

**British Columbia Mining Exploration Tax Credit  
(2016 and later tax years)****Protected B**  
when completed

Name of corporation	Business number	Tax year-end Year      Month      Day
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- Use this schedule to claim the British Columbia mining exploration tax credit (METC). To be eligible for the credit, a corporation must have a permanent establishment (as defined in section 400 of the federal *Income Tax Regulations*) in British Columbia, and have incurred qualified mining exploration expenses in the tax year. For tax years ending before January 1, 2017, the corporation must apply for the credit no later than 36 months after the end of the tax year for which it is claiming the credit. For tax years ending after December 31, 2016, the corporation must apply for the credit no later than 18 months after the end of the tax year for which it is claiming the credit.
- The METC is equal to 20% of the amount by which the total qualified mining exploration expenses incurred in the tax year **exceed** the total assistance received or receivable for these expenses.
- Qualified mining exploration expenses incurred after February 20, 2007, in prescribed areas affected by the Mountain Pine Beetle are eligible for an enhanced METC. The METC is equal to 30% of the amount by which these expenses **exceed** the total assistance received or receivable for them. The prescribed Mountain Pine Beetle affected areas are defined by BC regulation.
- You are **not eligible** to claim the METC if, at any time in the tax year, any of the following apply:
  - all or part of the corporation's taxable income was exempt from tax under Part I of the federal *Income Tax Act*;
  - the corporation was exempt from tax under subsection 149(1) of the federal *Income Tax Act*, or was controlled directly or indirectly in any manner whatever by one or more persons, all or part of whose income is exempt from tax; or
  - the corporation was:
    - a prescribed labour-sponsored venture capital corporation under subsection 6701(c) of the federal *Income Tax Regulations*;
    - a small business venture capital corporation registered under section 3 of the *Small Business Venture Capital Act*; or
    - a corporation that has registered an employee share ownership plan under section 2 of the *Employee Investment Act*, or is an employee venture capital corporation registered under section 8 of that same act.
- A corporation that is a member of a partnership, other than a specified member as defined in subsection 248(1) of the federal *Income Tax Act*, can claim its appropriate portion of the METC earned on qualified mining exploration expenses incurred by the partnership. A specified member includes any limited partner. Complete and attach Form T1249, *British Columbia Mining Exploration Tax Credit Partnership Schedule* to calculate your proportionate share, and enter this amount on line 16. You can get this form on our website at [cra.gc.ca/forms](http://cra.gc.ca/forms) or by calling 1-800-959-5525. If your only source of the METC is from a partnership, complete Form T1249 and only line 16 of this schedule.
- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.

**Freedom of Information and Protection of Privacy Act (FOIPPA)**

The personal information on this form is collected for the purpose of administering the *Income Tax Act* (British Columbia) under the authority of paragraph 26(a) of the FOIPPA. Questions about the collection or use of this information can be directed to the Manager, Intergovernmental Relations, PO Box 9444 Stn Prov Govt, Victoria BC V8W 9W8. (Telephone: Victoria at 250-387-3332 or toll-free at 1-877-387-3332). Email: ITBTaxQuestions@gov.bc.ca

**Part 1— Exploration information**

A mineral resource that qualifies for the credit means: a deposit of base or precious metal, coal, bituminous sands, or oil shale, and certain other deposits in which the principal mineral extracted is ammonite gemstone, calcium chloride, diamond, gypsum, halite, kaolin, sylvite, silica extracted from sandstone or quartzite, and deposits certified by the Minister of Natural Resources that the principal mineral extracted therefrom is an industrial mineral contained in a non-bedded deposit.

British Columbia Free Miner Certificate Number. . . . . **010** \_\_\_\_\_

List mineral(s) for which exploration has taken place:

<b>020</b> _____	<b>040</b> _____
<b>030</b> _____	<b>050</b> _____

For qualified mining exploration expenses reported in Part 2, identify each project, mineral title, and mining division where title is registered. If there were no mineral titles, identify the project and mining division only. Attach additional schedules if more space is required.

	Project name <b>070</b>	Mineral title(s) <b>080</b>	Mining division <b>090</b>
1			
2			
3			
4			

**Part 2 – Qualified mining exploration expenses\***

Qualified expenses are expenses that the corporation incurred after July 31, 1998, and before January 1, 2020, for goods and services that are all or substantially all provided in British Columbia. Expenses must be reasonable in the circumstances and not be an expense that has been claimed by another person, other than an eligible taxpayer claiming their proportionate share as a member of a partnership, in relation to the METC.

By category, enter the total qualified mining exploration expenses incurred in the tax year for mineral titles listed in Part 1.

Prospecting	<b>100</b>	1
Geological, geophysical, or geochemical surveys	<b>110</b>	2
Drilling by rotary, diamond, percussion, or other methods	<b>120</b>	3
Trenching, digging test pits, and preliminary sampling	<b>130</b>	4
Other qualified mining exploration expenses. Attach additional schedules if more space is required.		

Description <b>135</b>		Amount <b>140</b>	
1			
2			
3			
Total other qualified mining exploration expenses			5
<b>Total qualified mining exploration expenses (add lines 1 to 5)</b>		<b>180</b>	6

\* Expenses that **do not** qualify for this credit include:

- an amount renounced under subsection 66(12.6) of the federal *Income Tax Act*, in respect of an expense incurred after July 30, 2001;
- any amount renounced and reported to an investor on a T101, *Statement of Resource Expenses* or T5013 (T5013A), *Statement of Partnership Income*;
- any expenses related to a mine that has come into production in reasonable commercial quantities, or to a potential or actual extension of such a mine;
- a Canadian development expense (CDE), or a Canadian exploration and development overhead expense (CEDOE), as defined in the federal *Income Tax Act* and *Regulations*. A CEDOE includes administration, management, or financing of the corporation, and salary, wages, or other remuneration or related benefits paid to a person employed by the corporation whose duties were not all or substantially all directed towards exploration or development activities. It also includes payments for taxes, insurance, maintenance, and leases for property on which there were no substantial exploration activities;
- an outlay or expense included in the capital cost of depreciable property;
- any consideration given by the corporation for any share or any interest in or right to a share;
- the corporation's share of any outlay or expense incurred by a partnership before April 1, 2003;
- any expense that is a cost of, or for the use of, seismic data referred to in paragraph 66(12.6)(b.1) of the federal *Income Tax Act*;
- those expenses incurred in drilling or completing an oil or gas well, including the cost of building a temporary access road or in preparing the site; and
- an outlay or expense incurred in the course of earning income if any of the income is exempt income, as defined in subsection 248(1), or is exempt from tax under Part I, of the federal *Income Tax Act*.

**Part 3 – Determining the amount of assistance**

Total of all assistance* in respect of the amount at line 6 in Part 2	<b>190</b>	7
<b>Deduct:</b> Total of amounts that have been repaid in respect of line 7	<b>200</b>	8
<b>Net assistance</b> (line 7 minus line 8)	<b>210</b>	9

\* Grants, subsidies, rebates, forgivable loans, and reimbursements the corporation received, is entitled to receive, or can reasonably be expected to receive.

**Part 4 – Determining the mining exploration tax credit**

Total qualified mining exploration expenses (amount from line 6 in Part 2)	10
<b>Deduct:</b> Net assistance (amount from line 9 of Part 3)	11
Net qualified mining exploration expenses (line 10 minus line 11)	12
Line 12 multiplied by the applicable rate	× 20% = 13
Qualified mining exploration expenses incurred after February 20, 2007, in prescribed areas (included in line 6) minus net assistance for these expenses (included in line 9)	<b>215</b> 14
Line 14 multiplied by the applicable rate	× 10% = 15
Credit allocated to a corporation that is a member of a partnership. Enter your proportionate share from Form T1249, <i>British Columbia Mining Exploration Tax Credit Partnership Schedule</i> . Attach the T1249 to your T2 return.	<b>220</b> 16
<b>Mining exploration tax credit (add lines 13, 15, and 16)</b>	17
Enter the amount from line 17 on line 673 in Part 2 of Schedule 5.	

See the privacy notice on your return.