



## Nova Scotia Corporation Tax Calculation (2019 and later tax years)

Corporation's name	Business number	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Tax year-end</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Year</td> <td style="text-align: center;">Month</td> <td style="text-align: center;">Day</td> <td></td> </tr> <tr> <td style="text-align: center;">     </td> <td style="text-align: center;">   </td> <td style="text-align: center;">     </td> <td style="text-align: center;"> </td> </tr> </table>	Tax year-end				Year	Month	Day					
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- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Nova Scotia, and had taxable income earned in the year in Nova Scotia and its offshore area.
- This schedule is a worksheet only and does not have to be filed with your T2 Corporation Income Tax Return.

### Part 1 – Income subject to the lower and higher tax rate for Nova Scotia and its offshore area

Taxable income for Nova Scotia <sup>Note 1</sup> .....		1A
<b>Income eligible for the lower tax rate for Nova Scotia and its offshore area:</b>		
Line 400 of the T2 return .....		1B
Line 405 of the T2 return .....		1C
Line 427 or 428 of the T2 return <sup>Note 2</sup> .....		1D
Amount 1B, 1C, or 1D, whichever is the least .....		1E
Amount 1E _____ × $\frac{\text{Taxable income for Nova Scotia } \text{Note 1}}{\text{Taxable income for all provinces } \text{Note 3}}$ _____ = .....		1F
<b>Income subject to the higher tax rate for Nova Scotia and its offshore area</b> (amount 1A minus amount 1F) .....		1G

**Note 1** If your corporation had a permanent establishment only in Nova Scotia or in the offshore area of Nova Scotia, enter the taxable income from line 360 of the T2 return. Otherwise, enter the total of the taxable incomes allocated to both jurisdictions in Nova Scotia (the province itself and the offshore area) from column F in Part 1 of Schedule 5, Tax Calculation Supplementary – Corporations.

**Note 2** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

**Note 3** Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

### Part 2 – Nova Scotia tax before credits and Nova Scotia offshore tax

<b>Tax at the lower rate for Nova Scotia and its offshore area:</b>		
Amount 1F _____ × 3% .....		2A
<b>Tax at the higher rate for Nova Scotia and its offshore area:</b>		
Amount 1G _____ × 16% .....		2B
<b>Tax for Nova Scotia and its offshore area</b> (amount 2A plus amount 2B) .....		2C
<b>Only one jurisdiction</b>		
If your taxable income is allocated only to Nova Scotia or to Nova Scotia offshore, and your corporation is not claiming a Nova Scotia tax credit, enter amount 2C on line 760 of the T2 return. If your corporation is claiming a credit, enter amount 2C on line 215 or 220 of Schedule 5, whichever applies.		
<b>Jurisdictions in both Nova Scotia and Nova Scotia offshore</b>		
If your corporation has taxable income allocated to both Nova Scotia and its offshore area, calculate the following:		
Amount 2C _____ × $\frac{\text{Taxable income for Nova Scotia offshore}}{\text{Taxable income for Nova Scotia plus taxable income for Nova Scotia offshore}}$ _____ = .....		2D
<b>Nova Scotia offshore tax</b> – enter amount 2D on line 220 of Schedule 5.		
<b>Nova Scotia tax before credits</b> (amount 2C minus amount 2D) .....		2E
Enter amount 2E on line 215 of Schedule 5.		