

**British Columbia Corporation Tax Calculation
(2017 and later tax years)**

Corporation's name	Business number	Tax year-end Year Month Day
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- Use this schedule if your corporation had a permanent establishment (as defined under section 400 of the federal *Income Tax Regulations*) in British Columbia and had taxable income earned in the year in British Columbia.
- 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 British Columbia lower and higher tax ratesTaxable income for British Columbia * **A****Income eligible for British Columbia lower tax rate:**

Amount from line 400 of the T2 return **B**

Amount from line 405 of the T2 return **C**

Amount from line 427 of the T2 return **D**

Amount B, C, or D, whichever is the least **E**

For credit unions only:

Amount D from Schedule 17, *Credit Union Deductions* **1**

Amount E above **2**

Subtotal (amount 1 **minus** amount 2, if negative, enter "0") **3**

Amount 3 $\times \frac{\text{Number of days in the tax year in 2016}}{\text{Number of days in the tax year}} \times 80\% =$ **4**

Amount 3 $\times \frac{\text{Number of days in the tax year after December 31, 2016}}{\text{Number of days in the tax year}} =$ **5**

Subtotal (amount 4 **plus** amount 5) **F**Total (amount E **plus** amount F) **G**

Amount G $\times \frac{\text{Taxable income for British Columbia *}}{\text{Taxable income for all provinces **}} =$ **H**

Income subject to British Columbia higher tax rate (amount A **minus** amount H) **I**

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

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

Part 2 – British Columbia tax before credits

British Columbia tax at the lower rate:

Amount H _____ × $\frac{\text{Number of days in the tax year before April 1, 2017}}{\text{Number of days in the tax year}}$ × 2.5% = _____ J

Amount H _____ × $\frac{\text{Number of days in the tax year after March 31, 2017}}{\text{Number of days in the tax year}}$ × 2% = _____ K

Total British Columbia tax at the lower rate (amount J **plus** amount K) _____ ► _____ L

British Columbia tax at the higher rate:

Amount I _____ × $\frac{\text{Number of days in the tax year before January 1, 2018}}{\text{Number of days in the tax year}}$ × 11% = _____ M

Amount I _____ × $\frac{\text{Number of days in the tax year after December 31, 2017}}{\text{Number of days in the tax year}}$ × 12% = _____ N

Total British Columbia tax at the higher rate (amount M **plus** amount N) _____ ► _____ O

British Columbia tax before credits*** (amount L **plus** amount O) _____ P

*** If the corporation has a permanent establishment in more than one jurisdiction or is claiming a British Columbia tax credit, enter amount P on line 240 of Schedule 5. Otherwise, enter it on line 760 of the T2 return.