



# NOVA SCOTIA MANUFACTURING AND PROCESSING INVESTMENT TAX CREDIT

|                           |                       |   |
|---------------------------|-----------------------|---|
| Name of corporation _____ | Business Number _____ | Taxation year end<br>Day _____ Month _____ Year _____ |
|---------------------------|-----------------------|---|

- This form is for use by corporations who have acquired qualified property after December 31, 1996, and before January 1, 2003, and wish to reduce Nova Scotia tax payable. Qualified property is defined in subsection 13G(1) of the Nova Scotia *Income Tax Act* and in subsection 127(9) and related subsections 127(11) and (11.1) of the federal *Income Tax Act*. Deduct the amount of any government assistance or non-government assistance in calculating the capital cost of qualified property.
- The qualified property has to be used by the corporation in Nova Scotia primarily for the purpose of manufacturing or processing goods for sale or lease. Property leased by the corporation to a lessee for this purpose may also qualify for the credit. See subsection 125.1(3) of the federal *Income Tax Act* and section 5202 of the federal *Income Tax Regulations*, to determine if the corporation's activities are considered manufacturing and processing.
- You can renounce the credit in whole or in part. The renouncement must be made in the year the credit was earned or acquired, and filed on or before the filing due date of the federal *T2 Corporation Income Tax Return*.
- The credit is eligible for a seven year carry-forward and a three year carry-back. You cannot carry the credit back to any taxation year ending before January 1, 1997.
- Use this form to show a credit transfer after an amalgamation or wind-up of a subsidiary, as described under subsections 87(1) and 88(1) of the federal *Income Tax Act*. You can also use this form to show the credit allocated from a trust or a partnership.
- File one completed copy of this form with your *T2 Corporation Income Tax Return*.

### Part 1 – Qualified property eligible for the credit

| CCA class no.  | Description of qualified property | Acquisition date |       |      | Capital cost                                 |
|--|-----------------------------------|------------------|-------|------|--|
|  |                                   | Day              | Month | Year |  |
|  |                                   |                  |       |      |  |
|  |                                   |                  |       |      |  |
| Enter amount A on line 780 of Schedule T2S-TC (attach a schedule if space is insufficient) |                                   |                  |       |      | Total ► <span style="float: right;">A</span> |

### Part 2 – Calculation of total credit available and credit available for carry-forward

|   |       |   |   |
|---|-------|---|---|
| Credit at end of preceding taxation year .....                                  | _____ | B |   |
| Deduct: Credit expired after seven taxation years .....                         | _____ | C |   |
| Credit at beginning of taxation year .....                                      | _____ | ► | D |
| <b>Add:</b>   |       |   |   |
| Current year credit earned: ..... Amount A from above _____ x 30% =             | _____ | 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 |
| <b>Total credit available</b> .....   | _____ |   | J |
| <b>Deduct:</b>  |       |   |   |
| Credit renounced (complete Part 3 below) .....                                  | _____ | K |   |
| Credit claimed in the current year (enter on line 783 of Schedule T2S-TC) ..... | _____ | L |   |
| Credit carried back to preceding taxation year(s) (complete Part 4) .....       | _____ | M |   |
| Subtotal  | _____ | ► | N |
| <b>Credit available for carry-forward to next year</b> (complete Part 5) .....  | _____ |   | O |

### Part 3 – Renouncement of credit

The corporation hereby renounces, under subsection 13G(9) of the Nova Scotia *Income Tax Act*, all entitlement to the Nova Scotia manufacturing and processing investment tax credit entered on line K above.

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

### Part 4 – Request for carry-back of credit

I hereby request a carry-back of the Nova Scotia manufacturing and processing 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 M in Part 2) |                |                            | _____ |

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

### Part 5 – 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 O in Part 2)    |                  |
|                                      |                  | _____                                |                  |