



FEDERAL AND PROVINCIAL OR TERRITORIAL CAPITAL GAINS REFUND
(1998 and later taxation years)

Name of corporation	Business number	Taxation year end		
		Year	Month	Day

- Use this schedule if you are an investment corporation or a mutual fund corporation to compute the federal capital gains refund and the provincial and territorial capital gains refund (except for Quebec, Ontario, and Alberta).
- The expressions "investment corporation" and "taxed capital gains" are defined in subsection 130(3), the expression "mutual fund corporation" is defined in subsection 131(8), and the expressions "refundable capital gains tax on hand" and "capital gains redemptions" are defined in subsection 131(6) of the *Income Tax Act*.
- File this schedule with the *T2 Corporation Income Tax Return*. For more information, refer to the *T2 Corporation Income Tax Guide*.

Refundable capital gains tax on hand (RCGTOH)

RCGTOH at end of previous year	101	\$ _____	A
Taxable income for the year		x 28% = _____	B
Taxed capital gains for the year	120	x 28% = _____	C
Part I taxes payable excluding corporate surtax		_____	D
The least of amounts B, C, and D		_____	E
RCGTOH amount transferred on amalgamation (for Mutual fund and investment corporations)	144	_____	F
Sub-total (A + E + F)		\$ _____	G
Less: Federal capital gains refund for previous taxation year	151	_____	H
RCGTOH at end of year (before capital gains refund for the year) (G - H)	160	\$ _____	I

Capital gains redemptions for the year

Amount I		\$ _____	x 100/21 =	\$ _____	J
Plus: Fair market value of all issued shares	162	\$ _____			K
All debts or other obligations owing	164	_____			L
Sub-total (K + L)		_____	▶	_____	M
Less: Cost amount of all property	166	_____			N
Cash on hand	168	_____			O
Sub-total (N + O)		_____	▶	_____	P
Sub-total (M - P) (if negative, enter "0")		_____	▶	_____	Q
Net total at end of year (J + Q)		\$ _____			R
Amount paid in the year to redeem shares	169	_____			S
Capital gains redemptions for the year					
	S	x	R	=	170
	S	+	K		T

Federal capital gains refund for the year *

Capital gains dividends paid in the period commencing 60 days after the commencement of the year and ending 60 days after the end of the year	180	\$ _____	
Capital gains redemptions for the year (amount T)		_____	
Total		\$ _____	U
21% (tax rate) of amount U		\$ _____	V
Federal capital gains refund for the year – the lesser of U and V	190	\$ _____	W

(Enter amount W on line 788, page 6 of the T2 return)

* The corporation must either be an investment corporation or a mutual fund corporation throughout a taxation year to obtain a refund (subsections 130(2) and 131(2) of the *Income Tax Act*.)

Provincial or territorial capital gains refund for the year

Provincial or territorial code							Capital gains refund
200							210
XO Newfoundland Offshore *			Federal capital gains refund for the year (amount W)		Newfoundland Offshore income tax rate	=	\$
	Newfoundland Offshore taxable income	x		x			
	Total taxable income				28		
NF Newfoundland *			Federal capital gains refund for the year (amount W)		Newfoundland income tax rate	=	\$
	Newfoundland taxable income	x		x			
	Total taxable income				28		
PE Prince Edward Island			Federal capital gains refund for the year (amount W)		Prince Edward Island income tax rate	=	\$
	Prince Edward Island taxable income	x		x			
	Total taxable income				28		
NO Nova Scotia Offshore			Federal capital gains refund for the year (amount W)		Nova Scotia Offshore income tax rate	=	\$
	Nova Scotia Offshore taxable income	x		x			
	Total taxable income				28		
NS Nova Scotia			Federal capital gains refund for the year (amount W)		Nova Scotia income tax rate	=	\$
	Nova Scotia taxable income	x		x			
	Total taxable income				28		
NB New Brunswick			Federal capital gains refund for the year (amount W)		New Brunswick income tax rate	=	\$
	New Brunswick taxable income	x		x			
	Total taxable income				28		
MB Manitoba *			Federal capital gains refund for the year (amount W)		Manitoba income tax rate	=	\$
	Manitoba taxable income	x		x			
	Total taxable income				28		
SK Saskatchewan			Federal capital gains refund for the year (amount W)		Saskatchewan income tax rate	=	\$
	Saskatchewan taxable income	x		x			
	Total taxable income				28		
BC British Columbia			Federal capital gains refund for the year (amount W)		British Columbia income tax rate	=	\$
	British Columbia taxable income	x		x			
	Total taxable income				28		
NT Northwest Territories			Federal capital gains refund for the year (amount W)		Northwest Territories income tax rate	=	\$
	Northwest Territories taxable income	x		x			
	Total taxable income				28		
YT Yukon			Federal capital gains refund for the year (amount W)		Yukon income tax rate	=	\$
	Yukon taxable income	x		x			
	Total taxable income				28		

* For Newfoundland and Manitoba the capital gains refund as calculated above, cannot exceed the lesser of:
 – Newfoundland or Manitoba tax otherwise payable at line 209 or 234, respectively, on Schedule 5;
 – the taxed capital gains at line 120 on page 1 times the Newfoundland or Manitoba income tax rate; or
 – Newfoundland or Manitoba taxable income times the Newfoundland or Manitoba income tax rate.

Total of provincial or territorial capital gains refund for the year **290** \$ _____
 (Enter this amount on line 808, page 6 of the T2 return)