

T2 Corporation Income Tax Return (2014 and later tax years)

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

Protected B
when completed

All legislative references on this return are to the federal *Income Tax Act* and *Income Tax Regulations*. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax centre or tax services office. You have to file the return within six months after the end of the corporation's tax year.

For more information see www.cra.gc.ca or Guide T4012, *T2 Corporation – Income Tax Guide*.

055 Do not use this area

Identification	
Business number (BN) 001 R C	
Corporation's name 002 _____ _____	To which tax year does this return apply? Tax year start 060 _____ 061 _____ YYY Y MM DD YYY Y MM DD Tax year-end
Address of head office Has this address changed since the last time we were notified? 010 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> (If yes , complete lines 011 to 018.) 011 _____ 012 _____ City Province, territory, or state 015 _____ 016 _____ Country (other than Canada) Postal code/Zip code 017 _____ 018 _____	Has there been an acquisition of control to which subsection 249(4) applies since the tax year start on line 060? . . . 063 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> If yes , provide the date control was acquired 065 _____ YYY Y MM DD Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? 066 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/>
Mailing address (if different from head office address) Has this address changed since the last time we were notified? 020 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> (If yes , complete lines 021 to 028.) 021 c/o _____ 022 _____ 023 _____ City Province, territory, or state 025 _____ 026 _____ Country (other than Canada) Postal code/Zip code 027 _____ 028 _____	Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> Is this the first year of filing after: Incorporation? 070 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> Amalgamation? 071 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> If yes , complete lines 030 to 038 and attach Schedule 24.
Location of books and records (if different from head office address) Has the location of books and records changed since the last time we were notified? 030 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> (If yes , complete lines 031 to 038.) 031 _____ 032 _____ City Province, territory, or state 035 _____ 036 _____ Country (other than Canada) Postal code/Zip code 037 _____ 038 _____	Has there been a wind-up of a subsidiary under section 88 during the current tax year? 072 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> If yes , complete and attach Schedule 24. Is the corporation a resident of Canada? 080 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> If no , give the country of residence on line 081 and complete and attach Schedule 97. 081 _____
040 Type of corporation at the end of the tax year 1 <input type="checkbox"/> Canadian-controlled private corporation (CCPC) 4 <input type="checkbox"/> Corporation controlled by a public corporation 2 <input type="checkbox"/> Other private corporation 5 <input type="checkbox"/> Other corporation (specify, below) 3 <input type="checkbox"/> Public corporation _____ If the type of corporation changed during the tax year, provide the effective date of the change. 043 _____ YYY Y MM DD	Is this the final tax year before amalgamation? 076 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> Is this the final return up to dissolution? 078 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> If an election was made under section 261, state the functional currency used 079 _____ Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/> If yes , complete and attach Schedule 91.
040 _____ If the corporation is exempt from tax under section 149, tick one of the following boxes: 085 1 <input type="checkbox"/> Exempt under paragraph 149(1)(e) or (l) 2 <input type="checkbox"/> Exempt under paragraph 149(1)(j) 3 <input type="checkbox"/> Exempt under paragraph 149(1)(t) 4 <input type="checkbox"/> Exempt under other paragraphs of section 149	Do not use this area 095 _____ 096 _____

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.

Schedules – Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

	Yes	Schedule
Is the corporation related to any other corporations?	150	9
Is the corporation an associated CCPC?	160	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161	49
Does the corporation have any non-resident shareholders who own voting shares?	151	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	11
If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	15
Is the corporation claiming a loss or deduction from a tax shelter?	166	T5004
Is the corporation claiming a loss or deduction from a tax shelter?	167	T5013
Is the corporation a member of a partnership for which a partnership account number has been assigned?		
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	168	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal <i>Income Tax Regulations</i> ?	170	29
Did the corporation have a total amount over \$1 million of reportable transactions with non-arm's length non-residents?	171	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172	88
Does the corporation earn income from one or more Internet webpages or websites?	180	1
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	2
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; gifts of cultural or ecological property; or gifts of medicine?	202	3
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	4
Is the corporation claiming any type of losses?	204	5
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205	6
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206	7
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), b) a partnership, c) a foreign business, or d) a personal services business; or	207	8
ii) does the corporation have aggregate investment income at line 440?	208	10
Does the corporation have any property that is eligible for capital cost allowance?	210	12
Does the corporation have any property that is eligible capital property?	212	13
Does the corporation have any resource-related deductions?	213	16
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	216	17
Is the corporation claiming a patronage dividend deduction?	217	18
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	218	20
Is the corporation an investment corporation or a mutual fund corporation?	220	21
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221	27
Does the corporation have any Canadian manufacturing and processing profits?	227	31
Is the corporation claiming an investment tax credit?	231	37
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	233	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	234	37
Is the corporation claiming a surtax credit?	237	38
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	42
Is the corporation claiming a Part I tax credit?	242	43
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	45
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	46
Is the corporation subject to Part II – Tobacco Manufacturers' surtax?	249	39
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	T1131
Is the corporation claiming a Canadian film or video production tax credit refund?	253	T1177
Is the corporation claiming a film or video production services tax credit refund?	254	92
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	255	

Attachments – continued from page 2

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271 <input type="checkbox"/>	T1134
Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	259 <input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust?	260 <input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261 <input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262 <input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263 <input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264 <input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265 <input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266 <input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267 <input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268 <input type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269 <input type="checkbox"/>	54

Additional information

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
Is the corporation inactive?	280	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	284	_____	285 _____ %
	286	_____	287 _____ %
	288	_____	289 _____ %
Did the corporation immigrate to Canada during the tax year?	291	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
Did the corporation emigrate from Canada during the tax year?	292	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible	294	_____	YYYY MM DD
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295	1 Yes <input type="checkbox"/>	2 No <input type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL	300	_____	A
Deduct: Charitable donations from Schedule 2	311	_____	
Gifts to Canada, a province, or a territory from Schedule 2	312	_____	
Cultural gifts from Schedule 2	313	_____	
Ecological gifts from Schedule 2	314	_____	
Gifts of medicine from Schedule 2	315	_____	
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	_____	
Part VI.1 tax deduction*	325	_____	
Non-capital losses of previous tax years from Schedule 4	331	_____	
Net capital losses of previous tax years from Schedule 4	332	_____	
Restricted farm losses of previous tax years from Schedule 4	333	_____	
Farm losses of previous tax years from Schedule 4	334	_____	
Limited partnership losses of previous tax years from Schedule 4	335	_____	
Taxable capital gains or taxable dividends allocated from a central credit union	340	_____	
Prospector's and grubstaker's shares	350	_____	
Subtotal		_____	B
Subtotal (amount A minus amount B) (if negative, enter "0")		_____	C
Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355	_____	D
Taxable income (amount C plus amount D)	360	_____	
Income exempt under paragraph 149(1)(t)	370	_____	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370)		_____	Z

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income from active business carried on in Canada from Schedule 7	400	_____	A
Taxable income from line 360 on page 3, minus 100/28 of the amount on line 632* on page 7, minus 4 times the amount on line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax	405	_____	B
Business limit (see notes 1 and 2 below)	410	_____	C

Notes:

1. For CCPCs that are not associated, enter \$500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year divided by 365, and enter the result on line 410.
2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

Business limit reduction:

Amount C _____	×	415 ***	_____	D	=	_____	E	
		11,250						
Reduced business limit (amount C minus amount E) (if negative, enter "0").							425	F

Small business deduction

Amount A, B, C, or F, whichever is the least _____	×	17%	=	_____	430	G
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Enter amount G on line I on page 7.

* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

** Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

***** Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **prior** year minus \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the **current** year minus \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies)			_____	A
Lesser of amounts V and Y from Part 9 of Schedule 27		_____	B	
Amount QQ from Part 13 of Schedule 27		_____	C	
Personal service business income	432	_____	D	
Amount used to calculate the credit union deduction (amount F from Schedule 17)		_____	E	
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least		_____	F	
Aggregate investment income from line 440 on page 6*		_____	G	
Subtotal (add amounts B to G)		=====	▶	_____ H
Amount A minus amount H (if negative, enter "0")				_____ I
General tax reduction for Canadian-controlled private corporations – Amount I multiplied by 13%				_____ J

Enter amount J on line 638 on page 7.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies)			_____	K
Lesser of amounts V and Y from Part 9 of Schedule 27		_____	L	
Amount QQ from Part 13 of Schedule 27		_____	M	
Personal service business income	434	_____	N	
Amount used to calculate the credit union deduction (amount F from Schedule 17)		_____	O	
Subtotal (add amounts L to O)		=====	▶	_____ P
Amount K minus amount P (if negative, enter "0")				_____ Q
General tax reduction – Amount Q multiplied by 13%.				_____ R

Enter amount R on line 639 on page 7.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 **440** $\times 26 \frac{2}{3}\% =$ **A**

Foreign non-business income tax credit from line 632 on page 7 **B**

Deduct:
Foreign investment income from Schedule 7 **445** $\times 9 \frac{1}{3}\% =$ **C**
(if negative, enter "0") **D**

Amount A **minus** amount D (if negative, enter "0") **E**

Taxable income from line 360 on page 3 **F**

Deduct:
Amount from line 400, 405, 410, or 425 on page 4, whichever is the least **G**
Foreign non-business income tax credit from line 632 on page 7 $\times 100/35 =$ **H**
Foreign business income tax credit from line 636 on page 7 $\times 4 =$ **I**
Subtotal **J**
K $\times 26 \frac{2}{3}\% =$ **L**

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 8) **M**

Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450** **N**

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year **460**
Deduct: Dividend refund for the previous tax year **465** **O**

Add the total of:
Refundable portion of Part I tax from line 450 above **P**
Total Part IV tax payable from Schedule 3 **Q**
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation **480** **R**

Refundable dividend tax on hand at the end of the tax year – Amount O **plus** amount R **485**

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 on page 2 of Schedule 3 $\times 1/3 =$ **S**

Refundable dividend tax on hand at the end of the tax year from line 485 above **T**

Dividend refund – Amount S or T, whichever is less **U**

Enter amount U on line 784 on page 8.

Part I tax

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by 38% **550** _____ A

Recapture of investment tax credit from Schedule 31 **602** _____ B

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 on page 6 _____ C

Taxable income from line 360 on page 3 _____ D

Deduct:

Amount from line 400, 405, 410, or 425 on page 4, whichever is the least _____ E

Net amount (amount D minus amount E) **▶** _____ F

Refundable tax on CCPC's investment income – 6 2/3% of whichever is less: amount C or amount F **604** _____ G

Subtotal (add amounts A, B, and G) _____ H

Deduct:

Small business deduction from line 430 on page 4 _____ I

Federal tax abatement **608** _____

Manufacturing and processing profits deduction from Schedule 27 **616** _____

Investment corporation deduction **620** _____

Taxed capital gains **624** _____

Additional deduction – credit unions from Schedule 17 **628** _____

Federal foreign non-business income tax credit from Schedule 21 **632** _____

Federal foreign business income tax credit from Schedule 21 **636** _____

General tax reduction for CCPCs from amount J on page 5 **638** _____

General tax reduction from amount R on page 5 **639** _____

Federal logging tax credit from Schedule 21 **640** _____

Eligible Canadian bank deduction under section 125.21 **641** _____

Federal qualifying environmental trust tax credit **648** _____

Investment tax credit from Schedule 31 **652** _____

Subtotal _____ **▶** _____ J

Part I tax payable – Amount H minus amount J _____ K

Enter amount K on line 700 on page 8.

