Name of corporation	Business Number	Tax year-end Year	Month	Day

- Use this schedule if you are a corporation (other than one that is exempt from tax under section 149 of the federal *Income Tax Act*) that has acquired qualified property in the current year for use in Saskatchewan, and you want to claim a Saskatchewan manufacturing and processing investment tax credit.

- Qualified property, as defined in subsections 127(9), (11), and (11.1) of the federal Act, was not used, or acquired for use or lease, for any purpose before it was acquired by the corporation. The federal definition of qualified property is altered for the Saskatchewan investment tax credit by including property eligible under paragraph (c) of class 43.1 of Schedule II of the federal *Income Tax Regulations*.

- The capital cost of qualified property is determined without reference to subsection 13(7.1) of the federal Act. The qualified property has to be used by the corporation in Saskatchewan mainly for manufacturing or processing goods for sale or lease. Property leased by the corporation to a lessee (other than a person exempt from tax under section 149 of the federal Act) may also qualify for the credit.

- Manufacturing or processing is defined in subsection 125.1(3) of the federal Act and includes qualified activities as defined by section 5202 of the federal *Income Tax Regulations*. The federal definition of manufacturing or processing is altered for the Saskatchewan investment tax credit by excluding paragraph (h).

- The credit earned on qualified property acquired before April 7, 2006, is not refundable. You can:
    – claim the credit to reduce Saskatchewan income tax otherwise payable in the current tax year;
    – request a carryback to reduce Saskatchewan income tax payable in any of the three previous tax years;
    – carry a credit forward to subsequent tax years; or
    – renounce the credit.

- Previously, the carry-forward period was seven years. Now, an unused credit that did not expire before April 7, 2006, has a carry-forward period of 10 years.

- The non-refundable credit may be renounced but must include all current year credits; partial renouncements are not permitted. The renouncement must be filed on or before the filing due date of the federal *T2 Corporation Income Tax Return*.

- The credit earned on qualified property acquired after April 6, 2006, cannot be carried back or carried forward. You can claim the credit to reduce Saskatchewan income tax otherwise payable in the current tax year, and any excess will be refunded.

- Use this schedule to show a credit transfer following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1) of the federal Act. You can also use this schedule to show the credit allocated from a trust or a partnership.

- File one completed copy of this schedule with your *T2 Corporation Income Tax Return*.

Part 1 – Qualified property (acquired in current tax year) eligible for the credit

101 CCA class no.	Description of qualified property	102 Acquisition date Year	Month	Day	103 Capital cost

Total capital cost (attach an additional schedule if space is insufficient) .... A

Total capital cost of property acquired after March 31, 2004, and before April 7, 2006 .... B

Total capital cost of property acquired after April 6, 2006, and before October 28, 2006 C

Total capital cost of property acquired after October 27, 2006 .... D

Part 2 – Calculation of credit available for the year and credit available for carryforward

Credit at the end of the preceding tax year ....

Deduct: Credit expired* **104**

Credit at the beginning of the tax year .... **105** ▶

Add:

Credit transferred on an amalgamation or the wind-up of a subsidiary **110**

Qualified property acquired in the current tax year after March 31, 2004, and before April 7, 2006:

    Amount B above: _____ x 7% = ... **123**

Credit earned before April 7, 2006, allocated from a partnership **130**

Credit earned before April 7, 2006, allocated from a trust **140**

               Subtotal ▶ E

Total credit available ....

Deduct: Credit renounced **150**

       Credit claimed in the current year (enter on line 630 in Part 2 of Schedule 5) ... **160**

       Credit carried back to preceding tax year(s) (complete Part 4) .... F

              Subtotal ▶

Closing balance **200**

* The carry-forward period for a credit earned in the current tax year from qualified property acquired before April 7, 2006, and an unused credit earned in the 7 preceding tax years ending before April 7, 2006, has now been extended to 10 years. A credit earned in a tax year ending before April 7, 1999, had a carry-forward period of seven years and is now expired.

Part 3 – Calculation of Saskatchewan refundable manufacturing and processing investment tax credit

Qualified property acquired in the current tax year:

After April 6, 2006, and before October 28, 2006 (amount C from Part 1) . . . . . _____ x 7% = **220** _____

After October 27, 2006 (amount D from Part 1) . . . . _____ x 5% = **225** _____

Credit earned after April 6, 2006, allocated from a partnership . . . . **230** _____

Credit earned after April 6, 2006, allocated from a trust . . . . **240** _____

Saskatchewan refundable manufacturing and processing investment tax credit (total of lines 220, 225, 230, and 240) . . . . _____ G

Enter the amount G on line 644 of Schedule 5.

Part 4 – Request for carryback of credit

Complete this part to request a carryback of a current year credit earned.

Credits earned after April 6, 2006, cannot be carried back as they are refundable in the year.

	Tax year in which to apply the credit				Amount to be applied
	Year	Month	Day		
1st preceding tax year ending on				. . . . **901**	_____
2nd preceding tax year ending on				. . . . **902**	_____
3rd preceding tax year ending on				. . . . **903**	_____

Total (enter on line F in Part 2) _____

Part 5 – Analysis of credit available for carryforward by year of origin

Credits earned in a tax year ending before April 7, 1999, had a carry-forward period of seven years and are now expired.

Credits earned in the current tax year from qualified property acquired before April 7, 2006, as well as unused credits earned in the 7 preceding tax years ending before April 7, 2006, are available to be carried forward for 10 years.

You can complete this part to show all the credits available for a carry-forward period of 10 years, by year of origin. This will help you determine the amount of credit that could expire in following years.

	Year of origin				Credit available for carryforward
	Year	Month	Day		
10th preceding tax year ending on				. . . .	_____
9th preceding tax year ending on				. . . .	_____
8th preceding tax year ending on				. . . .	_____
7th preceding tax year ending on				. . . .	_____
6th preceding tax year ending on				. . . .	_____
5th preceding tax year ending on				. . . .	_____
4th preceding tax year ending on				. . . .	_____
3rd preceding tax year ending on				. . . .	_____
2nd preceding tax year ending on				. . . .	_____
1st preceding tax year ending on				. . . .	_____
Current tax year ending on				. . . .	_____

Total (equal to line 200 in Part 2) _____