



Newfoundland and Labrador Capital Tax On Financial Institutions (2015 and later tax years)

Protected B when completed

Corporation's name Business number Tax year-end Year Month Day

- For use by corporations that are financial institutions with a permanent establishment... Subsection 66.1(1) of the Newfoundland and Labrador Income Tax Act defines the term "financial institution". You have to complete Schedule 38, Part VI Tax on Capital of Financial Institutions...

Part 1 - Newfoundland and Labrador taxable capital in excess of capital deduction for the year

Capital for the year (amount from line 190 or 290 of Schedule 38) 110 A
Deduct: Capital deduction claimed for the year* 120 B
Excess amount (if negative, enter "0") C

If the corporation has a permanent establishment only in Newfoundland and Labrador, including off-shore areas, enter amount C on line J. Otherwise, complete one of the following calculations (whichever applies):

If the corporation is a loan corporation, a trust corporation, or a trust and loan corporation:

Line 143 plus line 144 of Schedule 5 = % D
Line 169 of Schedule 5

Amount C x Percentage on line D % = E

Enter amount E on line J.

If the corporation is a bank:

Line 103 plus line 104 of Schedule 5 = % F
Line 129 of Schedule 5

2 x (line 143 plus line 144 of Schedule 5) = % G
Line 169 of Schedule 5

Add percentages F and G % x 1/3** = % H

Amount C x Percentage on line H % = I

Enter amount I on line J.

Newfoundland and Labrador taxable capital employed in the year (amount C, E, or I, whichever applies) J

Deduct: Investments in related financial institutions as determined under section 66.4 of the Newfoundland and Labrador Income Tax Act 125 K

Newfoundland and Labrador taxable capital in excess of capital deduction for the year (amount J minus amount K) 130 L

* Enter \$5,000,000 or, for related corporations, the amount allocated on Schedule 306, Newfoundland and Labrador Capital Tax on Financial Institutions - Agreement Among Related Corporations, if the capital of the corporation (amount A) or the combined capital of the corporation and its related financial institutions is \$10,000,000 or less. Otherwise, enter zero.

** If line 129 of Schedule 5, Tax Calculation Supplementary - Corporations, is blank or zero, multiply by 1/2 instead of 1/3. If line 169 of Schedule 5 is blank or zero, do not multiply by anything.

Part 2 - Newfoundland and Labrador capital tax on financial institutions

Amount L x (Number of days in the tax year before April 1, 2015 / Number of days in the tax year) x 4% = M

Amount L x (Number of days in the tax year after March 31, 2015 / Number of days in the tax year) x 5% = N

Subtotal (amount M plus amount N) O

For a tax year less than 51 weeks:

Amount O x (Number of days in the tax year / 365) = P

Newfoundland and Labrador capital tax on financial institutions (amount O or amount P, whichever applies) 150 Q

Enter amount Q on line 518 of Schedule 5, Tax Calculation Supplementary - Corporations. Amount Q may be deducted in calculating net income for federal income tax purposes.