



Alternative Minimum Tax

- Use this form to calculate your 2017 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 2017 and you are applying a minimum tax carryover from previous years against your 2017 tax payable.
- Alternative minimum tax does not apply to a person who died in 2017 or to returns filed under subsections 70(2) or 150(4), or under paragraphs 104(23)(d) or 128(2)(e) of the *Income Tax Act* (the Act).
- If you had business income in 2017 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 2017 – Multiple Jurisdictions*.
- Attach a completed copy of this form to your 2017 return.

Part 1 – Adjusted taxable income and minimum amount

Taxable income from line 260 of your return, or the amount 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 ⁽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") ⁽²⁾		–			3
Line 2 minus line 3 (if negative, enter "0")		6782	=	+	4
Rental and leasing property ⁽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") ⁽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 ⁽³⁾					8
Amounts deductible for properties that are tax shelters ⁽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) ⁽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 <i>Income Tax Regulations</i> (if negative, enter "0")		+			14B
Add lines 13, 14A, and 14B.		=		–	15
Line 12 minus line 15 (if negative, enter "0")		6786	=	+	16
Add lines 1, 4, 7, 11, and 16.				=	17
Do not use this area		6790			

- (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 2017. Do not include any amounts that you have to include on lines 8 to 10 of this form.
- (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".
- (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).
- (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.
- (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.

- (6) This amount includes amounts from lines 1 and 2 of Column 8 of Form T1170 as well as gifts of property to a qualified donee not included on Form T1170 (for example, gifts of listed personal property or other capital property).
- (7) 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.
- (8) 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.
- (9) If you elect under section 40 of the *Income Tax Application Rules*, include the elected income in the total on line 42.

Part 1 – Adjusted taxable income and minimum amount (continued)

Amount from line 42 on the previous page				43
Amount from line 120 of your return				
Amount from line 180 of your return	–	× 14.5299% =		g)
Amount from line 120 minus the amount from line 180 of your return	=	× 27.5362% =	+	h)
Line g) plus line h)		=		▶ 44
Amount from line 217 of your return		× 60% =	+	45
Net non-deducted capital losses from line 156 in Part 9 ⁽¹⁰⁾			+	46
Add lines 44 to 46.			=	▶ – 47
Line 43 minus line 47 (if negative, enter "0")	Adjusted taxable income			= 48
Basic exemption			–	40,000.00 49
Line 48 minus \$40,000 (if negative, enter "0")	Net adjusted taxable income			= 50
<p>If line 50 is "0", you are not subject to alternative minimum tax. If you want to apply a minimum-tax carryover from previous years against your 2017 tax payable, complete parts 2 and 8 and attach a copy of this form to your return. Also, complete Schedule 1 and your return as usual.</p>				
Federal tax rate			× 15%	51
Gross minimum amount: multiply line 50 by 15%			=	52
Total non-refundable tax credits from line 350 of your Schedule 1				53
Enter the total of lines 314, 318, 324, and 326 of your Schedule 1.				54
Federal tax rate	× 15%			55
Multiply line 54 by 15%.		=		▶ 56
Line 53 minus line 56 ⁽¹¹⁾			=	▶ – 57
Line 52 minus line 57 (if negative, enter "0")	Minimum amount			= 58
<p>If line 58 is "0", you are not subject to alternative minimum tax. If you want to apply a minimum-tax carryover from previous years against your 2017 tax payable, complete parts 2 and 8 and attach a copy of this form to your return. Also, complete Schedule 1 and your return as usual.</p>				

Part 2 – Basic federal tax

Enter the amount from line 404 of your Schedule 1.				59
Total non-refundable tax credits from line 350 of your Schedule 1				60
Dividend tax credit: amount from line 425 of your Schedule 1	+			61
Line 60 plus line 61		=		▶ – 62
Line 59 minus line 62	Tax payable before minimum tax carryover			= 63
Minimum tax carryover applied in 2017 from line 124 in Part 8			–	64
Line 63 minus line 64	Basic federal tax			= 65

(10) If you have unapplied capital losses from other years, complete Part 9 and enter the net non-deducted capital losses on line 46. This applies even if you have not claimed any net capital losses of other years on line 253 of your return. **However, if line 25 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 46.**

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

Part 3 – Regular net federal tax payable

Amount from line 65 on the previous page

Federal surtax on business income earned outside Canada:

multiply the amount from line 66 by 48%. If you have to pay provincial or territorial tax to multiple jurisdictions, multiply the result by the percentage in Column 5 of line 5222 on Form T2203. In either case, enter the result on this line.

Recapture of investment tax credit (from line 8 of Form T2038(IND))

Add lines 66 to 68.

Federal foreign tax credit from Form T2209

Federal logging tax credit

Line 70 plus line 71

Line 69 minus line 72 (if negative, enter "0")

Federal political contribution tax credit from line 410 of your Schedule 1

Investment tax credit from line H of Form T2038(IND)

Labour-sponsored funds tax credit from line 414 of your Schedule 1

Add lines 74 to 76.

Line 73 minus line 77 (if negative, enter "0")

70

+ 71

= 72

Federal tax payable 73

74

+ 75

+ 76

= 77

Regular net federal tax payable 78

Part 4 – Special foreign tax credit

Terms identified by the letters (a) and (e) are defined on Form T2209.

- (i) Foreign business income (total business income earned in the foreign country minus allowable expenses and deductions for the foreign income)

79

Foreign non-business income (on which non-business income tax was paid to a foreign country (a))

+ 80

Total foreign income

= 81

Applicable rate

× 15% 82

Foreign income limit for special foreign tax credit

= 83

- (ii) Total non-business income tax paid to a foreign country (a)

× 66.6666% = 84

Total business income tax paid to a foreign country (e)

+ 85

Foreign taxes paid for special foreign tax credit

= 86

Enter the amount from line 83 or line 86, whichever is less.

87

Enter the amount from line 70 or line 87, whichever is more.

Special foreign tax credit

88

Part 5 – Obligation to pay alternative minimum tax

Minimum amount from line 58

Special foreign tax credit from line 88

Line 89 minus line 90 (if negative, enter "0")

Net minimum tax payable

Regular net federal tax payable from line 78

Federal surtax from line 67

Line 92 minus line 93 (if negative, enter "0")

Line 91 minus line 94 (if negative, enter "0")

92

- 93

= 94

= 95

If line 95 is "0", you are not subject to alternative minimum tax. If you want to apply a minimum-tax carryover from previous years against your 2017 tax payable, complete Part 8 and attach a copy of this form to your return. Also, complete Schedule 1 and your return as usual. If the amount on line 95 is positive, complete parts 6 and 7.

Part 6 – Federal tax payable (under alternative minimum tax)

Basic federal tax from line 65		96
Amount from line 12 of Form T1206, <i>Tax on Split Income</i>	—	97
Line 96 minus line 97 (if negative, enter "0")	=	98
Minimum amount from line 58		99
Enter amount from line 98 or line 99, whichever is more .		100
Amount from line 12 of Form T1206, <i>Tax on Split Income</i>	+	101
Line 100 plus line 101 (12)	=	102
Net minimum tax payable from line 91		103
Federal surtax on business income earned outside Canada: multiply the amount from line 102 by 48%. If you have to pay provincial or territorial tax to multiple jurisdictions, multiply the result by the percentage in Column 5 of line 5222 on Form T2203. In either case, enter the result on this line.	+	104
Line 103 plus line 104	=	105
Amount from line 14 of Form T1206, <i>Tax on Split Income</i>		106
Enter amount from line 105 or line 106, whichever is more . Enter this amount on line 417 of your Schedule 1.		6791 107

Part 7 – Additional taxes paid for minimum tax carryoverThe terms identified by the letters **(a)** and **(e)** are defined on Form T2209.

Minimum amount from line 89		108
Basic federal tax from line 65		109
Federal tax on split income from line 5 of Form T1206, <i>Tax on Split Income</i>	—	110
Line 109 minus line 110 (if negative, enter "0")	=	111
Special foreign tax credit from line 88		112
Federal foreign tax credit from line 70	—	113
Line 112 minus line 113	=	114
Line 114 × Foreign taxes paid for special foreign tax credit (line 86 in Part 4) Foreign taxes paid (non-business income tax paid to a foreign country (a) plus business income tax paid to a foreign country (e))	= +	115
Line 111 plus line 115	=	116
Line 108 minus line 116 (if negative, enter "0")		117
Additional taxes paid for minimum tax carryover		

Part 8 – Applying a minimum tax carryover from previous years against 2017 tax payable

Minimum tax carryover from previous years (2010 to 2016)		118
Tax payable before minimum tax carryover from line 63		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 2017: line 121 minus line 122 (if negative, enter "0")	=	123
Minimum tax carryover applied in 2017: 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 2017 taxes for carryover to later years from line 117	+	126
Line 125 plus line 126	=	127
Unapplied 2010 minimum tax carryover	—	128
Total minimum tax carryover available for 2018: line 127 minus line 128	=	129

(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.

Part 9 – Net non-deducted capital losses

Complete this part only if line 25 in Part 1 is positive or if you have any unapplied net capital losses from before May 23, 1985.

Amount from line 25 in Part 1					130
Capital gains deduction from line 254 of your return ⁽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 2016 unapplied net capital losses			×	2	=	+		137
Add lines 133 to 137. ⁽¹⁴⁾						=	▶	138

Adjusted capital losses of other years applied against total capital gains:

Enter the amount from line 132 or line 138, whichever is **less**.

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 2016			×	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.						=	▶

Pre-1986 capital loss balance for 2017: line 140 **minus** line 146 (if negative, enter "0")

Line 138 **minus** line 139

Enter the amount from line 147 or line 148, whichever is **less**.

Allowable rate			×	80%		150
Line 149 multiplied by 80%			=			151

Enter the amount from line 151 or \$2,000, whichever is **less**.

Line 139 multiplied by 80%

Adjusted capital losses: line 152 **plus** line 153

Net capital losses of other years from line 253 of your return

Line 154 **minus** line 155. Enter this amount on line 46 in Part 1. **Net non-deducted capital losses**

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

(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.

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

See the privacy notice on your return.