



Ontario Resource Tax Credit and Ontario Additional Tax re Crown Royalties (2015 and later tax years)

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

- Use this schedule to calculate an Ontario resource tax credit and Ontario additional tax re Crown royalties under sections 37 and 36 respectively of the *Taxation Act, 2007* (Ontario). For tax years starting after April 22, 2015, the Ontario resource tax credit and the Ontario additional tax re Crown royalties are eliminated. The credit and the tax are pro-rated for tax years that include April 23, 2015.
- Adjusted Crown royalties for the tax year is defined in subsection 36(2) of the *Taxation Act, 2007* (Ontario). Complete Part 5 to calculate your adjusted Crown royalties for the tax year.
- The Ontario basic rate of tax referred to in Part 3 and Part 4 is calculated in Part 1 of Schedule 500, *Ontario Corporation Tax Calculation*.
- File this schedule with your *T2 Corporation Income Tax Return*.

Part 1 – Notional resource allowance and adjusted Crown royalties

To calculate adjusted Crown royalties for the tax year, complete Part 5.

Notional resource allowance for the tax year as determined in subsection 7(3) of Ontario <i>Regulation 37/09</i> of the <i>Taxation Act, 2007</i> (Ontario)	105	_____	A
Adjusted Crown royalties for the tax year (amount T in Part 5)	100	_____	B

Part 2 – Ontario allocation factor (OAF)

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line C.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation and enter the result on line C:

Ontario taxable income *	_____	=	_____	
Taxable income **	_____			
Ontario allocation factor			_____	C

* Enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If taxable income is nil, calculate the amount in column F as if taxable income were \$1,000.

** Enter taxable income from line 360 or amount Z of the T2 return, whichever applies. If taxable income is nil, enter "1,000."

Part 3 – Ontario resource tax credit

To calculate Ontario additional tax re Crown royalties (included in amount e), complete Part 4. For tax years starting after April 22, 2015, the Ontario resource tax credit is eliminated. You can carry forward unexpired unused Ontario resource tax credits in the first five tax years beginning after April 23, 2015.

Ontario resource tax credit balance at the end of the previous tax year *	115	_____	a
Add: Ontario resource tax credit balance transferred on an amalgamation or the windup of a subsidiary in a previous tax year if subsection 87(1) or 88(1) of the federal <i>Income Tax Act</i> applies to the amalgamation or wind-up	120	_____	b
Subtotal (amount a plus amount b)		_____	c
Deduct: Credit expired (after the first five tax years beginning after April 23, 2015)	125	_____	d
Ontario resource tax credit balance at the beginning of the tax year (amount c minus amount d)		_____	D
Ontario corporate income tax payable before tax credits (amount C6 from Part 2 of Schedule 5)		_____	e

* Enter the amount from line 200 of Schedule 504 from the previous tax year, if applicable.

For tax years that begin before April 24, 2015

Current-year credit earned, before the transitional calculation:

Notional resource allowance for the tax year (amount A from Part 1)	_____	f
Deduct: Adjusted Crown royalties for the tax year (amount B from Part 1)	_____	g
Subtotal (amount f minus amount g) (if negative, enter "0")	_____	h
Amount h × Ontario basic rate of tax ** _____ % × OAF *** _____ =	130	i

Current-year credit earned:	Amount i	_____	×	Number of days in the tax year before April 24, 2015	_____	=	_____	E
				Number of days in the tax year	_____			

Part 3 – Ontario resource tax credit (continued)

Amount D _____ \times $\frac{\text{Number of days in the tax year before April 24, 2015}}{\text{Number of days in the tax year}}$ _____ = _____ j

Total Ontario resource tax credit available for the current year: (amount E plus amount j) _____ k

Ontario resource tax credit claimed in the current year (lesser of amount e or amount k) _____ F
Enter amount F on line 404 in Part 2 of Schedule 5.

Balance at the end of the tax year (amount D **plus** amount E **minus** amount F) _____ G
** Enter the rate used in the calculation of amount L in Part 4.
*** Enter amount C from Part 2.

For tax years that begin after April 23, 2015

Ontario resource tax credit claimed in the current year (lesser of amount D or amount e) _____ H
Enter amount H on line 404 in Part 2 of Schedule 5.

Balance at the end of the tax year (amount D **minus** amount H) _____ I

Ontario resource tax credit balance at the end of the tax year (amount G or amount I, whichever applies) _____ **200** J

Part 4 – Ontario additional tax re Crown royalties

Adjusted Crown royalties for the tax year (amount B in Part 1) _____ l

Deduct: Notional resource allowance for the tax year (amount A in Part 1) _____ m

Subtotal (amount l **minus** amount m) (if negative, enter "0") _____ **▶** K

Ontario additional tax re Crown royalties:

Amount K _____ \times $\frac{\text{Number of days in the tax year before April 24, 2015}}{\text{Number of days in the tax year}}$ _____ \times $\frac{\text{Ontario basic rate of tax (from Part 1 of Schedule 500)}}{\text{OAF}^*}$ _____ % \times OAF * _____ = _____ L

Enter amount L on line 274 in Part 2 of Schedule 5.

Note: For tax years starting after April 22, 2015, the Ontario additional tax re Crown royalties is eliminated.

* Enter amount C from Part 2.

Part 5 – Adjusted Crown royalties for the tax year

Add the following amounts according to subsection 36(2) of the *Taxation Act, 2007* (Ontario):

Provincial or territorial tax on income from mining operations, excluding amounts prescribed in subsection 108.1(2) of Ontario *Regulation* 183. Refer to subsection 11.0.1(2) of the *Corporations Tax Act* (Ontario) _____ M

A Crown charge *, paid or payable to the Crown **, or receivable by the Crown. Refer to subsections 11.0.1(3) and (5) of the *Corporations Tax Act* (Ontario). _____ N

Adjustment to income where an operator, at any time in a tax year, disposes of (or acquires) production from a Canadian natural accumulation of petroleum or natural gas, an oil or gas well, or a mineral resource at less than or more than fair market value. Refer to subsection 26(4.1) of the *Corporations Tax Act* (Ontario) _____ O

Payments made under contract to reimburse Crown charges *. Refer to paragraph 1 of subsection 26(7) of the *Corporations Tax Act* (Ontario) _____ P

The corporation's share of amounts M and N incurred by a partnership of which it is a majority interest partner. Refer to subsection 31(1.2) of the *Corporations Tax Act* (Ontario) _____ Q

Subtotal (total of amounts M to Q) _____ R

Minus: Amounts received under contract as reimbursements of Crown charges *. Refer to paragraph 2 of subsection 26(7) of the *Corporations Tax Act* (Ontario) _____ S

Adjusted Crown royalties for the tax year (amount R **minus** amount S) _____ T

Enter amount T on line B in Part 1.

* "Crown charge" is an amount to which the Crown is entitled and which is (or can reasonably be considered to be) a royalty, tax, lease rental, or bonus relating to the acquisition, development, or ownership of a Canadian resource property, or relating to production in Canada from certain resource properties. Crown charge does not include a municipal or school tax or amounts prescribed in section 108.2 of Ontario *Regulation* 183.

** "Crown" refers to Her Majesty in right of Canada or a province, an agent of Her Majesty in right of Canada or a province, or a corporation, commission, or association that is controlled by Her Majesty in right of Canada or a province, or by an agent of Her Majesty in right of Canada or a province.