



PRINCE EDWARD ISLAND CORPORATE INVESTMENT TAX CREDIT

| | | |
|---------------------|----------------|---|
| Name of corporation | Account number | Taxation year-end Day Month Year |
|---------------------|----------------|---|

- For use by corporations who have acquired qualified property after December 31, 1992 to reduce Prince Edward Island tax payable. Qualified property is machinery and equipment prescribed for the purposes of paragraph (b) of the definition "qualified property" in subsection 127(9) of the federal *Income Tax Act*. 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 Prince Edward Island primarily for the purpose of manufacturing or processing of goods for sale or lease. Property leased by the corporation to a lessee may also qualify for the credit. Manufacturing or processing is defined in subsection 125.1(3) of the *Income Tax Act* and includes qualified activities as defined by Regulation 5202 of the *Income Tax Regulations*.
- The credit is eligible for a seven year carry-forward and a three year carry-back. The credit cannot be carried back to any taxation year ending before 1993.
- Use this form to show a credit transfer following an amalgamation or wind-up of a subsidiary as described under subsections 87(1) and 88(1) of the federal Act. This form can also be used to show the credit allocated from a trust or a partnership.
- File one completed copy of this form with the corporation's *T2 Corporation Income Tax Return*.

Calculation of Prince Edward Island corporate investment tax credit

Box 1 - Qualified property eligible for the credit

| CCA class no. | Description of qualified property | Acquisition date | | | Capital cost | |
|----------------|-----------------------------------|------------------|-------|------|--------------|-----|
| | | Day | Month | Year | | |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| Total ▶ | | | | | | (A) |

(Attach a schedule if space is insufficient)
Enter amount A on line 760 of Schedule T2S-TC

Box 2 - Calculation of available credit and carry-forward

| | | | |
|---|-------|-----|-----|
| Credit at end of preceding taxation year | _____ | (B) | |
| Deduct: Credit expired after 7 taxation years | _____ | (C) | |
| Credit at beginning of taxation year | _____ | | (D) |
| Add: | | | |
| Current year credit - Amount A from above X 10% = | _____ | (E) | |
| Credit transferred on amalgamation or wind-up of subsidiary | _____ | (F) | |
| Credit allocated from a partnership | _____ | (G) | |
| Credit allocated from a trust | _____ | (H) | |
| Subtotal | _____ | | (I) |
| Total credit available | _____ | | (J) |
| Deduct: | | | |
| Credit claimed in the current year (enter on line 763 of Schedule T2S-TC) | _____ | (K) | |
| Credit carried back to preceding taxation year(s) | _____ | (L) | |
| Subtotal | _____ | | (M) |
| Credit available for carry-forward to next year | _____ | | (N) |
| (complete Box 4) | | | |

Box 3 - Request for carry-back of credit

I hereby request a carry-back of the Prince Edward Island corporate investment tax credit to be applied as follows:

| | | | | |
|---|----------|-------|----------------------|-------|
| 3rd preceding taxation year | 19 _____ | | Credit to be applied | _____ |
| 2nd preceding taxation year | 19 _____ | | Credit to be applied | _____ |
| 1st preceding taxation year | 19 _____ | | Credit to be applied | _____ |
| Total (enter on line L in Box 2) | | | | _____ |

Sign here only if you are not filing this form with a signed T2 return.

| | | |
|------|--------------------------------|--------------------|
| Date | Signature of authorized person | Position or office |
|------|--------------------------------|--------------------|

Box 4 - Analysis of credit available for carry-forward by year of origin

| Year of origin (earliest year first) | Credit available | Year of origin (earliest year first) | Credit available |
|--------------------------------------|------------------|---|------------------|
| 19 _____ | _____ | 19 _____ | _____ |
| 19 _____ | _____ | 19 _____ | _____ |
| 19 _____ | _____ | 19 _____ | _____ |
| 19 _____ | _____ | Total (equals amount N in Box 2) | |
| | | | _____ |

