

Part XIV – Additional Tax on Non-Resident Corporations (2017 and later tax years)

Corporation's name	Business number	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Tax year-end</td> <td style="text-align: center;">Year</td> <td style="text-align: center;">Month</td> <td style="text-align: center;">Day</td> </tr> <tr> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> </table>	Tax year-end	Year	Month	Day				
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- Complete this schedule if you are a non-resident corporation that earned income from a business carried on in Canada.
- All legislative references on this schedule are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 219(1.1) modifies the meaning of the term **taxable Canadian property** and subsection 219(8) defines the term **qualified related corporation** for the purpose of the Part XIV tax.
- In this schedule, **qualified property** means property that was used to gain or produce income from a business carried on in Canada before being transferred to a qualified related corporation.
- No Part XIV tax is payable for a tax year by a non-resident corporation that was throughout the year either:
 - a corporation whose principal business was transporting persons or goods, communications, or mining iron ore in Canada;
 - an insurance corporation, unless it ceases to carry on all or substantially all of its insurance business in Canada in the tax year or it elects under subsection 219(4) in prescribed form to pay the additional tax; or
 - a corporation exempt from tax under section 149.

(Report all amounts in Canadian funds.)

Part 1 – Base amount with additions (adjusted taxable income)

Taxable income earned in Canada for the year Line 360 or amount Z if applicable, of the T2 – Corporation Income Tax Return.		A	
Excluded gains per subsection 219(1.1)	099		
Base amount (amount A minus line 099) (if negative, enter "0")	100		▶
Taxable dividends deducted under section 112 and paragraph 115(1)(e)	101		
Taxable capital gains from a disposition of a taxable Canadian property other than excluded gains deducted at line 099	103		
Allowable capital losses on disposition of taxable Canadian property	104		
Net capital losses of other years that are deductible in the current year	105		
Subtotal (line 104 plus line 105)	106		▶
Excess (line 103 minus line 106) (if negative, enter "0")	107		▶
Grant or credit received in the year as a reimbursement of royalty income related to crown resources that was not included in the base amount for a previous tax year that began before 1996	108		
If the corporation disposed of qualified property in the year to a Canadian corporation that was, immediately after the disposition, its qualified related corporation, in return for consideration that includes a share, provide the following details of the disposition:			
Fair market value of the qualified property	109		
Proceeds of disposition of the property	110		
Excess (line 109 minus line 110) (if negative, enter "0")	111		▶
Allowance for investments in property in Canada claimed in the previous tax year	112		
Base amount with additions (add lines 100, 101, 107, 108, 111, and 112)	113		

Part 2 – Deductions from the base amount

Federal tax payable under Parts I and VI (total of lines 700 and 720 of the T2 return)	114	_____	
Provincial and territorial income tax payable before refundable tax credits (this amount should not include Ontario special additional tax on life insurance corporations or any provincial capital taxes)	115	_____	
Total tax payable (line 114 plus line 115)		=====	B
Amount B _____ × $\frac{\text{Line 100}}{\text{Amount A}}$ _____ = _____	116	_____	
Non-deductible interest and penalties on federal, provincial, or territorial income tax payable	117	_____	
Allowance for investments in property in Canada claimed for the year (line 223 or line 665).	118	_____	
If the corporation disposed of qualified property in the year to a Canadian corporation (referred to as the purchaser) that was, immediately after the disposition, its qualified related corporation, in return for consideration that includes a share of the purchaser, provide the following details of the disposition:			
Fair market value of the qualified property	120	_____	
Increase in paid-up capital for the shares of the purchaser	121	_____	
Fair market value of the consideration that is not a share	122	_____	
Subtotal (line 121 plus line 122) _____		=====	C
Excess (line 120 minus amount C) (if negative, enter "0") _____	123	=====	
Deductions from the base amount (add lines 116, 117, 118, and 123)	124	=====	

Part 3 – Part XIV tax payable

Base amount with additions (line 113)		_____	D
Deductions from the base amount (line 124)		_____	E
Net base amount (amount D minus amount E) (if negative, enter "0") _____	125	=====	
Exemption of accumulated earnings claimed, based on a tax treaty with certain foreign countries (cannot exceed line 510)	500	_____	
Taxable base amount (line 125 minus line 500) (if negative, enter "0") _____		=====	F
Tax rate (tax treaties with other countries may allow a lower rate).		_____	× 25 % G
Part XIV tax payable (amount F multiplied by amount G) Enter on line 728 of the T2 return	126	=====	

Part 4 – Continuity of exemption of accumulated earnings

If a corporation is resident in a country with which Canada has an income tax treaty, the treaty may provide an exemption on the first \$500,000 of accumulated earnings (refer to the applicable income tax treaty).

Unused exemption of accumulated earnings at the end of the previous tax year (line 520 from the previous year's Schedule 20 – Part XIV Additional Tax on Non-Resident Corporations)(cannot exceed \$500,000)*	510	_____	
Exemption of accumulated earnings claimed, based on a tax treaty with certain foreign countries (line 500)		_____	H
Closing balance for the exemption of accumulated earnings (line 510 minus amount H)	520	=====	

*If this is the first time the corporation is subject to Part XIV tax, enter \$500,000.

Part 5 – Regulation 808 – Allowance for investments in property in Canada claimed for the year**This part does not apply to an authorized foreign bank (see Part 6).**

Throughout Part 5, if the amount is negative, enter "0".

Cost amount at the end of the year of land owned in Canada (other than excluded land) for gaining or producing income from a business carried on in Canada **200** _____

Cost amount immediately after the end of the year of depreciable property owned in Canada for gaining or producing income from a business carried on in Canada **201** _____

For a corporation other than a principal-business corporation: Canadian exploration and development expenses not deducted in computing income for the year or for a previous year, **plus** the cumulative Canadian exploration expense at the end of the year, **minus** any deduction claimed for the year under subsection 66.1(3) **203** _____

Cumulative Canadian development expense at the end of the year, **minus** any deduction claimed for the year under subsection 66.2(2) **204** _____

Cumulative Canadian oil and gas property expense at the end of the year, **minus** any deduction claimed for the year under subsection 66.4(2) **205** _____

Cost amount at the end of the year of each debt receivable as a result of the disposition of property described at lines 200 and 201 **206** _____

Cost amount at the end of the year of each property (other than a Canadian resource property) described in the inventory for a business carried on in Canada **207** _____

Cost amount at the end of the year of each debt receivable (other than a debt referred to at line 206 or a bad debt) for which an amount has been included in income for the year or for a previous year from a business carried on in Canada, or for a loan made by the corporation where any part of its business carried on in Canada was the lending of money. **208** _____

Cash balance at the end of the year, **plus** cost amount at the end of the year, of each bond, debenture, bill, note, mortgage, or similar obligation that was issued by an arm's length person resident in Canada and that matures within one year of acquisition **210** _____

Total of the cost amount of the property described at line 210 at the end of each month in the year, divided by the number of months in that year, **multiplied** by 4/3 **211** _____

Allowable liquid assets (line 210 or line 211, whichever is less) **212** _____

Subtotal (**add** lines 200, 201, 202, 203, 204, 205, 206, 207, 208, and 212) **213** _____

Reserves for doubtful debts, certain guarantees, or unpaid amounts deducted in computing income for the year from a business carried on in Canada **214** _____

Reserves for capital gains deducted in the year for a debt referred to at line 206 **215** _____

Amount owing as a result of an acquisition of property described at lines 200, 201, and 207, an expense made as described at lines 203, 204, and 205, or any other expense made that was deducted in computing income for the year or for a previous year, from a business carried on in Canada **216** _____

Proportion of the amount owing on account of an interest-bearing obligation, equal to the interest paid or payable on the obligation that is deductible, or would otherwise be deductible, in computing income for the year from a business carried on in Canada, **divided** by the total interest paid or payable on the obligation for the year **217** _____

Unpaid federal Part I tax, excluding the lesser of the two following amounts: the tax on taxable capital gains that exceed allowable capital losses from the disposition of taxable Canadian property not used or held in the course of carrying on a business in Canada; and the tax on taxable capital gains that exceed allowable capital losses from the disposition of taxable Canadian property **218** _____

Unpaid provincial or territorial income tax, excluding the lesser of the two following amounts: the tax on taxable capital gains that exceed allowable capital losses from the disposition of taxable Canadian property not used or held in the course of carrying on a business in Canada; and the tax on taxable capital gains that exceed allowable capital losses from the disposition of taxable Canadian property **219** _____

Subtotal (**add** lines 214, 215, 216, 217, 218, and 219) **220** _____ **▶** _____

Qualified investments in property in Canada (line 213 **minus** line 220) **221** _____

Allowance for investments in property in Canada claimed for the year **222** _____

Enter on line 118.

