

**Charitable Donations and Gifts**
(2019 and later tax years)

Corporation's name	Business number	Tax year-end Year Month Day
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- For use by corporations to claim any of the following:
 - the eligible amount of charitable donations to qualified donees
 - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
 - the eligible amount of gifts of certified cultural property
 - the eligible amount of gifts of certified ecologically sensitive land or
 - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
 - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
 - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charitable donations at the end of the previous tax year		A
Charitable donations expired after 5 tax years	239	
Charitable donations at the beginning of the current tax year (amount A minus line 239)	240	
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250	
Total charitable donations made in the current year	210	
(include this amount on line 112 of Schedule 1 Net Income (Loss) for Income Tax Purposes)		
Subtotal (line 250 plus line 210)		B
Subtotal (line 240 plus amount B)		C
Adjustment for an acquisition of control	255	
Total charitable donations available (amount C minus line 255)		D
Amount applied in the current year against taxable income (cannot be more than amount L in Part 2)	260	
(enter this amount on line 311 of the T2 return)		
Charitable donations closing balance (amount D minus line 260)	280	

Part 1 – Charitable donations (continued)

The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013) **262**

Ontario community food program donation tax credit for farmers
(amount on line 262 **multiplied** by 25%) **1**

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015) **263**

Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25%) **2**

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016 and before **January 1, 2021**) **265**

British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25%) **3**

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes **Note 1** **multiplied** by 75% **E**

Taxable capital gains arising in respect of gifts of capital property included in Part 1 **Note 2** **225**

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) **227**

The amount of the recapture of capital cost allowance in respect of charitable donations **230**

Proceeds of disposition, **less** outlays and expenses **Note 2** **F**

Capital cost **Note 2** **G**

Amount F or G, whichever is less **235**

Amount on line 230 or 235, whichever is less **H**

Subtotal (**add** line 225, 227, and amount H) **I**

Amount I **multiplied** by 25% **J**

Subtotal (amount E **plus** amount J) **K**

Maximum allowable deduction for charitable donations

(enter amount D from Part 1, amount K, or net income for tax purposes, whichever is least) **L**

Note 1 For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Note 2 This amount must be prorated by the following calculation: eligible amount of the gift **divided by** the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

Gifts of certified cultural property at the end of the previous tax year	_____	M
Gifts of certified cultural property expired after 5 tax years	439 _____	
Gifts of certified cultural property at the beginning of the current tax year (amount M minus line 439)	440 _____	
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450 _____	
Total gifts of certified cultural property in the current year	410 _____	
(include this amount on line 112 of Schedule 1)		
Subtotal (line 450 plus line 410)	▶ _____	N
Subtotal (line 440 plus amount N)	_____	O
Adjustment for an acquisition of control	455 _____	
Amount applied in the current year against taxable income	460 _____	
(enter this amount on line 313 of the T2 return)		
Subtotal (line 455 plus line 460)	▶ _____	P
Gifts of certified cultural property closing balance (amount O minus amount P)	480 _____	

Part 4 – Gifts of certified ecologically sensitive land

Gifts of certified ecologically sensitive land at the end of the previous tax year	_____	Q
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014	539 _____	
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount Q minus line 539)	540 _____	
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550 _____	
Total current-year gifts of certified ecologically sensitive land	520 _____	
(include this amount on line 112 of Schedule 1)		
Subtotal (line 550 plus line 520)	▶ _____	R
Subtotal (line 540 plus amount R)	_____	S
Adjustment for an acquisition of control	555 _____	
Amount applied in the current year against taxable income	560 _____	
(enter this amount on line 314 of the T2 return)		
Subtotal (line 555 plus line 560)	▶ _____	T
Gifts of certified ecologically sensitive land closing balance (amount S minus amount T)	580 _____	

