Canada Revenue Agency | Agence du revenu du Canada

Schedule 427
Protected B
when completed

British Columbia Corporation Tax Calculation (2013 and later tax years)

Corporation's name	Business number	Tax year-end Year / Month / Day

- Use this schedule if your corporation had a permanent establishment (as defined in section 400 of the federal *Income Tax Regulations*) in British Columbia and had taxable income earned in the year in British Columbia.
- This schedule is a worksheet only. You do not have to file it with your *T2 Corporation Income Tax Return*.

Part 1 – Calculation of income subject to British Columbia lower and higher tax rates

Taxable income for British Columbia * . . . . . _____ A

Income eligible for British Columbia lower tax rate:

Amount from line 400 of the T2 return . . . . . _____ B

Amount from line 405 of the T2 return . . . . . _____ C

Amount from line 425 of the T2 return . . . . . _____ D

Amount B, C, or D, whichever is the least . . . . . _____ E

For credit unions only:

Amount from line D of Schedule 17, *Credit Union Deductions* . . . . _____ 1

Amount E above . . . . . _____ 2

(amount 1 **minus** amount 2) (if negative, enter "0") . . . . . _____ ▶ _____ F

Total (amount E **plus** amount F) _____ G

Amount G _____ × (taxable income for British Columbia * / taxable income for all provinces **) _____ = ... _____ H

Income subject to British Columbia higher tax rate (amount A **minus** amount H) . . . . . _____ I

Enter amount H and/or amount I on the applicable line(s) in Part 2.

* If the corporation has a permanent establishment only in British Columbia, enter the taxable income from line 360 of the T2 return. Or, if the corporation has a permanent establishment in more than one jurisdiction, enter the taxable income allocated to British Columbia from column F in Part 1 of Schedule 5, *Tax Calculation Supplementary – Corporations*. For a tax year starting before March 21, 2013, if the corporation has income or loss from an international banking center, the taxable income is the amount allocated to British Columbia from column F in Part 1 of Schedule 5 **minus** the total amount not required to be included, or **plus** the total amount not allowed to be deducted, in computing the corporation's income under section 33.1 of the federal *Income Tax Act*.

** Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 2 – Calculation of British Columbia tax before credits

British Columbia tax at the lower rate:

Amount H _____ × 2.5% = ... _____ J

British Columbia tax at the higher rate:

Amount I _____ × (Number of days in the tax year before April 1, 2013 / Number of days in the tax year) _____ × 10% = _____ K

Amount I _____ × (Number of days in the tax year after March 31, 2013 / Number of days in the tax year) _____ × 11% = _____ L

Total British Columbia tax at the higher rate (amount K **plus** amount L) _____ ▶ _____ M

British Columbia tax before credits* (amount J **plus** amount M) . . . . . _____ N

* If the corporation has a permanent establishment in more than one jurisdiction or is claiming a British Columbia tax credit, enter amount N on line 240 of Schedule 5. Otherwise, enter it on line 760 of the T2 return.

(Vous pouvez obtenir ce formulaire en français à **www.arc.gc.ca/formulaires** ou en composant le **1-800-959-7775**.)

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