



General Rate Income Pool (GRIP) Calculation (2019 and later years)

Corporation's name	Business number	Tax year-end		
		Year	Month	Day

- 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).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, 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	
Taxable income for the year (DICs enter "0") *	110	
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least *	130	
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income *	140	
Subtotal (line 130 plus line 140)		A
Income taxable at the general corporate rate (line 110 minus amount A) (if negative enter "0")	150	
After-tax income (line 150 multiplied by 0.72 (the general rate factor for the tax year))	190	
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)		B
Becoming a CCPC (amount W5 in Part 4)	220	
Post-amalgamation (total of amount E4 in Part 3 and amount W5 in Part 4)	230	
Post-wind-up (total of amount E4 in Part 3 and amount W5 in Part 4)	240	
Subtotal (add lines 220, 230, and 240)	290	
Subtotal (add lines 100, 190, 290, and amount B)		C
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)		D
GRIP before adjustment for specified future tax consequences (amount C minus amount D) (amount can be negative)	490	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 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, 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.

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

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:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least B1

Aggregate investment income (line 440 of the T2 return) C1

Subtotal (amount B1 **plus** amount C1) D1

Subtotal (amount A1 **minus** amount D1) (if negative, enter "0") E1

Taxable income after specified future tax consequences F1

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least G1

Aggregate investment income (line 440 of the T2 return) H1

Subtotal (amount G1 **plus** amount H1) I1

Subtotal (amount F1 **minus** amount I1) (if negative, enter "0") J1

Subtotal (amount E1 **minus** amount J1) (if negative, enter "0") K1

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

(amount K1 **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:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least B2

Aggregate investment income (line 440 of the T2 return) C2

Subtotal (amount B2 **plus** amount C2) D2

Subtotal (amount A2 **minus** amount D2) (if negative, enter "0") E2

Taxable income after specified future tax consequences F2

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least G2

Aggregate investment income (line 440 of the T2 return) H2

Subtotal (amount G2 **plus** amount H2) I2

Subtotal (amount F2 **minus** amount I2) (if negative, enter "0") J2

Subtotal (amount E2 **minus** amount J2) (if negative, enter "0") K2

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

(amount K2 **multiplied** by 0.72) **520**

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

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:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least B3

Aggregate investment income (line 440 of the T2 return) C3

Subtotal (amount B3 **plus** amount C3) D3

Subtotal (amount A3 **minus** amount D3) (if negative, enter "0") E3

Taxable income after specified future tax consequences F3

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least G3

Aggregate investment income (line 440 of the T2 return) H3

Subtotal (amount G3 **plus** amount H3) I3

Subtotal (amount F3 **minus** amount I3) (if negative, enter "0") J3

Subtotal (amount E3 **minus** amount J3) (if negative, enter "0") K3

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

(amount K3 **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") L3

Enter amount L3 on line 560 in part 1.

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

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. 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.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a 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.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC

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 was not a CCPC or a DIC in its last tax year. 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.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

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

Cost amount to the corporation of all property immediately before the end of its previous/last tax year A5

The corporation's money on hand immediately before the end of its previous/last tax year B5

Total of subsection 111(1) losses that would have been deductible in calculating the corporation's taxable income for the previous/last tax year if the corporation had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for the previous/last tax year:

Non-capital losses C5

Net capital losses D5

Farm losses E5

Restricted farm losses F5

Limited partnership losses G5

Subtotal (add amounts C5 to G5) H5

Total of all amounts deducted under subsection 111(1) in calculating the corporation's taxable income for the previous/last tax year:

Non-capital losses I5

Net capital losses J5

Farm losses K5

Restricted farm losses L5

Limited partnership losses M5

Subtotal (add amounts I5 to M5) N5

Unused and unexpired losses at the end of the corporation's previous/last tax year
(amount H5 minus amount N5) O5

Subtotal (add amounts A5, B5, and O5) P5

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year Q5

Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year R5

All the corporation's reserves deducted in its previous/last tax year S5

The corporation's capital dividend account immediately before the end of its previous/last tax year T5

The corporation's low rate income pool immediately before the end of its previous/last tax year U5

Subtotal (add amounts Q5 to U5) V5

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (amount P5 minus amount V5) (if negative, enter "0") W5

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the W5 amounts. Enter this total amount on:

- line 220 on page 1 for a corporation becoming a CCPC;
- line 230 on page 1 for post-amalgamation; or
- line 240 on page 1 for post-wind-up.