

Complete this schedule to claim the family tax cut. **Attach a copy of this schedule to your return.**

The credit is calculated based on the net reduction to you and your spouse or common-law partner's combined federal taxes if up to \$50,000 in taxable income was transferred from the individual with the higher taxable income to his or her spouse or common-law partner.

You can claim this credit if you were married or living in a common-law partnership, and you and your spouse or common-law partner:

- were not living separate or apart because of a breakdown in your relationship for a period of 90 days or more including December 31, 2014;
- were both residents of Canada on December 31, 2014 (or if either person died in the year, at the date of death); and
- you **both** file a return for the year this credit is claimed.

You or your spouse or common-law partner **must also** ordinarily live throughout the year with your child who is under 18 years of age at the end of the year. Because of a joint custody arrangement, your child may have ordinarily lived with both you and your former spouse or common-law partner throughout the year.

You **cannot** claim this credit if:

- you are confined to a prison or similar institution for a period of 90 days or more during the year;
- your spouse or common-law partner is claiming the credit for the year;
- either you or your spouse or common-law partner became bankrupt in the year; or
- either you or your spouse or common-law partner has elected to split eligible pension income.

Make sure that you have completed the "Information about your spouse or common-law partner" section on page 1 of your return.

Also, to receive the maximum benefit of this credit, make sure you and your spouse or common-law partner claim all of the non-refundable tax credits you may be entitled to when completing Schedule 1, *Federal Tax*, even if you don't need the amounts to reduce your or your spouse or common-law partner's tax.

Step 1 – Federal tax before income sharing

	Column 1 You		Column 2 Eligible spouse or common-law partner
Enter the tax on taxable income from line 46 of Schedule 1.		1	
Enter the total non-refundable tax credits from line 350 of Schedule 1.	-	2	496-
Line 1 minus line 2 (if negative, enter "0")	=	3	=
Combined tax before income sharing			
Add the amounts from line 3 in columns 1 and 2.			4

Step 2 – Adjusted federal tax after income sharing

Enter the taxable income from line 260 of the return.		5	497		5
Enter the difference between the taxable income from line 5 in column 1 and column 2. $\times 50\% = (\text{maximum } \$50,000)$	\pm	6	\pm		6
Add lines 5 and 6 in the column with the lower income at line 5. Subtract line 6 from line 5 in the column with the higher income at line 5 (if negative enter "0").	=	7	=		7
Adjusted taxable income					
Tax on adjusted taxable income (use charts 1 and 2 on page 2)		8			8
Enter the amount from line 2.	-	9	-		9
Line 8 minus line 9 (if negative, show the result in brackets)	=	10	=		10
Enter the spouse or common-law partner amount from line 303 of Schedule 1. (Note: If the claim at line 303 includes the family caregiver amount , use chart 3 on page 2 to calculate the amount to enter on this line.)		11	498		11
Enter the amounts transferred from your spouse or common-law partner from line 326 of Schedule 1.	+	12	499+		12
Add lines 11 and 12.	=	13	=		13
Federal non-refundable tax credit rate	\times	14	\times	15%	14
Multiply line 13 by line 14. Adjustment to non-refundable tax credits	=	15	=		15
Enter the amount from line 10 (if negative, show it in brackets and subtract it).	+	16	+		16
Add lines 15 and 16 (if negative, enter "0"). Adjusted tax after income sharing	=	17	=		17
Combined adjusted tax after income sharing					
Add the amounts from line 17 in columns 1 and 2.					18

Go to Step 3 on the next page. ➔

Step 3 – Family tax cut

Enter the amount from line 4.		19
Enter the amount from line 18.	-	20
Line 19 minus line 20 (if negative, enter "0") Enter this amount on line 423 of Schedule 1.	(maximum \$2,000) Family tax cut	=

Chart 1 – Tax calculation chart for yourself

Enter your adjustable taxable income from line 7 of page 1.						1
Complete the appropriate column depending on the amount on line 1 above.	Line 1 is \$43,953 or less	Line 1 is more than \$43,953 but not more than \$87,907	Line 1 is more than \$87,907 but not more than \$136,270	Line 1 is more than \$136,270		
Enter the amount from line 1.	- 0,00	- 43,953,00	- 87,907,00	- 136,270,00		2
Line 2 minus line 3 (cannot be negative)	=	=	=	=		3
Multiply line 4 by line 5.	x 15%	x 22%	x 26%	x 29%		4
	=	=	=	=		5
Add lines 6 and 7.	+ 0,00	+ 6,593,00	+ 16,263,00	+ 28,837,00		6
Enter this amount at line 8 of page 1.	=	=	=	=		7

Chart 2 – Tax calculation chart for your spouse or common-law partner

Enter your spouse or common-law partner's adjustable taxable income from line 7 of page 1.						1
Complete the appropriate column depending on the amount on line 1 above.	Line 1 is \$43,953 or less	Line 1 is more than \$43,953 but not more than \$87,907	Line 1 is more than \$87,907 but not more than \$136,270	Line 1 is more than \$136,270		
Enter the amount from line 1.	- 0,00	- 43,953,00	- 87,907,00	- 136,270,00		2
Line 2 minus line 3 (cannot be negative)	=	=	=	=		3
Multiply line 4 by line 5.	x 15%	x 22%	x 26%	x 29%		4
	=	=	=	=		5
Add lines 6 and 7.	+ 0,00	+ 6,593,00	+ 16,263,00	+ 28,837,00		6
Enter this amount at line 8 of page 1.	=	=	=	=		7

Chart 3 – Line 303 adjusted for the family caregiver amount

Enter the spouse or common-law partner amount from line 303 of your or your spouse or common-law partner's Schedule 1.						1
Family caregiver amount			2,058,00			2
Enter the net income of the infirm individual being claimed for the spouse or common-law partner amount (line 236 of his or her return).						3
Base amount	- 11,138,00					4
Line 3 minus line 4 (if negative, enter "0")	=					5
Line 2 minus line 5 (if negative, enter "0")	=					6
Line 1 minus line 6 (if negative, enter "0")	=					7
Enter this amount at line 11 of page 1.						