



Manitoba Research and Development Tax Credit (2015 and later tax years)

Protected B when completed

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

- Use this schedule if you are a corporation with a permanent establishment in Manitoba that has made eligible expenditures for scientific research and experimental development carried out in the province under section 7.3 of the Income Tax Act (Manitoba), and you want to:
- calculate a Manitoba research and development (R&D) tax credit for the current tax year;
- calculate the refundable component of the Manitoba R&D tax credit;
- claim the credit to reduce Manitoba income tax otherwise payable in the current tax year;
- carry back the current-year credit to reduce Manitoba income tax otherwise payable in any of the three preceding tax years;
- carry forward the current-year credit to reduce Manitoba income tax otherwise payable in any of the 20 following tax years after 2005, or
- renounce the current-year credit in whole or in part.
The Manitoba refundable research and development tax credit earned under subsection 7.3(2.3) of the Income Tax Act (Manitoba), is the least of:
- the amount by which the R&D tax credit available at the end of the current tax year exceeds the total of Manitoba income tax otherwise payable in the current tax year and the amount renounced under subsection 7.3(7) for the year;
- the total of the following amounts:
- 20% of the corporation's eligible expenditures incurred in the current tax year after December 31, 2009, and under a R&D contract with a university, college, or other post-secondary educational institution in Manitoba or with a person approved for this purpose by the minister of Innovation, Energy and Mines.
- 10% of the eligible expenditures not under a R&D contract with a qualifying institution incurred after December 31, 2011; and
- the refundable credit allocated to the corporation that is a member of a partnership or a beneficiary under a trust.
An eligible expenditure must meet the definition of a "qualified expenditure" in subsection 127(9), but without reference to paragraph (d) of the federal Income Tax Act.
This schedule must be filed no later than 12 months after the T2 Corporation Income Tax Return is due for the tax year that the expenditure was incurred in.
Use this schedule to claim:
- a credit transfer after an amalgamation or the windup of a subsidiary, as described in subsections 87(1) and 88(1) of the federal Income Tax Act.
- a credit allocated to a corporation that is a member of a partnership or a credit allocated to a corporation that is a beneficiary under a trust.
Include a completed copy of this schedule with your T2 Corporation Income Tax Return.

Part 1 - Summary of total eligible expenditures incurred in the current tax year

Total eligible expenditures incurred in the current tax year 106 A
Summary of total eligible expenditures incurred in the current tax year:
Eligible expenditures under a R&D contract incurred in the current tax year 108 a
Eligible expenditures not under a R&D contract incurred in the current tax year 116 b
Summary of total eligible expenditures incurred in the current tax year (amount a plus amount b) B
(amount B cannot exceed amount A)

**Part 2 – Total credit available and credit available for carryforward**

Credit at the end of the previous tax year .....	_____	c		
<b>Deduct:</b>				
Credit expired* .....	<b>104</b> _____	d		
Credit at the beginning of the tax year (amount c <b>minus</b> amount d) .....	<b>105</b> _____		▶	C
<b>Plus:</b>				
Credit transferred on an amalgamation or the windup of a subsidiary .....	<b>110</b> _____			D
Repayments** _____ × 20% = .....	<b>123</b> _____			E
<b>Credit earned in the current year:</b>				
Line 106 in Part 1 _____ × 20% = .....	<b>121</b> _____	e		
Credit allocated to the corporation that is a member of a partnership .....	<b>130</b> _____	f		
Credit allocated to the corporation that is a beneficiary under a trust .....	<b>140</b> _____	g		
Subtotal (total of amounts e to g) .....	_____	h		
<b>Deduct:</b>				
Credit renounced .....	<b>150</b> _____	i		
<b>Total credit earned in the current year</b> (amount h <b>minus</b> amount i) .....	_____		▶	F
Total credit available for the current year (total of amounts C to F) .....				G
<b>Deduct:</b>				
Non-refundable credit claimed in the current tax year (cannot exceed the lesser of amount G and Manitoba tax otherwise payable) .....	<b>160</b> _____	j		
<small>(enter amount j on line 606 of Schedule 5, <i>Tax Calculation Supplementary – Corporations</i>)</small>				
Refundable credit claimed in the current year (amount M from Part 5) .....	<b>180</b> _____	k		
<small>(enter amount k on line 613 of Schedule 5, <i>Tax Calculation Supplementary – Corporations</i>)</small>				
Credit carried back to the previous tax year(s) (complete Part 3) .....	_____	l		
Subtotal (total of amounts j to l) .....	_____		▶	H
<b>Closing balance – Total credit available for carryforward</b> (amount G <b>minus</b> amount H) .....	<b>200</b> _____			I

\* An unused credit expires after **20** tax years if it was earned in a tax year ending after 2005.

\*\* Repayments must relate to a repayment made by the corporation in the tax year and not in any other tax year. Repayments are the sum of the following:

- a repayment made in the tax year of government or non-government assistance or a contract payment that reduced an eligible expenditure other than for first term or second term shared-use equipment; and
- a repayment made in the tax year of government or non-government assistance or a contract payment that reduced an eligible expenditure for first term or second term shared-use equipment, **multiplied** by 1/4.

