

Use this form to calculate your 2014 federal tax payable under alternative minimum tax. If you are completing a return for a trust, use Schedule 12 of the T3 package. Complete parts 1, 2, and 8 if you do not have to pay minimum tax in 2014 and you are applying a minimum tax carryover from previous years against your 2014 tax payable. Alternative minimum tax does not apply to a person who died in 2014 or to returns filed under subsection 70(2) or 150(4), or under paragraph 104(23)(d) or 128(2)(e) of the *Income Tax Act* (the Act). Attach a completed copy of this form to your 2014 return. If you had business income in 2014 from a province or territory other than the one in which you lived at the end of the year, or from another country, you may also have to complete and attach a copy of Form T2203, *Provincial and Territorial Taxes for 2014 – Multiple Jurisdictions*.

Part 1 – Adjusted taxable income and minimum amount (notes 1 through 13 are explained on the last page)

Taxable income from line 260 of your return, or the amount that you would have entered on line 260 if the instruction "if negative, enter "0"" on lines 236 and 260 were replaced with the instruction "if negative, enter the result in brackets". 1

Film property (Note 1)

Capital cost allowance (CCA) and carrying charges claimed on certified film property acquired before March 1996 (usually included on lines 221 and 232 of your return) 2

Net income from film property before CCA and carrying charges (if negative, enter "0") (Note 2) 3

Line 2 minus line 3 (if negative, enter "0") **6782** = ▶ + 4

Rental and leasing property (Note 1)

Capital cost allowance (CCA) and carrying charges claimed on rental and leasing property (included on line 126 of your return) 5

Net income from rental and leasing property before CCA and carrying charges (if negative, enter "0") (Note 2) 6

Line 5 minus line 6 (if negative, enter "0") **6783** = ▶ + 7

Tax shelters, limited partnerships, and non-active partners

Losses from partnerships that are tax shelters (Note 3) 8

Amounts deductible for properties that are tax shelters (Note 4) 9

Carrying charges for acquiring an interest in a partnership of which you are a limited or non-active partner, or which owns a rental or leasing property or a film property (included on line 221 of your return) (Note 5) 10

Add lines 8 to 10. **6784** = ▶ + 11

Resource property and flow-through shares

Total of all resource expenditures, depletion allowances, and carrying charges for resource property and flow-through shares (included on lines 221, 224, and 232 of your return) 12

Income (including royalties) from production of petroleum, natural gas, and minerals, before carrying charges, resource expenditures, and depletion allowances included on line 12 (if negative, enter "0") 13

Income from dispositions of foreign resource properties, and recovery of exploration and development expenses (if negative, enter "0") + 14A

Income from property, or from a business of selling the product of property, described in Class 43.1 or 43.2 in Schedule II to the *Income Tax Regulations* (if negative, enter "0") + 14B

Add lines 13, 14A, and 14B. = ▶ - 15

Line 12 minus line 15 (if negative, enter "0") **6786** = ▶ + 16

Non-taxable part of capital gains reported in the year

Amount from line 197 on Schedule 3 of your return plus the amount from line 3 of Form RC310 (if any); (if negative, enter "0" on line 24). Do not include a reserve from any year before 1986. 17

Capital gains (or losses) arising from mortgage foreclosures and conditional sales repossessions from lines 124 and 155 of Schedule 3 18

Part of total capital gains included on line 17 that is exempt from Canadian tax under a tax treaty (included on line 256) **6788** + 19

Capital gains on gifts of certain capital property (from lines 1 and 2 of column 8 of Form T1170) **6789** + 20

Certain capital gains from testamentary trusts (for details, contact its legal representative) **6787** + 21

Add lines 18 to 21. = ▶ - 22

Line 17 minus line 22 (this amount can be negative) = 23

Multiply line 23 by 30% (do not show the result in brackets). a)

Enter the amount from line 127 of your return. b)

If line 23 is positive, enter the amount from line a) on line 24;
if line 23 is negative, enter the amount from line a) or b), whichever is less, and show it in brackets. + 24

Add lines 1, 4, 7, 11, 16, and 24. = 25

Do not use this area **6790**

Part 8 – Applying a minimum tax carryover from previous years against 2014 tax payable

Minimum tax carryover from previous years (2007 to 2013)			118
Tax payable before minimum tax carryover from line 64			119
Federal tax on split income from line 5 of Form T1206, <i>Tax on Split Income</i>	–		120
Line 119 minus line 120	=		121
Minimum amount from line 58	–		122
Maximum carryover that can be applied in 2014: line 121 minus line 122 (if negative, enter "0")	=		123
Minimum tax carryover applied in 2014:			
Claim an amount that is not more than line 118 or 123, whichever is less , and enter it on line 427 of your Schedule 1	–		124
Balance of minimum tax carryover available for later years, if any: line 118 minus line 124	=		125
Additional 2014 taxes for carryover to later years from line 117	+		126
Line 125 plus line 126	=		127
Unapplied 2007 minimum tax carryover	–		128
Total minimum tax carryover available for 2015: line 127 minus line 128	=		129

Part 9 – Net non-deducted capital losses (Complete this part only if line 23 in Part 1 is positive or you have any unapplied net capital losses from before May 23, 1985.)

Amount from line 23 in Part 1			130
Capital gains deduction from line 254 of your return (Note 13)	–		131
Capital gains available for capital losses of other years: line 130 minus line 131	=		132

Pre-1988 unapplied net capital losses		× 2 =	133
1988 and 1989 unapplied net capital losses		× 3/2 = +	134
1990 through 1999 unapplied net capital losses		× 4/3 = +	135
2000 unapplied net capital losses		÷ inclusion rate* = +	136
2001 through 2013 unapplied net capital losses		× 2 = +	137
Add lines 133 to 137. (Note 14)		=	138

* You can find this information on your notice of assessment or notice of reassessment for 2000, or by contacting us.

Adjusted capital losses of other years applied against total capital gains: Enter the amount from line 132 or line 138, whichever is less .			139
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Unapplied net capital loss incurred before May 23, 1985 (if none, enter "0" on line 152)		× 2 =	140
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Capital gains deductions claimed:			
In 2001 through 2013		× 2 =	141
In 2000		÷ inclusion rate* = +	142
In 1990 through 1999		× 4/3 = +	143
In 1988 and 1989		× 3/2 = +	144
Before 1988		× 2 = +	145
Add lines 141 to 145.		=	146
Pre-1986 capital loss balance for 2014: line 140 minus line 146 (if negative, enter "0")		=	147

* You can find this information on your notice of assessment or notice of reassessment for 2000, or by contacting us.

Line 138 minus line 139			148
Enter the amount from line 147 or line 148, whichever is less .			149
Allowable rate	×	80%	150
Line 149 multiplied by 80%	=		151
Enter the amount from line 151 or \$2,000, whichever is less .			152
Line 139 multiplied by 80%	+		153
Adjusted capital losses: line 152 plus line 153	=		154
Net capital losses of other years from line 253 of your return	–		155
Line 154 minus line 155. Enter this amount on line 45 of this form.	=	Net non-deducted capital losses	156

See the privacy notice on your return.

Note 1 – If you are a member of a partnership, include your share of the income and deductions for the partnership's fiscal period ending in 2014. Do not include any amounts that you have to include on lines 8 to 10 of this form.

Note 2 – For film property and rental and leasing property, first add income from these investments (before CCA or carrying charges, if they apply) and net taxable capital gains, if any, from dispositions of such investments. Then subtract losses from these investments (before CCA or carrying charges, if they apply). If the result is negative, enter "0".

Note 3 – If your interest in the partnership is in a tax shelter that the partnership holds, include on line 8 your share of the net losses of the partnership from each source (allowable capital losses, business losses, and property losses) that is more than the amount allowed under paragraph 127.52(1)(c.1) of the Act. Generally, the amount allowed under that paragraph should correspond with the net taxable capital gains that were attributed to you by the partnership or that you have realized on the disposition of your interest in the partnership. These losses are generally reported on line 122 of your return, except rental (line 126) and farming losses (line 141).

Note 4 – Also include all other amounts deducted for property for which an identification number is required to be, or has been, obtained under section 237.1 of the Act, such as carrying charges for the acquisition of the property. Include amounts from Form T5004, *Claim For Tax Shelter Loss or Deduction*, that you claimed as an income deduction or a loss on your return. Do not include amounts that you have to include on any other line of this form.

Note 5 – Enter on this line carrying charges for the acquisition of an interest in a partnership of which you were a limited or non-active partner, or in a partnership that owns a rental or leasing property or a film property. Include only carrying charges that are more than your share of the partnership's income.

Note 6 – If you completed Form RC310, *Election for Special Relief for Tax Deferral Election on Employee Security Options*, reduce the amount reported on line 28 by the amount reported on line 2 of Form RC310.

Note 7 – Calculate the limited partnership losses and/or restricted farm losses, farm losses, and non-capital losses for other years from CCA and carrying charges, using the rules in effect for the year. If you need help, contact us.

Note 8 – You can no longer file an election. The deadline for filing an election to restrict your limited partnership losses for partnerships that are tax shelters was March 11, 2014.

Note 9 – If you elect under section 40 of the *Income Tax Application Rules*, include the elected income in the total on line 42.

Note 10 – If you have unapplied capital losses from other years, complete Part 9 and enter the net non-deducted capital losses on line 45. This applies even if you have not claimed any net capital losses of other years on line 253 of your return. **However, if line 23 in Part 1 is "0" or negative, and you do not have any unapplied net capital losses from before May 23, 1985, do not complete Part 9. Enter "0" on line 45.**

Note 11 – If you claimed a federal logging tax credit on your Schedule 1, add this amount to the amount on line 57.

Note 12 – Use the amount on line 102 as your basic federal tax (instead of line 429 of Schedule 1) when you calculate any refundable Quebec or Yukon First Nations abatement. If you have to pay provincial or territorial tax to multiple jurisdictions and have income allocated to Quebec, enter the amount from line 102 on line 11 in Part 2 of Form T2203 to calculate any refundable Quebec abatement.

Note 13 – Do not include the part of the capital gains deduction for the disposition of eligible capital property that is qualified farm property or qualified fishing property.

Note 14 – Do not include the non-deducted part of capital losses from mortgage foreclosures and conditional sales repossessions. For post-1994 net capital losses, the first paragraph under Note 3 also applies here.