

**General Rate Income Pool (GRIP) Calculation**
(2016 and later years)

Corporation's name	Business number	Tax year-end Year Month Day
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- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- When an eligible dividend was paid in the tax year, file a completed copy of this schedule with your T2 *Corporation Income Tax Return*. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.

Part 1 – General rate income pool (GRIP)

GRIP at the end of the previous tax year	100	A
Taxable income for the year (DICs enter "0") *	110	B
Income for the credit union deduction * (amount E in Part 3 of Schedule 17)	120	
Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less *	130	
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income *	140	
Subtotal (add lines 120, 130, and 140)		C
Income taxable at the general corporate rate (amount B minus amount C) (if negative enter "0")	150	
After-tax income (line 150 multiplied by 0.72 (the general rate factor for the tax year))	190	D
Eligible dividends received in the tax year	200	
Dividends deductible under section 113 received in the tax year	210	
Subtotal (line 200 plus line 210)		E
Becoming a CCPC (amount W5 in Part 4)	220	
Post-amalgamation (total of amounts E4 in Part 3 and amounts W5 in Part 4)	230	
Post-wind-up (total of amounts E4 in Part 3 and amounts W5 in Part 4)	240	
Subtotal (add lines 220, 230, and 240)	290	F
Subtotal (add amounts A, D, E, and F)		G
Eligible dividends paid in the previous tax year	300	
Excessive eligible dividend designations made in the previous tax year (If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)	310	
Subtotal (line 300 minus line 310)		H
GRIP before adjustment for specified future tax consequences (amount G minus amount H) (amount can be negative)	490	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount N3 in Part 2)	560	
GRIP at the end of the tax year (line 490 minus line 560)	590	

Enter this amount on line 160 of Schedule 55.

* For lines 110, 120, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560 on page 1.

First previous tax year

Taxable income before specified future tax consequences from the current tax year A1

Enter the following amounts before specified future tax consequences from the current tax year:

Income for the credit union deduction (amount E in Part 3 of Schedule 17) B1

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less C1

Aggregate investment income (line 440 of the T2 return) D1

Subtotal (add amounts B1, C1, and D1) E1

Subtotal (amount A1 minus amount E1) (if negative, enter "0") F1

Taxable income after specified future tax consequences G1

Enter the following amounts after specified future tax consequences:

Income for the credit union deduction (amount E in Part 3 of Schedule 17) H1

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less I1

Aggregate investment income (line 440 of the T2 return) J1

Subtotal (add amounts H1, I1, and J1) K1

Subtotal (amount G1 minus amount K1) (if negative, enter "0") L1

Subtotal (amount F1 minus amount L1) (if negative, enter "0") M1

GRIP adjustment for specified future tax consequences to the first previous tax year

(amount M1 multiplied by 0.72) **500**

Second previous tax year

Taxable income before specified future tax consequences from the current tax year A2

Enter the following amounts before specified future tax consequences from the current tax year:

Income for the credit union deduction (amount E in Part 3 of Schedule 17) B2

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less C2

Aggregate investment income (line 440 of the T2 return) D2

Subtotal (add amounts B2, C2, and D2) E2

Subtotal (amount A2 minus amount E2) (if negative, enter "0") F2

Taxable income after specified future tax consequences G2

Enter the following amounts after specified future tax consequences:

Income for the credit union deduction (amount E in Part 3 of Schedule 17) H2

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less I2

Aggregate investment income (line 440 of the T2 return) J2

Subtotal (add amounts H2, I2, and J2) K2

Subtotal (amount G2 minus amount K2) (if negative, enter "0") L2

Subtotal (amount F2 minus amount L2) (if negative, enter "0") M2

GRIP adjustment for specified future tax consequences to the second previous tax year

(amount M2 multiplied by 0.72) **520**

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)**Third previous tax year**

Taxable income before specified future tax consequences from the current tax year A3

Enter the following amounts before specified future tax consequences from the current tax year:

Income for the credit union deduction (amount E in Part 3 of Schedule 17) B3

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less C3

Aggregate investment income (line 440 of the T2 return) D3

Subtotal (**add** amounts B3, C3, and D3) E3

Subtotal (amount A3 **minus** amount E3) (if negative, enter "0") F3

Taxable income after specified future tax consequences G3

Enter the following amounts after specified future tax consequences:

Income for the credit union deduction (amount E in Part 3 of Schedule 17) H3

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less I3

Aggregate investment income (line 440 of the T2 return) J3

Subtotal (**add** amounts H3, I3, and J3) K3

Subtotal (amount G3 **minus** amount K3) (if negative, enter "0") L3

Subtotal (amount F3 **minus** amount L3) (if negative, enter "0") M3

GRIP adjustment for specified future tax consequences to the third previous tax year

(amount M3 **multiplied** by 0.72) **540**

Total GRIP adjustment for specified future tax consequences to previous tax years:

(**add** lines 500, 520, and 540) (if negative, enter "0") N3

Enter amount N3 on line 560 in part 1.

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. In the calculation below, **corporation** means a predecessor or a subsidiary. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

For a post-wind-up, include the GRIP addition in calculating the parent's GRIP at the end of its tax year that immediately follows the tax year during which it receives the assets of the subsidiary.

Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year A4

Eligible dividends paid by the corporation in its last tax year B4

Excessive eligible dividend designations made by the corporation in its last tax year C4

Subtotal (amount B4 **minus** amount C4) D4

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

(amount A4 **minus** amount D4) E4

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:

- line 230 on page 1 for post-amalgamation; or
- line 240 on page 1 for post-wind-up.

