





**Part 3 – Calculation of Nova Scotia tax before credits and the Nova Scotia offshore tax**

**Nova Scotia tax at the lower rate:**

Amount E1	_____	x	$\frac{\text{Days in the taxation year before April 1, 2005}}{\text{Days in the taxation year}}$	x 5% =	_____	AA	
Amount E2	_____	x	$\frac{\text{Days in the taxation year after March 31, 2005 and before April 1, 2006}}{\text{Days in the taxation year}}$	x 5% =	_____	BB	
Amount E3	_____	x	$\frac{\text{Days in the taxation year after March 31, 2006}}{\text{Days in the taxation year}}$	x 5% =	_____	CC	
Subtotal (total of amounts AA, BB, and CC)						<u>                    </u> ▶	_____ DD

**Nova Scotia tax at the higher rate:**

Amount F1	_____	x	$\frac{\text{Days in the taxation year before April 1, 2005}}{\text{Days in the taxation year}}$	x 16% =	_____	EE	
Amount F2	_____	x	$\frac{\text{Days in the taxation year after March 31, 2005 and before April 1, 2006}}{\text{Days in the taxation year}}$	x 16% =	_____	FF	
Amount F3	_____	x	$\frac{\text{Days in the taxation year after March 31, 2006}}{\text{Days in the taxation year}}$	x 16% =	_____	GG	
Sutotal (total of amounts EE, FF, and GG)						<u>                    </u> ▶	_____ HH

**Nova Scotia tax** (amount DD **plus** amount HH) ..... \_\_\_\_\_ **II**

**Only one jurisdiction**

If the taxable income is allocated only to Nova Scotia or to Nova Scotia offshore, and the corporation is **not** claiming a Nova Scotia tax credit, enter amount II on line 760 of the T2 return. If the corporation is claiming a credit, enter amount II on line 215 or 220 of Schedule 5, whichever applies.

**Jurisdictions in both Nova Scotia and Nova Scotia offshore**

If the corporation has taxable income allocated to both Nova Scotia and its offshore area, calculate the following:

Amount II	_____	x	$\frac{\text{Taxable income for Nova Scotia offshore}}{\text{Taxable income for Nova Scotia plus taxable income for Nova Scotia offshore}}$	=	.....	_____ JJ
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**Nova Scotia offshore tax** – enter amount JJ on line 220 of Schedule 5.

**Nova Scotia tax before credits** (amount II **minus** amount JJ) .....                      **KK**

Enter amount KK on line 215 of Schedule 5.