



Manitoba Corporation Tax Calculation (2018 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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- Use this schedule if your corporation had a permanent establishment (under section 400 of the federal Income Tax Regulations) in Manitoba and had taxable income earned in the year in Manitoba.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Part 1 – Income subject to Manitoba lower and higher tax rates

Period before January 1, 2019

If there are days in the tax year in the period mentioned above, calculate the income subject to Manitoba lower and higher tax rates as follows:

Taxable income for Manitoba *		A1
Income eligible for the Manitoba lower tax rate:		
Amount from line 400 of the T2 return **	B1	
Amount from line 405 of the T2 return	C1	
Amount from line 427 of the T2 return $\times \frac{450,000}{500,000} =$	D1	
Amount B1, C1, or D1, whichever is the least	E1	
For credit unions only:		
Amount 2C from Schedule 17, Credit Union Deductions	1	
Amount E1	2	
Subtotal (amount 1 minus amount 2, if negative, enter "0")	▶ F1	
Subtotal (add amounts E1 and F1)	G1	
Amount G1 $\times \frac{\text{Taxable income for Manitoba}^*}{\text{Taxable income for all provinces}^{***}} =$		H1
Note: amount H1 cannot exceed amount A1		
Income subject to Manitoba higher tax rate (amount A1 minus amount H1)		I1

Period after December 31, 2018

For days in the tax year in the period mentioned above, calculate the income subject to Manitoba lower and higher tax rates as follows:

Taxable income for Manitoba *		A2
Income eligible for the Manitoba lower tax rate:		
Amount from line 400 of the T2 return	B2	
Amount from line 405 of the T2 return	C2	
Amount from line 427 of the T2 return	D2	
Amount B2, C2, or D2, whichever is the least	E2	
For credit unions only:		
Amount 2C from Schedule 17, Credit Union Deductions	3	
Amount E2	4	
Subtotal (amount 3 minus amount 4, if negative, enter "0")	▶ F2	
Amount F2 $\times 80\%$	G2	
Subtotal (add amounts E2 and G2)	H2	
Amount H2 $\times \frac{\text{Taxable income for Manitoba}^*}{\text{Taxable income for all provinces}^{***}} =$		I2
Note: amount I2 cannot exceed amount A2		
Income subject to Manitoba higher tax rate (amount A2 minus amount I2)		J

* If the corporation has a permanent establishment only in Manitoba, enter the taxable income from line 360 of the T2 return. Otherwise, enter the taxable income allocated to Manitoba from column F in Part 1 of Schedule 5, Tax Calculation Supplementary - Corporations.

** If the corporation is a member of a partnership, complete Part 2 to calculate income from active business.

*** Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 2 – Income from active business when there is partnership income

Complete this part only if the corporation is a member of a partnership.

Period before January 1, 2019

If there are days in the tax year in the period mentioned above, calculate the income from active business as follows:

Amount U from Part 5 of Schedule 7 5
 Amount from line 530 from Part 5 of Schedule 7 6
 Subtotal (amount 5 **minus** amount 6) **▶** K

Amount M from Part 4 of Schedule 7 L

	M Amounts from column F1 in Part 3 of Schedule 7	N Amounts from column H1 in Part 3 of Schedule 7 multiplied by 450,000 500,000	O Column M minus column N (if negative, enter "0")	P Lesser of columns M and N (if column M is negative, enter "0")
1.				
2.				
3.				
	Totals		Q	R

Amount on line 370 from Part 3 of Schedule 7 S
 Amount on line 380 from Part 3 of Schedule 7 T
 Subtotal (amount S **plus** amount T) U

Enter amount Q or amount U, whichever is less **V**

Specified partnership income (amount R **plus** amount V) **▶** W

Partnership income not eligible for small business deduction (amount L **minus** amount W) **▶** X

Income from active business (amount K **minus** amount X) **Y**

Enter the amount from amount Y at amount B1 in Part 1.

Part 3 – Manitoba tax before credits

Manitoba tax at the lower rate is zero. Calculate the Manitoba tax at the higher rate only.

Manitoba tax at the higher rate:

Amount I1 _____ × $\frac{\text{Number of days in the tax year before January 1, 2019}}{\text{Number of days in the tax year}}$ = _____ 7

Amount J _____ × $\frac{\text{Number of days in the tax year after December 31, 2018}}{\text{Number of days in the tax year}}$ = _____ 8

Subtotal (amount 7 **plus** amount 8) 9

Manitoba tax before credits (amount 9 **multiplied** by 12%) * Z

* If the corporation has a permanent establishment in more than one jurisdiction or is claiming a Manitoba tax credit, enter amount Z on line 230 of Schedule 5. Otherwise, enter it on line 760 of the T2 return.