

# MINIMUM TAX SUPPLEMENT – MULTIPLE JURISDICTIONS

Use this form to calculate your 1997 minimum tax if **either** of the following apply:

- you resided in a province or territory on December 31, 1997 (if you ceased to reside in Canada during 1997, use the last day you resided in Canada), and all or part of your business income for the year was earned and is allocable to a permanent establishment outside that province or territory, or outside Canada; **or**
- you were a non-resident throughout 1997 carrying on business in any province or territory.

Attach a completed copy of this form to your 1997 income tax return. Also attach a completed Form T691, *Calculation of Minimum Tax*. If you need to allocate your federal forward-averaging tax credit, attach a completed Form T2203A, *Forward-Averaging Supplement for 1997 – Multiple Jurisdictions*.

## Part 1 – Income allocated to various jurisdictions

Net income from line 236 of your return .....		<b>1</b>
Business income earned in the year: Add self-employment income from lines 135 to 143 of your return, and business income from a partnership from line 122 of your return (exclude losses) .....	–	<b>2</b>
Excess income: Line 1 minus line 2 (if negative, enter "0") .....	=	<b>3</b>

**In column 2**, allocate the amount from line 2 to each province and territory where you had a permanent establishment in 1997. Refer to Part XXVI of the *Income Tax Regulations* if you need instructions. If you are a resident of Quebec, you must allocate to Quebec any business income you earned outside Canada in the year.

**In column 3**, allocate to your province or territory of residence the amount from line 3, if any.

**In column 4**, add columns 2 and 3. If the amount from line 1 is less than the amount from line 2, determine the percentage of income allocation in column 2, apply it to the amount from line 1, and enter the result in column 4.

**In column 5**, determine the percentage for each jurisdiction based on of the income you allocated in column 4.

Column 1	Column 2	Column 3	Column 4	Column 5
Jurisdiction	Allocating business income earned in the year (line 2)	Excess income (line 3)	Income allocated to jurisdiction (column 2 plus column 3)	% of income allocated to jurisdiction
Newfoundland				
Prince Edward Island				
Nova Scotia				
New Brunswick				
Quebec				
Ontario				
Manitoba				
Saskatchewan				
Alberta				
British Columbia				
Yukon Territory				
Northwest Territories				
Other (outside Canada)				
<b>Totals</b>				<b>100%</b>

## Part 2 – Federal surtax, refundable Quebec abatement, and federal individual surtax

Basic federal tax for the year from line 78 of Form T691 .....

### Allocating basic federal tax to jurisdictions

Allocate "Basic federal tax" (line 4) to each jurisdiction using the percentage determined in column 5 in the table above.

_____ % to Newfoundland .....	_____ % to Saskatchewan .....
_____ % to Prince Edward Island .....	_____ % to Alberta .....
_____ % to Nova Scotia .....	_____ % to British Columbia .....
_____ % to New Brunswick .....	_____ % to the Yukon Territory .....
_____ % to Quebec .....	_____ % to the Northwest Territories .....
_____ % to Ontario .....	_____ % to Other (outside Canada) .....
_____ % to Manitoba .....	

### Federal surtax

Multiply the basic federal tax allocated to "Other" in the chart above by 52%. Enter the result on line 80 of Form T691 .....

### Refundable Quebec abatement

Multiply the basic federal tax allocated to Quebec in the chart above by 16.5%. Enter this amount on line 440 of your return. If you have to complete Form T2203A, enter this amount on line 9 of that form. Do **not** enter it on line 440 of your return.

## Part 2 – Federal surtax, refundable Quebec abatement, and federal individual surtax (continued)

### Federal individual surtax

Basic federal tax from line 4	_____	7	
Adjusted federal forward-averaging tax credit from line 4 of Form T2203A	- _____	8	
Line 7 minus line 8 (if negative, enter "0")	= _____		9
Line 9 _____ x 3% =	_____	10	
(Line 9 _____ minus \$12,500) x 5% =	+ _____	11	
Individual surtax: Add line 10 and line 11	= _____		12
Line 22 in Part 2 of Form T2209 minus amount C in Part 3 of Form T691 (if negative, enter "0")	- _____		13
Line 12 minus line 13	= _____		14
Additional investment tax credit from Section II of Form T2038(IND)	- _____		15
Line 14 minus line 15. Enter the result on line 419 of your return	= _____		16

## Part 3 – Provincial and territorial tax

### Newfoundland

If you made a forward-averaging election, calculate your Newfoundland tax on Form T2203A and enter the result on line 17 below.

Multiply basic federal tax allocated to Newfoundland (from the chart in Part 2) by 69%	_____	A	
Newfoundland surtax: (line A _____ minus \$7,900) x 10% =	+ _____		
Adjusted Newfoundland income tax	= _____		
<b>Residents of Newfoundland:</b> Provincial foreign tax credit, if any, from Form T2036	- _____		
Newfoundland tax	= _____		17

### Prince Edward Island

If you made a forward-averaging election, calculate your P.E.I. tax on Form T2203A and enter the result on line 18 below.

Multiply basic federal tax allocated to P.E.I. (from the chart in Part 2) by 59.5%	_____	B	
P.E.I. surtax: (line B _____ minus \$5,200) x 10% =	+ _____		
Adjusted Prince Edward Island income tax	= _____		
<b>Residents of Prince Edward Island:</b> Provincial foreign tax credit, if any, from Form T2036	- _____		
Prince Edward Island tax	= _____		18

### Nova Scotia

If you made a forward-averaging election, calculate your adjusted Nova Scotia income tax on Form T2203A and enter the result on line 19 below.

Multiply basic federal tax allocated to Nova Scotia (from the chart in Part 2) by 58.5%	_____	C	
Nova Scotia surtax: (line C _____ minus \$10,000) x 10% =	+ _____		
Adjusted Nova Scotia income tax *	= _____		19

\* **Residents of Nova Scotia:** Enter this amount on line 5 of Form T1C (N.S.) TC. Use that form to complete the calculation of Nova Scotia tax, and enter the result on line 19 above.

### New Brunswick

If you made a forward-averaging election, calculate your New Brunswick tax on Form T2203A and enter the result on line 20 below.

Multiply basic federal tax allocated to New Brunswick (from the chart in Part 2) by 63%	_____	D	
New Brunswick surtax: (line D _____ minus \$13,500) x 8% =	+ _____		
Adjusted New Brunswick income tax	= _____		
<b>Residents of New Brunswick:</b> Provincial foreign tax credit, if any, from Form T2036	- _____		
New Brunswick tax	= _____		20

### Ontario

If you made a forward-averaging election, calculate your adjusted Ontario tax on Form T2203A and enter the result on line 21 below.

Multiply basic federal tax allocated to Ontario (from the chart in Part 2) by 48%	_____	E	
Ontario Fair Share Health Care Levy:			
(line E _____ minus \$4,555) x 20% =	+ _____		
(line E _____ minus \$6,180) x 26% =	+ _____		
Adjusted Ontario tax *	= _____		21

\* **Residents of Ontario:** Enter this amount on line 7 of Form T1C (ONT.) TC. Use that form to complete the calculation of Ontario tax, and enter the result on line 21 above.

### Part 3 – Provincial and territorial tax (continued)

#### Manitoba

Multiply basic federal tax allocated to Manitoba (from the chart in Part 2) by 52%	_____	_____
Manitoba net income tax: Multiply net income allocated to Manitoba (Part 1, column 4) by 2% *	+	_____
Enter this amount on line 10 on Form T1C (MAN.) TC	=	_____
Complete the calculation of Manitoba tax on Form T1C (MAN.) TC ** and enter the result here		_____   22

- \* **Residents of Manitoba:** Reduce net income allocated to Manitoba by any amount you deducted on line 250 of your return and by any foreign income exempt under a tax treaty that you included on line 256 of your return.
- \*\* **Residents of Manitoba:** Adjusted net income for the Manitoba surtax calculation on Form T1C (MAN.) TC is net income you allocated to Manitoba minus any amount you deducted on line 250 of your return and any foreign income exempt under a tax treaty that you included on line 256 of your return.  
**All others:** Adjusted net income for the Manitoba surtax calculation on Form T1C (MAN.) TC is net income you allocated to Manitoba. When calculating Manitoba tax, do not claim the provincial foreign tax credit. Prorate the Manitoba tax reduction based on the percentage of net income you allocated to Manitoba.

#### Saskatchewan

Multiply basic federal tax allocated to Saskatchewan (from the chart in Part 2) by 50%	_____	_____
Saskatchewan flat tax: Multiply net income allocated to Saskatchewan (Part 1, column 4) by 2% *	+	_____
Basic Saskatchewan tax	=	_____ F
Multiply line F by 10%		_____
Reduction amount	-	150 00
Debt reduction surtax	=	_____
High income surtax: (line F _____ minus \$4,000) x 15% =	+	_____
Adjusted Saskatchewan tax **	=	_____ ▶   23

- \* **Residents of Saskatchewan:** Reduce net income allocated to Saskatchewan by any amount you deducted on line 250 of your return and by any foreign income exempt under a tax treaty that you included on line 256 of your return.
- \*\* **Residents of Saskatchewan:** Enter this amount on line 15 of Form T1C (SASK.). Use that form to complete the calculation of Net Saskatchewan tax, and enter the result on line 23 above.

#### Alberta

Multiply basic federal tax allocated to Alberta (from the chart in Part 2) by 45.5%	_____	_____
Alberta surtax: (line G _____ minus \$3,500) x 8% =	+	_____
Alberta flat rate tax: Multiply taxable income allocated to Alberta by 0.5% or 0.005 *	+	_____
Add the above three lines. Enter this amount on line 8 of Form T1C (ALTA.)	=	_____
Complete the calculation of Alberta tax on Form T1C (ALTA.) ** and enter the result here		_____   24

- \* **Taxable income allocated to Alberta:** Multiply your taxable income on line 260 of your return by the percentage you allocated to Alberta in Part 1, column 5.
- \*\* **If you were not a resident of Alberta,** do not claim the Alberta selective tax reduction or the provincial foreign tax credit when calculating Alberta tax.

#### British Columbia

If you made a forward-averaging election, calculate your B.C. tax on Form T2203A and enter the result on line 25 below.

Multiply basic federal tax allocated to British Columbia (from the chart in Part 2) by 51%	_____	_____
<b>Residents of British Columbia:</b> Provincial foreign tax credit, if any, from Form T2036	-	_____
Adjusted British Columbia income tax: Enter this amount on line 5 of Form T1C (B.C.) TC	=	_____
Complete the calculation of British Columbia tax on Form T1C (B.C.) TC and enter the result here		_____   25

#### Yukon Territory

If you made a forward-averaging election, calculate your Yukon Territory tax on Form T2203A and enter the result on line 26 below.

Multiply basic federal tax allocated to Yukon Territory (from the chart in Part 2) by 50%	_____	_____
Yukon Territory surtax: (line H _____ minus \$6,000) x 5% =	+	_____
Adjusted Yukon Territory tax	=	_____
<b>Residents of the Yukon Territory:</b> Territorial foreign tax credit, if any, from Form T2036	-	_____
Yukon Territory tax	=	_____ ▶   26

#### Northwest Territories

Multiply basic federal tax allocated to Northwest Territories (from the chart in Part 2) by 45%	_____	_____
<b>Residents of the Northwest Territories:</b> Territorial foreign tax credit, if any, from Form T2036	-	_____
Northwest Territories tax	=	_____ ▶   27

#### Provincial tax

Add lines 17 to 27. Enter this amount on line 428 of your return	=	_____   28
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