field, but leave line 980 blank.
- If you want to apply a specific amount to a taxation year, complete the “Apply to” field and put the amount in line 980 - any remaining balance will be refunded.

Certification (Page 12)

Complete the “Certification” section by providing the name, address, and title of the authorized signing officer of the corporation. Be sure to sign and date the Return.

Corporate Minimum Tax (CMT) Schedules A to E (Pages 13, 14 & 15)

Complete Schedules A to E only if the corporation is subject to the CMT and carry forward applicable totals to page 6 of the CT8.