

Manitoba Rental Housing Construction Tax Credit (2013 and later tax years)

Protected B
when completed

Corporation's name	Business number	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Tax year-end</td> <td style="text-align: center;">Year</td> <td style="text-align: center;">Month</td> <td style="text-align: center;">Day</td> </tr> <tr> <td style="border: none;"> </td> <td style="border: none;"> </td> <td style="border: none;"> </td> <td style="border: none;"> </td> </tr> </table>	Tax year-end	Year	Month	Day				
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- You can use this schedule to claim a Manitoba rental housing construction tax credit (MRHCTC) under section 10.6 of the *Income Tax Act* (Manitoba).
- A qualifying entity may claim a refundable MRHCTC for a tax year equal to the lesser of:
 - 8% of the qualifying entity's capital cost of an eligible rental housing project that became available for use in the tax year; and
 - \$12,000 multiplied by the number of residential units in the rental housing project.
- A qualifying corporation may claim a non-refundable MRHCTC for a tax year equal to the lesser of:
 - 1.6% of the qualifying corporation's capital cost of a rental housing project that is an eligible rental housing project for the tax year; and
 - \$2,400 multiplied by the number of residential units in the rental housing project.

Any unused non-refundable MRHCTC can be carried forward up to 10 years.
- You are a **qualifying entity** if:
 - you are a housing corporation described in paragraph 149(1)(i) of the federal *Income Tax Act*;
 - you are a non-profit organization described in paragraph 149(1)(l) of the federal *Income Tax Act*;
 - you are a limited dividend housing company described in paragraph 149(1)(n) of the federal *Income Tax Act*; or
 - you are a not for profit housing cooperative as described in subsection 275(2) of *The Cooperatives Act* (Manitoba).
- You are a **qualifying corporation** if you are a taxable Canadian corporation with a permanent establishment in Manitoba that is **not** a qualifying entity for the purposes of claiming this credit.
- A **rental housing project** is a building, a group of buildings, or part of a building in Manitoba that:
 - is constructed, or converted from a non-residential use, by or for a qualifying entity or a qualifying corporation in accordance with a building permit obtained after April 16, 2013;
 - becomes available for use before 2017;
 - is Class 1 property of the taxpayer for the purpose of Schedule II of the federal *Income Tax Regulations*;
 - is situated on land owned or leased by the taxpayer;
 - contains at least five residential units; and
 - is not a hotel, hostel, or prescribed ineligible facility.
- An **eligible rental housing project** is a rental housing project that has been certified by the Minister of Housing and Community Development for Manitoba to be an eligible rental housing project for the tax year.
- A **residential unit** is a residential dwelling unit that has its own keyed entry door, contains a bathroom and a kitchen or kitchenette, and is usually rented or leased for at least one month.
- For qualifying corporations, the non-refundable MRHCTC is considered government assistance under paragraph 12(1)(x) of the federal *Income Tax Act* and **must** be included in income in the tax year it is received. The credit is **not** considered government assistance under section 10.6 of the *Income Tax Act* (Manitoba) for calculating the credit itself.
- To claim the credit, the property has to be **available for use** in the tax year, according to subsections 13(27) and 13(28) of the federal *Income Tax Act*, **not including** the time just before you dispose of it under paragraphs 13(27)(c) and 13(28)(d).
- When calculating your MRHCTC for a tax year, do not include any amount you used in claiming any other tax credit under the *Income Tax Act* (Manitoba).

Part 1 – Manitoba refundable rental housing construction tax credit

Complete this part only if you are a qualifying entity.

	A Certificate number of eligible rental housing project	B Capital cost of eligible rental housing project*	C Number of residential units in eligible rental housing project	D Column B multiplied by 8%	E Column C multiplied by \$12,000	F MRHCTC for each eligible rental housing project (column D or E, whichever is less)
	100	110	120	130	140	150
1						
2						
3						
4						
5						

If you need more space, attach additional schedules.

Manitoba refundable rental housing construction tax credit (total of column F) **190** _____ G
 Enter amount G on line 326 of Schedule 5, *Tax Calculation Supplementary – Corporations*.

* When you calculate the capital cost of an eligible rental housing project, deduct the amount of any government assistance.

Part 2 – Manitoba rental housing construction tax credit

Complete this part only if you are a qualifying corporation.

	H Certificate number of eligible rental housing project 200	I Capital cost of eligible rental housing project* 210	J Number of residential units in eligible rental housing project 220	K Column I multiplied by 1.6% 230	L Column J multiplied by \$2,400 240	M MRHCTC for each eligible rental housing project (column K or L, whichever is less) 250
1						
2						
3						
4						
5						

If you need more space, attach additional schedules.

Total credit earned in the current tax year (total of column M) **260** _____ N

Add:

Unused credit at the end of the previous tax year a _____

Deduct: Credit expired after 10 tax years **270** _____ b _____

Unused credit at the beginning of this tax year (amount a minus amount b) **275** _____ **▶** _____ O

Credit transferred on an amalgamation or the windup of a subsidiary **280** _____ P

Total credit available for the current tax year (total of amounts N to P) _____ Q

Deduct:

Manitoba rental housing construction tax credit claimed in the current year** **290** _____ R
Enter amount R on line 602 of Schedule 5.

Closing balance for carryforward (amount Q minus amount R) **295** _____ S

* When you calculate the capital cost of an eligible rental housing project, deduct the amount of any government assistance.

** The credit claimed in the current tax year cannot exceed the Manitoba tax otherwise payable or amount Q, whichever is less.

Part 3 – Analysis of credit available for carryforward by year of origin

If you are a qualifying corporation, you can complete this part to show all the credits from previous tax years available for carryforward, by year of origin. This will help you determine the amount of credit that could expire in future years.

	Year of origin			Credit available for carryforward
	Year	Month	Day	
10th previous tax year ending on			 _____
9th previous tax year ending on			 _____
8th previous tax year ending on			 _____
7th previous tax year ending on			 _____
6th previous tax year ending on			 _____
5th previous tax year ending on			 _____
4th previous tax year ending on			 _____
3rd previous tax year ending on			 _____
2nd previous tax year ending on			 _____
1st previous tax year ending on			 _____
Current tax year ending on			 _____
Total (equals line 295 in Part 2)			 _____

The amount available from the 10th previous year will expire after this tax year. When you file your return for the next year, you will enter the expired amount on line 270 of Schedule 394 for that year.