

**British Columbia Corporation Tax Calculation
(2013 and later tax years)**

Corporation's name	Business number	<table border="1"> <tr> <th colspan="2">Tax year-end</th> <th rowspan="2">Day</th> </tr> <tr> <th>Year</th> <th>Month</th> </tr> <tr> <td></td> <td></td> <td></td> </tr> </table>	Tax year-end		Day	Year	Month			
Tax year-end		Day								
Year	Month									

- Use this schedule if your corporation had a permanent establishment (as defined in section 400 of the federal *Income Tax Regulations*) in British Columbia and had taxable income earned in the year in British Columbia.
- This schedule is a worksheet only. You do not have to file it with your *T2 Corporation Income Tax Return*.

Part 1 – Calculation of income subject to British Columbia lower and higher tax rates

Taxable income for British Columbia * A

Income eligible for British Columbia lower tax rate:

Amount from line 400 of the T2 return B

Amount from line 405 of the T2 return C

Amount from line 425 of the T2 return D

Amount B, C, or D, whichever is the least E

For credit unions only:

Amount from line D of Schedule 17, *Credit Union Deductions* 1

Amount E above 2

(amount 1 **minus** amount 2) (if negative, enter "0") FTotal (amount E **plus** amount F) GAmount G $\times \frac{\text{taxable income for British Columbia}^*}{\text{taxable income for all provinces}^{**}} =$ H**Income subject to British Columbia higher tax rate** (amount A **minus** amount H) I

Enter amount H and/or amount I on the applicable line(s) in Part 2.

* If the corporation has a permanent establishment only in British Columbia, enter the taxable income from line 360 of the T2 return. Or, if the corporation has a permanent establishment in more than one jurisdiction, enter the taxable income allocated to British Columbia from column F in Part 1 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If the corporation has income or loss from an international banking center, the taxable income is the amount allocated to British Columbia from column F in Part 1 of Schedule 5 **minus** the total amount not required to be included, or **plus** the total amount not allowed to be deducted, in computing the corporation's income under section 33.1 of the federal *Income Tax Act*.

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

Part 2 – Calculation of British Columbia tax before credits
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British Columbia tax at the lower rate:Amount H $\times 2.5\% =$ J**British Columbia tax at the higher rate:**
Amount I $\times \frac{\text{Number of days in the tax year before April 1, 2013}}{\text{Number of days in the tax year}} \times 10\% =$ K

Amount I $\times \frac{\text{Number of days in the tax year after March 31, 2013}}{\text{Number of days in the tax year}} \times 11\% =$ L
Total British Columbia tax at the higher rate (amount K **plus** amount L) M**British Columbia tax before credits*** (amount J **plus** amount M) N

* If the corporation has a permanent establishment in more than one jurisdiction or is claiming a British Columbia tax credit, enter amount N on line 240 of Schedule 5. Otherwise, enter it on line 760 of the T2 return.