



Manitoba Data Processing Investment Tax Credits (2013 and later tax years)

Data processing centre investment tax credit

- You can use this schedule to claim a Manitoba **data processing centre investment tax credit** under section 7.19 of the *Income Tax Act* (Manitoba). The credit is a refundable credit for eligible data processing centre corporations equal to 4% of the cost of data processing building(s) acquired by purchase or lease, or constructed and 7% of the cost of data processing centre equipment acquired by purchase or lease in the current tax year before July 1, 2013. The rates increase to 4.5% and 8%, respectively, for property acquired after June 30, 2013.
- You are an **eligible data processing centre corporation** if:
 - you are a taxable Canadian corporation with a permanent establishment in Manitoba;
 - your principal activity in Manitoba is data processing; and
 - when you are affiliated (according to section 251.1 of the federal *Income Tax Act*) with one or more corporations with a permanent establishment in Manitoba, your principal activity in Manitoba and that of your affiliated corporations, combined, is data processing.
- A building is a **data processing building** if it is a building in Manitoba that is (or would be, if you owned it) a prescribed building as defined in subsection 4600(1) of the federal *Income Tax Regulations* for the purpose of the definition of **qualified property** in subsection 127(9) of the federal *Income Tax Act* and it:
 - was not used, or acquired for use or lease, for any purpose before you acquired it;
 - was acquired, by purchase or lease, or constructed by you after April 17, 2012, and before 2016; and
 - is used, or will be used, by you for data processing.
- Equipment is **data processing centre equipment** if it is (or would be, if you owned it) defined as prescribed machinery and equipment in subsection 4600(2) of the federal *Income Tax Regulations* for the purpose of the definition of **qualified property** in subsection 127(9) of the federal *Income Tax Act* or a property included in paragraph (o) of Class 12, in paragraph (c) of Class 17, or in Class 42 or 50 in Schedule II of the federal *Income Tax Act* and it:
 - was not used, or acquired for use or lease, for any purpose before you acquired it, unless you refurbished it when you acquired it;
 - was acquired, by purchase or lease, after April 17, 2012, and before 2016; and
 - has not been included in calculating your data processing equipment investment tax credit for any tax year; and
 - is situated in Manitoba and is used, or will be used, by you in connection with operating or maintaining a data processing building.
- For data processing centre equipment, **refurbished** means that at least 50% of the capital cost of the equipment is attributable to unused components installed since the equipment was last used or acquired for use or lease.
- A data processing building may be acquired or constructed and data processing centre equipment may be acquired after December 31, 2015, if it was acquired as a replacement for property for which the corporation was entitled to claim the credit.

Data processing equipment investment tax credit

- You can also use this schedule to claim a Manitoba **data processing equipment investment tax credit** under section 7.19 of the *Income Tax Act* (Manitoba). The credit is a refundable credit for eligible corporations equal to 8% of the cost of data processing equipment acquired by purchase or lease in the current tax year. To be eligible for this credit, the amount an eligible corporation invests in data processing equipment in the current tax year has to be at least \$10 million.
- You are an **eligible corporation** if you are a taxable Canadian corporation with a permanent establishment in Manitoba.
- Equipment is **data processing equipment** if it is (or would be, if you owned it) a property included in Class 46 or 50 in Schedule II of the federal *Income Tax Regulations* and it:
 - was acquired, by purchase or lease, after April 16, 2013, and before 2016;
 - was not used, or acquired for use or lease, for any purpose before you acquired it;
 - is not replacement property, as defined in subsection 7.19(2.1) of the *Income Tax Act* (Manitoba);
 - has not been included in calculating your data processing centre investment tax credit for any tax year; and
 - is situated in Manitoba and is used or will be used, exclusively or nearly exclusively, by you for the purpose of data processing.

General Information

- For these credits, **data processing** means the use of networked computers to centralize the storage, management, dissemination, or hosting of data or information and may include the use of one or more of the systems or equipment, listed under the definition in subsection 7.19(2) of the *Income Tax Act* (Manitoba), to support the networked computers.
- To claim these credits, the property has to be **available for use** by you in the tax year, according to subsections 13(27) and 13(28) of the federal *Income Tax Act*, **not including** the time just before you dispose of it under paragraphs 13(27)(c) and 13(28)(d).
- File your completed schedule with your *T2 Corporation Income Tax Return*. You have to file this schedule no later than **one year** after the filing due date of your *T2 Corporation Income Tax Return* for the tax year in which you acquired the property to claim these credits.
- These credits are considered government assistance under paragraph 12(1)(x) of the federal *Income Tax Act* and **must** be included in income in the tax year the credits are received. These credits are **not** considered government assistance under section 7.19 of the *Income Tax Act* (Manitoba) for calculating the credits themselves.
- When calculating your Manitoba data processing investment tax credits for a tax year, do not include any amount you used in claiming a tax credit under any other section of the *Income Tax Act* (Manitoba).

Corporation's name	Business number	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Tax year-end</td> </tr> <tr> <td style="text-align: center;">Year Month Day</td> </tr> <tr> <td style="text-align: center;"> </td> </tr> </table>	Tax year-end	Year Month Day	
Tax year-end					
Year Month Day					

Part 1 – Data processing buildings acquired by purchase or lease, or constructed in the current tax year

	1 CCA class	2 Description of data processing building	3 Acquisition date* YYYY/MM/DD	4 Capital cost**	5 Leasing cost**
	101		102	103	104
1					
2					
3					
4					
5					

If you need more space, attach additional schedules.

Totals for buildings acquired or constructed before July 1, 2013

Totals for buildings acquired or constructed after June 30, 2013

A	B
C	D

Total capital and leasing cost of data processing buildings acquired or constructed in the current tax year before July 1, 2013 (amount A plus amount B) **110** _____ E

Total capital and leasing cost of data processing buildings acquired or constructed in the current tax year after June 30, 2013 (amount C plus amount D) **111** _____ F

* The acquisition date is the date the property became available for use.

** When you calculate the capital cost or the leasing cost of a data processing building, deduct the amount of any government assistance received or receivable for the building.

Part 2 – Data processing centre equipment acquired by purchase or lease in the current tax year

	1 CCA class	2 Description of data processing centre equipment	3 Acquisition date* YYYY/MM/DD	4 Capital cost**	5 Leasing cost**
	201		202	203	204
1					
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					

If you need more space, attach additional schedules.

Totals for equipment acquired before July 1, 2013

Totals for equipment acquired after June 30, 2013

G	H
I	J

Total capital and leasing cost of data processing centre equipment acquired in the current tax year before July 1, 2013 (amount G plus amount H) **210** _____ K

Total capital and leasing cost of data processing centre equipment acquired in the current tax year after June 30, 2013 (amount I plus amount J) **211** _____ L

* The acquisition date is the date the property became available for use.

** When you calculate the capital cost or leasing cost of data processing centre equipment, deduct the amount of any government assistance received or receivable for the equipment.

Part 3 – Manitoba data processing centre investment tax credit

Data processing buildings credit

Credit earned in the current tax year before July 1, 2013 Amount E _____ × 4% = **300** _____ M
 Credit earned in the current tax year after June 30, 2013 Amount F _____ × 4.5% = **301** _____ N

Data processing centre equipment credit

Credit earned in the current tax year before July 1, 2013 Amount K _____ × 7% = **305** _____ O
 Credit earned in the current tax year after June 30, 2013 Amount L _____ × 8% = **306** _____ P
Manitoba data processing centre investment tax credit (total of amounts M to P) **310** _____ Q

Part 4 – Data processing equipment acquired by purchase or lease in the current tax year

1 CCA class 401	2 Description of data processing equipment	3 Acquisition date* YYYY/MM/DD 402	4 Capital cost** 403	5 Leasing cost** 404
1				
2				
3				
4				
5				
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
If you need more space, attach additional schedules.			Totals	

Total capital cost of data processing equipment acquired in the current tax year (total of column 4) _____ R
 Total leasing cost of data processing equipment acquired in the current tax year (total of column 5) _____ S
Total capital and leasing cost of data processing equipment
acquired in the current tax year (must be at least \$10 million) (amount R plus amount S) **410** _____ T

* The acquisition date is the date the property became available for use.

** When you calculate the capital cost or leasing cost of data processing equipment, deduct the amount of any government assistance received or receivable for the equipment.

Part 5 – Manitoba data processing equipment investment tax credit

Manitoba data processing equipment investment tax credit Amount T _____ × 8% = **500** _____ U

Part 6 – Manitoba data processing investment tax credits

Manitoba data processing centre investment tax credit (Amount Q) _____ V
 Manitoba data processing equipment investment tax credit (Amount U) _____ W
Manitoba data processing investment tax credits (Amount V plus Amount W) _____ X
 (enter amount X on line 324 of Schedule 5, *Tax Calculation Supplementary – Corporations*)