



**Ontario Corporation Tax Calculation
(2012 and later tax years)**

Protected A
when completed

Corporation's name	Business number	Year	Tax year-end Month	Day
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- Use this schedule if the corporation had a permanent establishment (as defined in section 400 of the federal *Income Tax Regulations*) in Ontario at any time in the tax year and had Ontario taxable income in the year.
- All legislative references are to the federal *Income Tax Act* and *Income Tax Regulations*.
- This schedule is a worksheet only. You do not have to file it with your *T2 Corporation Income Tax Return*.

Part 1 – Calculation of Ontario basic rate of tax for the year

$\frac{\text{Number of days in the tax year before July 1, 2011}}{\text{Number of days in the tax year}} \times 12.0\% = \text{_____} \% \text{ A1}$	
$\frac{\text{Number of days in the tax year after June 30, 2011}}{\text{Number of days in the tax year}} \times 11.5\% = \text{_____} \% \text{ A2}$	
Ontario basic rate of tax for the year (rate A1 plus A2)	$\text{_____} \blacktriangleright \text{_____} \% \text{ A3}$

Part 2 – Calculation of Ontario basic income tax

Ontario taxable income *	_____ B
Ontario basic income tax: amount B multiplied by Ontario basic rate of tax for the year (rate A3 from Part 1)	_____ C

If the corporation has a permanent establishment in more than one jurisdiction, or is claiming an Ontario tax credit in addition to Ontario basic income tax, or has Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount C on line 270 of Schedule 5, *Tax Calculation Supplementary – Corporations*. Otherwise, enter it on line 760 on page 8 of the T2 return.

* If the corporation has a permanent establishment only in Ontario, enter the amount from line 360 or line Z, whichever applies, from page 3 of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

Part 5 – Calculation of credit union tax reduction

Complete this part and Schedule 17, *Credit Union Deductions*, if the corporation was a credit union throughout the tax year.

Amount D from Part 3 of Schedule 17 J

Deduct:

Ontario adjusted small business income (amount I from Part 4) K

Subtotal (amount J **minus** amount K) (if negative, enter "0") L

OSBD rate for the year (rate G3 from Part 3) %

Amount L **multiplied** by the OSBD rate for the year M

Ontario domestic factor (factor E from Part 3) N

Ontario credit union tax reduction (amount M **multiplied** by factor N) O

Enter amount O on line 410 of Schedule 5.