



Ministry of Finance  
Corporations Tax  
33 King Street West  
PO Box 620  
Oshawa ON L1H 8E9

# 2000 CT23 Short-Form Corporations Tax and Annual Return

Corporations Tax Act - Ministry of Finance (MOF)  
Corporations Information Act - Ministry of Government Services (MGS)

This return is a combination of the Ministry of Finance (MOF) CT23 Short-Form Corporations Tax Return and the Ministry of Government Services (MGS) Annual Return. Page 1 is a common page required for both returns. In addition, depending on which criteria the corporation satisfies, it must complete either the Exempt from Filing (EFF) declaration on page 2 or file the CT23 Short-Form Return on pages 3 - 6. Corporations that do not meet the EFF or Short-Form criteria, must file the regular CT23 return.

The Annual Return (common page 1 and MGS Schedules A or K on pages 7 and 8) contains non-tax information collected under the authority of the Corporations Information Act for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MGS Annual Return Required? (Refer to guide) Yes  No

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Ministry Use

Corporation's Legal Name (including punctuation) and Mailing Address

Ontario Corporations Tax Account No. (MOF)

This CT23 Return covers the Taxation Year

Start  year  month  day

End  year  month  day

Has address changed since last filed CT23 Return?  Yes

Date of Change  year  month  day

Date of Incorporation or Amalgamation  year  month  day

Registered/Head Office Address

Ontario Corporation No. (MGS)

Location of Books and Records

Canada Revenue Agency Business No.  
If applicable, enter

Name of person to contact regarding this CT23 Return

Telephone No.

Fax No.

Jurisdiction Incorporated

Address of Principal Office in Ontario (Extra-Provincial Corporations only) (MGS)

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:

Commenced  year  month  day

Ceased  year  month  day

Former Corporation Name (Extra-Provincial Corporations only) Not Applicable  (MGS)

(Not Applicable)

Information on Directors/Officers/Administrators must be completed on MGS Schedule A or K as appropriate. If additional space is required for Schedule A, this schedule only may be photocopied. State number submitted (MGS). ▶

No. of Schedule(s)

Preferred Language / Langue de préférence  
English  / français   
anglais  / français

If there is no change to the Directors'/Officers'/Administrators' information previously submitted to MGS, please check  this box. Schedule(s) A and K are not required (MGS). ▶  No Change

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## Certification (MGS)

I certify that all information set out in the Annual Return is true, correct and complete.

Name of Authorized Person (Print clearly or type in full)

Title:  Director  Officer  Other individuals having knowledge of the affairs of the Corporation

Note: Sections 13 and 14 of the Corporations Information Act provide penalties for making false or misleading statements or omissions.

# Exempt From Filing (EFF) Corporations Tax Return Declaration

Taxation Year End		
year	month	day

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)
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I, \_\_\_\_\_ declare that:  
(Please print name in full)

The above corporation satisfies **all** of the exempt from filing criteria (a) through (f) below for the taxation year and therefore qualifies under the *Corporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

**Criteria for exempt from filing status:**

- a) filed a federal Income Tax Return (T2) with Canada Revenue Agency for the taxation year;
- b) had no Ontario taxable income for the taxation year;
- c) had no Ontario Corporations Tax payable for the taxation year;
- d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or more shares owned by Canadian residents as defined by the *Income Tax Act (Canada)*);
- e) had provided its Canada Revenue Agency business number to the Ministry of Finance, and
- f) is not subject to the Corporate Minimum Tax (i.e. alone or as part of an associated group whose assets exceed \$5 million or whose total revenues exceed \$10 million for the taxation year).

**NOTE: The filing of this declaration and the Annual Return does not constitute the filing of a Corporations Tax Return under section 75 of the *Corporations Tax Act*.**

Signature	Title/Relationship to Corporation	Telephone Number	Date
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**Please note that making a false statement to avoid compliance with the *Corporations Tax Act* is an offence which can result in a penalty and/or fine.**

- EFF corporations filing losses to be carried back and applied to prior years or applied to future years, **must file a tax return** complete with all the related schedules for the taxation year of the loss and for the taxation year to which the loss is being applied. **The following 3 items are only required if they have not been provided on page 1 of the return.** (e.g. No CT23 and Annual Return required)

1. Corporation's Mailing Address	2. Ontario Corporation No. (MGS)	3. Canada Revenue Agency Business No. (If applicable, enter)

A corporation **must file** an **Exempt From Filing Corporations Tax Return Declaration** form for each taxation year that the corporation is exempt from filing, **within 6 months** after the end of its taxation year, to the address shown at the top of Page 1.

**The CT23 Short-Form Corporations Tax Return may be used by corporations that check "Yes" to ALL of the following criteria:**

- | Yes                      | No                       |   |
|--------------------------|--------------------------|---|
| <input type="checkbox"/> | <input type="checkbox"/> | (a) The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year.   |
|                          |                          | Indicate Share Capital with full voting rights owned by Canadian Residents <span style="border: 1px solid black; display: inline-block; width: 60px; height: 20px; vertical-align: middle;"></span> % (nearest percent) |
| <input type="checkbox"/> | <input type="checkbox"/> | (b) The corporation's taxable income for the taxation year is \$200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. <i>(Refer to guide.)</i>                               |
| <input type="checkbox"/> | <input type="checkbox"/> | (c) The corporation is NOT a member of a partnership/joint venture or a member of an associated group of corporations during the taxation year.   |
| <input type="checkbox"/> | <input type="checkbox"/> | (d) The corporation's gross revenue and total assets are each \$1,000,000 or less and the corporation is not a financial institution.   |
| <input type="checkbox"/> | <input type="checkbox"/> | (e) The corporation is NOT claiming a tax credit other than the Incentive Deduction for Small Business Corporations (IDSBC), Co-operative Education Tax Credit (CETC) or Graduate Transitions Tax Credit (GTTC).        |
| <input type="checkbox"/> | <input type="checkbox"/> | (f) The corporation's taxation year ends on or after January 1, 2000.   |
| <input type="checkbox"/> | <input type="checkbox"/> | (g) The corporation's Ontario allocation factor is 100%.  |

**NOTE:** Family Farm or Fishing corporations may also use this **CT23 Short-Form Corporations Tax Return** if the corporation checks "Yes" to (a), (b), (c), (e), (f) and (g) above.

# CT23 Short-Form Corporations Tax Return

Please check (✓) box(es) if applicable in sections **1** and **2** below:

<b>1</b>	<input type="checkbox"/> 1 Family Farm Corporation s.1(2)	<input type="checkbox"/> 2 Family Fishing Corporation s.1(2)	<input type="checkbox"/> 14 Bare Trustee Corporation						
<b>2</b>	<input type="checkbox"/> First Year of Filing	<input type="checkbox"/> Final Taxation Year up to Dissolution (wind-up)	<input type="checkbox"/> Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario						
	<input type="checkbox"/> Amended Return	<input type="checkbox"/> Final Taxation Year before Amalgamation	<input type="checkbox"/> Acquisition of Control (fed s. 249(4))						
	<input type="checkbox"/> Taxation Year End has Changed (Canada Revenue Agency approval required)	<input type="checkbox"/> Floating Fiscal Year End	Date Control was acquired: <table border="1" style="display: inline-table; text-align: center;"> <tr> <td>year</td> <td>month</td> <td>day</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>	year	month	day			
year	month	day							

Was the corporation inactive throughout the taxation year? Yes  No

Ontario Retail Sales Tax Vendor Permit No. (Use Head Office no.)

If applicable, enter

--	--	--	--	--	--	--	--	--	--

Has the corporation's Canada Revenue Agency T2 Return been filed? Yes  No

Ontario Employer Health Tax Account No. (Use Head Office no.)

If applicable, enter

--	--	--	--	--	--	--	--	--	--

Gross Revenue	480	<table border="1" style="width: 100%; text-align: center;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr></table>										
Total Assets (per balance sheet)	420	<table border="1" style="width: 100%; text-align: center;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td></tr></table>										

## Summary

(Refer to guide)

**Total Tax Payable** (Income Tax from ) =  ●

**Subtract: Payments** -  ●

**Specified Tax Credits**  
 -  (Refer to guide) -  ●

**Balance** =  ●

**If payment due** Enclosed \*  ●

**If overpayment: Refund** =  ●

**Apply to:**

year	month	day

 ● (Includes credit interest)

\* For payment, please make your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the Minister of Finance and print your Ontario Corporations Tax Account No. (MOF) on the back of cheque or money order.

## Certification

I am an authorized signing officer of the corporation. I certify that this **CT23 Return, including all schedules and statements** filed with or as part of this CT23 Return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name of Authorized Person (Print clearly in full)	Signature	Date

Note: Section 76 of the *Corporations Tax Act* provides penalties for making false or misleading statements or omissions.

Request to Carry-Back Losses of the Current Taxation Year to a Prior Taxation Year(s)	Non-Capital Losses	Net Capital Losses	Farm Losses	Restricted Farm Losses
<b>Total amount of loss</b>	910	920	930	940
<b>Deduct:</b> Loss to be carried back to preceding taxation years:				
i) 3 <sup>rd</sup> preceding	901	911	931	941
Taxation Year Ending	902	912	932	942
ii) 2 <sup>nd</sup> preceding	903	913	933	943
iii) 1 <sup>st</sup> preceding				
<b>Total loss to be carried back and applied to reduce taxable income</b>	From 706	From 716	From 726	From 736
<b>Balance of loss available for carry-forward</b>	919	929	939	949

# Income Tax

Net Income (loss) for Ontario purposes	±	From	690		
Subtract: Charitable donations	-		1		
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property	-		2		
Subtract: Taxable dividends deductible, per Federal T2 SCH 3	-		3		
Subtract: Ontario political contributions	-		4		
Subtract: Prior years' losses applied – Non-capital losses	-	From	704		
Net capital losses	-	From	714		
Farm losses	-	From	724		
Restricted farm losses	-	From	734		
<b>Taxable Income (Non-capital loss)</b>	=		10		
<b>Taxable Income</b>		From	10	X 100% Allocation X 15.5%	= 40

## Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

*(If section is not completed, IDSBC will be denied.)*

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year? (v) Yes  No

Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50		
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+	51		
Add: Losses of other years deducted for federal purposes (fed.s.111)	+	52		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	-	53		
	=		54	
Business limit for the year (not exceeding \$200,000)			55	
<b>Income eligible for the IDSBC</b>		100% Allocation X	56	= 60
				Least of 50, 54 or 55

<b>Calculation of IDSBC Rate</b>	.7.0% X	Days after Dec. 31, 1998 and before Jan. 1, 2000	74	÷	73	Total Days	=	75	
		Days after Dec. 31, 1999 and before Jan. 1, 2001	76	÷	73	Total Days	=	77	
IDSBC Rate for Taxation Year		75	+	77			=	78	
Claim		From 60	X	From 78	%		=	70	

**Subtotal of Income Tax** 40 - 70 = 190

## Deduct Specified Tax Credits (Refer to guide)

**Co-operative Education Tax Credit (CETC) (s.43.4)** Applies to employment of eligible students.

Eligible Credit From 5798 (Attach Summary Schedule F from the insert to the Short-Form Return/Guide package) + 192

**Graduate Transitions Tax Credit (GTTC) (s.43.6)**

Applies to employment of eligible unemployed post secondary graduates,

No. of Graduates From 6596

194

Eligible Credit From 6598 (Attach Summary Schedule G from the insert to the Short-Form Return/Guide package) + 195

**Total Specified Tax Credits** 192 + 195 = 220

**Specified Tax Credits Applied to reduce Income Tax** = 225

**Income Tax** 190 - 225 OR Enter NIL if reporting Non-Capital Loss = 230

**Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ**

**Net Income (loss) for federal income tax purposes, per federal T2 SCH 1** . . . . . ± 600 •

**Add:**

Federal capital cost allowance . . . . .	+	601		•
Federal cumulative eligible capital deduction . . . . .	+	602		•
Ontario taxable capital gain . . . . .	+	603		•
Federal non allowable reserves. Balance beginning of year . . . . .	+	604		•
Federal allowable reserves. Balance end of year . . . . .	+	605		•
Ontario non allowable reserves. Balance end of year . . . . .	+	606		•
Ontario allowable reserves. Balance beginning of year . . . . .	+	607		•
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE) . . . . .	+	608		•
Federal resource allowance . . . . .	+	609		•
Federal depletion allowance . . . . .	+	610		•
Total of other items not allowed by Ontario but allowed federally ( <i>Attach schedule</i> ) . . . . .	+	614		•

**Subtotal of Additions** 601 to 614 . . . . . = ▶ 640 •

**Deduct:**

Ontario capital cost allowance . . . . .	+	650		•
Ontario cumulative eligible capital deduction . . . . .	+	651		•
Federal taxable capital gain . . . . .	+	652		•
Ontario non allowable reserves. Balance beginning of year . . . . .	+	653		•
Ontario allowable reserves. Balance end of year . . . . .	+	654		•
Federal non allowable reserves. Balance end of year . . . . .	+	655		•
Federal allowable reserves. Balance beginning of year . . . . .	+	656		•
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) ( <i>Attach schedule</i> ) . . . . .	+	657		•
Ontario depletion allowance . . . . .	+	658		•
Ontario resource allowance . . . . .	+	659		•

**Workplace Child Care Tax Incentive:** (*Applies to qualifying expenditures incurred after May 5, 1998.*) (*Refer to guide*)

Qualifying expenditures: 665 • X 30% X **100% Allocation** = ▶ 666 •

**Workplace Accessibility Tax Incentive:** (*Applies to qualifying expenditures incurred after July 1, 1998.*) (*Refer to guide*)

Qualifying expenditures: 667 • X 100% X **100% Allocation** = ▶ 668 •

**Number of Employees accommodated** 669

**Ontario School Bus Safety Tax Incentive (OSBSTI):** (*Applies to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.*) (*Refer to guide*)

Qualifying expenditures: 670 • X 30% X **100% Allocation** = ▶ 671 •

**Total of other deductions** allowed by Ontario (*Attach schedule*) . . . . . + 664 •

**Subtotal of Deductions** 650 to 659 + 666 + 668 + 671 + 664 . . . . . = ▶ 680 •

**Net income (loss) for Ontario Purposes** 600 + 640 - 680 . . . . . = ▶ 690 •

**Continuity of Losses Carried Forward**

	Non-Capital Losses (1)	Net Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses
<b>Balance at Beginning of Year</b>	[700] (2)	[710] (2)	[720] (2)	[730]	[740]
<b>Add:</b>					
Current year's losses	[701]	[711]	[721]	[731]	[741]
Losses from predecessor corporations (3)	[702]	[712]	[722]	[732]	
<b>Subtotal</b>	[703]	[713]	[723]	[733]	[743]
<b>Subtract:</b>					
Utilized during the year to reduce taxable income	[704]	[714] (4)	[724]	[734] (4)	[744] (4)
Expired during the year	[705]		[725]	[735]	[745]
Carried back to prior years to reduce taxable income (5)	[706] (2) to Page 3	[716] (2) to Page 3	[726] (2) to Page 3	[736] (2) to Page 3	[746]
<b>Subtotal</b>	[707]	[717]	[727]	[737]	[747]
<b>Balance at End of Year</b>	[709]	[719]	[729]	[739]	[749]

**Notes:**

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(3) Include and indicate whether losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(4) To the extent of applicable gains or income only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

**Analysis of Balance by Year of Origin**

Year of Origin (oldest year first) <small>year month day</small>	Non-Capital Losses	Non-Capital Losses of Predecessor Corporation	Net Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
[800]				[850]	[870]
[801]				[851]	[871]
[802]				[852]	[872]
[803]	[820]	[830]	[840]	[853]	[873]
[804]	[821]	[831]	[841]	[854]	[874]
[805]	[822]	[832]	[842]	[855]	[875]
[806]	[823]	[833]	[843]	[856]	[876]
[807]	[824]	[834]	[844]	[857]	[877]
[808]	[825]	[835]	[845]	[858]	[878]
[809]	[826]	[836]	[846]	[859]	[879]
<b>Total</b>	[829]	[839]	[849]	[869]	[889]

# Schedule A: Information on Ontario Corporations

(Corporations that are incorporated, continued or amalgamated under the *Ontario Business Corporations Act*)

To submit additional Director or Officer Information, please photocopy this page and attach the completed schedules with your return.

Identification			
Corporation's Legal Name (including punctuation)	Ontario Corporation No. (MGS) <div style="border: 1px solid black; width: 100%; height: 20px;"></div>	Date of Incorporation or Amalgamation <div style="display: flex; justify-content: space-around; border: 1px solid black; width: 100%; height: 20px;"> <span>year</span> <span>month</span> <span>day</span> </div>	
Director/Officer Information			
Full Name and Address for Service:			
Last Name	First Name	Middle Name(s)	
Street Number and Name		Suite	
City/Town/Village	Province/State	Country	Postal/Zip Code
<b>Director</b>	<b>Officer</b>		
Are you a Resident Canadian? <i>(Applies to directors of business corporations only)</i>  <input type="checkbox"/> Yes <input type="checkbox"/> No	Indicate the appointment period for each of the following:		Other Titles (please specify)
Date Elected <div style="border: 1px solid black; width: 100%; height: 20px; display: flex; justify-content: space-around;"><span>year</span> <span>month</span> <span>day</span></div>	<b>President</b>	<b>Secretary</b>	<input type="checkbox"/> Chair <input type="checkbox"/> Chair Person <input type="checkbox"/> Chairman <input type="checkbox"/> Chairwoman <input type="checkbox"/> Vice-Chair <input type="checkbox"/> Vice-President <input type="checkbox"/> Assistant Secretary <input type="checkbox"/> Assistant Treasurer <input type="checkbox"/> Chief Manager <input type="checkbox"/> Executive Director <input type="checkbox"/> Managing Director
Date Ceased <div style="border: 1px solid black; width: 100%; height: 20px; display: flex; justify-content: space-around;"><span>year</span> <span>month</span> <span>day</span></div>	<b>Treasurer</b>	<b>General Manager</b>	<input type="checkbox"/> Chief Executive Officer <input type="checkbox"/> Chief Financial Officer <input type="checkbox"/> Chief Information Officer <input type="checkbox"/> Chief Operating Officer <input type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Comptroller <input type="checkbox"/> Authorized Signing Officer <input type="checkbox"/> Other (untitled)
	<b>Other (specify)</b>		

Director/Officer Information			
Full Name and Address for Service:			
Last Name	First Name	Middle Name(s)	
Street Number and Name		Suite	
City/Town/Village	Province/State	Country	Postal/Zip Code
<b>Director</b>	<b>Officer</b>		
Are you a Resident Canadian? <i>(Applies to directors of business corporations only)</i>  <input type="checkbox"/> Yes <input type="checkbox"/> No	Indicate the appointment period for each of the following:		Other Titles (please specify)
Date Elected <div style="border: 1px solid black; width: 100%; height: 20px; display: flex; justify-content: space-around;"><span>year</span> <span>month</span> <span>day</span></div>	<b>President</b>	<b>Secretary</b>	<input type="checkbox"/> Chair <input type="checkbox"/> Chair Person <input type="checkbox"/> Chairman <input type="checkbox"/> Chairwoman <input type="checkbox"/> Vice-Chair <input type="checkbox"/> Vice-President <input type="checkbox"/> Assistant Secretary <input type="checkbox"/> Assistant Treasurer <input type="checkbox"/> Chief Manager <input type="checkbox"/> Executive Director <input type="checkbox"/> Managing Director
Date Ceased <div style="border: 1px solid black; width: 100%; height: 20px; display: flex; justify-content: space-around;"><span>year</span> <span>month</span> <span>day</span></div>	<b>Treasurer</b>	<b>General Manager</b>	<input type="checkbox"/> Chief Executive Officer <input type="checkbox"/> Chief Financial Officer <input type="checkbox"/> Chief Information Officer <input type="checkbox"/> Chief Operating Officer <input type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Comptroller <input type="checkbox"/> Authorized Signing Officer <input type="checkbox"/> Other (untitled)
	<b>Other (specify)</b>		

**Note: Sections 13 and 14 of the Corporations Information Act provide penalties for making false or misleading statements or omissions.**





Schedule F: Summary of Co-operative Education Tax Credit Claimed

DOLLARS ONLY

Complete a separate entry for each student work placement which ended during the corporation's taxation year. The tax credit is for co-op work placements commencing after July 31, 1996 and leading-edge technology work placements commencing after December 31, 1997. A work placement is generally considered to be a full-time work assignment for up to 4 months in duration.

Example: If a corporation, with a December 31, 1999 taxation year end, hires an eligible student from September 1, 1999 until April 30, 2000, this would be considered 2 work placements. The first work placement is September 1, 1999 to December 31, 1999 and would be claimed in the 1999 taxation year. The second placement is January 1, 2000 to April 30, 2000 and must be claimed in the 2000 taxation year.

Qualifying work placements

Table with 6 columns: Name of University/College and Education Program, Name of Student, Social Insurance No. of Student, Work Placement Start and End Dates (year, month, day), Eligible Costs of Placement (ECP), \*Credit Claimed (See notes below) (max. \$1,000 per work placement). Includes a Totals row at the bottom right.

If insufficient space, attach schedule

Note: Enter corporation's salaries & wages paid in the preceding taxation year [A] \$ \_\_\_\_\_

Transfer to [192] Page 4 of the Tax Return

If [A] is \$600,000 or greater use 10%. If [A] is \$400,000 or less use 15%.

If [A] is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [.05 ( From [A] \_\_\_\_\_ - \$400,000) ÷ \$ 200,000 ]

Indicate rate used: \_\_\_\_\_ % \* Credit claimed equals ECP multiplied by rate.

Schedule G: Summary of Graduate Transitions Tax Credit Claimed

Complete a separate entry for each graduate, that is unrelated to the employer, that has worked full-time for a minimum of a six-month period. This credit applies to new hires commencing after May 6, 1997 for a maximum credit of \$4,000 each and may only be claimed once.

Example: A taxpayer, with a December 31, 1999 taxation year end, hires an otherwise eligible graduate on June 1, 1999 who is still employed on December 31, 2000 at a salary of \$3,500 per month. The salaries and wages in the taxpayer's preceding taxation year was \$700,000. The taxpayer may only make one tax credit claim for each graduate employed. Although the graduate is employed for 7 months during the 1999 taxation year, the taxpayer must claim the full credit in the taxation year in which the first 12 months of employment falls or when employment is ended if less than 12 months. In this example, the credit must be claimed in the 2000 taxation year. The credit claimed is the lesser of 10% of salary for the maximum 12 months of employment (10% x \$3,500 x 12 = \$4,200) or \$4,000.

Qualifying Employment

Table with 6 columns: Name of University/College and Date Program Completed, Name of Graduate, Social Insurance No. of Graduate, Employment Period (year, month, day), Qualified Eligible Expenditures (QEE), \*Credit Claimed (See notes below) (max. \$4,000 per graduate). Includes a Totals row at the bottom right.

If insufficient space, attach schedule

Note: Enter corporation's salaries & wages paid in the preceding taxation year [A] \$ \_\_\_\_\_

Transfer to [195] Page 4 of the Tax Return

If [A] is \$600,000 or greater use 10%. If [A] is \$400,000 or less use 15%.

If [A] is over \$400,000 but less than \$600,000 use the following formula to calculate the rate: Rate = .15 - [.05 ( From [A] \_\_\_\_\_ - \$400,000) ÷ \$ 200,000 ]

Indicate rate used: \_\_\_\_\_ % \* Credit claimed equals QEE multiplied by rate.

Total Number of Graduates . . . . . = [6596]
Transfer to [194] Page 4 of the Tax Return