

APPLICATION FOR SASKATCHEWAN MANUFACTURING AND PROCESSING INVESTMENT TAX CREDIT

Corporation Name _____
 Address _____

 City _____
 Province _____ Postal Code _____
 Name of Person to Contact _____ Telephone Number _____

Taxation Year From ____ ____ ____ to ____ ____ ____
 DD MM YYYY DD MM YYYY

Box 1 - Qualified property eligible for the credit

CCA Class No.	Description of Qualified Property	Acquisition Date			Value of Property on which PST has been paid	Other Amounts Incurred to make Property Available for use	Total Value
		Day	Month	Year			

Total capital cost (attach an additional schedule if space is insufficient)..... A
 Total capital cost of property acquired after March 31, 2004, and before April 7, 2006..... B
 Total capital cost of property acquired after April 6, 2006..... C

Box 2 - Calculation of available credit and carry-forward

Credit at end of preceding taxation year.....	_____	D	
Deduct: Credit expired*.....	_____	E	
Credit at beginning of taxation year.....	_____		F
Add:			
Qualified property acquired in the current tax year after March 31, 2004, and before April 7, 2006:			
Amount B above: _____ x 7%.....	_____	G	
Credit transferred on amalgamation or wind-up of a subsidiary.....	_____	H	
Credit earned before April 7, 2006, allocated from a partnership.....	_____	I	
Credit earned before April 7, 2006, allocated from a trust.....	_____	J	
Subtotal	_____		K
Total Credit available	_____		L
Deduct:			
Credit renounced (must equal amount L).....	_____	M	
Credit claimed in the current year (enter on line W, Box 4).....	_____	N	
Credit carried back to preceding taxation year(s) (complete Box 5) (enter on line X, Box 4).....	_____	O	
Subtotal	_____		P
Credit available to carry-forward to next year (complete Box 6)	_____		Q

* A current year credit earned before April 7, 2006, and a credit earned in the 7 tax years ending before April 7, 2006, has a carryforward period of 10 years. A credit earned in a tax year ending before April 7, 1999, had a carryforward period of seven years and is now expired.

Box 3 - Calculation of Saskatchewan refundable manufacturing and processing investment tax credit

Qualified property acquired in the current tax year after April 6, 2006, and before October 28, 2006:		
Applicable Amount C from Box 1:	x 7% =.....	_____ R
Qualified property acquired in the current tax year after October 27, 2006:		
Applicable amount C from Box 1:	x 5% =.....	_____ S
Credit earned after April 6, 2006, allocated from a partnership.....		_____ T
Credit earned after April 6, 2006, allocated from a		_____ U
Saskatchewan refundable manufacturing and processing investment tax credit (total of lines R, S, T and U)		_____ V
Enter amount V on line Y of Box 4.		

Box 4 - Calculation of investment tax credit claim

Investment Tax Credit Applied For		
Credit claimed in current year (line N, Box		_____ W
Credit carried back to preceding taxation year (line O, Box 2).....		_____ X
Refundable credit claimed in current year (line V, Box 3).....		_____ Y
Total Investment Tax Credit Applied for:		_____ Z

Box 5 - Request for carry-back of credit

3rd preceding taxation year	_____	Credit to be applied	_____
2nd preceding taxation year	_____	Credit to be applied	_____
1st preceding taxation year	_____	Credit to be applied	_____
Box 5 - Request for carry-back of credit			

Box 6 - Analysis of credit available for carry-forward by year of origin

Credits earned in a tax year ending before April 7, 1999, had a carryforward period of seven years and are now expired.

Credits earned in the current tax year from qualified property acquired before April 7, 2006, as well as credits earned in the 7 preceding tax years ending before April 7, 2006 are entitled to a carryforward period of 10 years.

Complete this part to show all the credits available for a carryforward period of 10 years, by year of origin. This will help determine the amount of credit that could expire in following years.

Year of origin (earliest year first)	Credit available	Year of origin	Credit available
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

APPLICANT DECLARATION

I, (please print) _____ am an authorized signing officer of the applicant corporation. I hereby apply for a Saskatchewan Manufacturing and Processing Investment Tax Credit on Used Equipment. I declare that to the best of my knowledge the information given in this application is true and complete. I acknowledge that to knowingly make a false or misleading statement in an application is an offence and punishable by law. I certify the Income Tax Return filed with this application is the same as that filed with Canada Revenue Agency. I certify that all Provincial Sales Tax has been paid on the qualified property for which a tax credit is being claimed. I authorize Canada Revenue Agency to provide the Department of Finance of the Province of Saskatchewan with any information from any Income Tax Returns of the applicant corporation or other relevant documents that Canada Revenue Agency possesses. The information so provided will be used to verify the content of this application and will not be used or communicated for any other purpose.

Signature

Date

Instructions

- For use by corporations with a permanent establishment in Saskatchewan who have acquired qualified used property and want to:
 - calculate a Saskatchewan manufacturing and processing investment tax credit on used equipment;
 - claim the credit to reduce Saskatchewan income tax otherwise payable in the current taxation year;
 - request a carry-back to reduce Saskatchewan income tax payable in any of the three preceding taxation years;
 - carry a credit forward to subsequent tax years; or
 - renounce the credit
- Qualified used property means:
 - property that does not qualify for the manufacturing and processing investment tax credit for new assets;
 - qualified property is generally defined within the meaning of subsections 127(9), (11) and (11.1) of the *Income Tax Act* (Canada), but excluding the requirement the property has not been used, or acquired for use or lease, for any purpose whatsoever before it was acquired by the corporation;
 - The federal definition of qualified property is altered for the purpose of the Saskatchewan investment tax credit by including property eligible under class 43.1 of Schedule 11 of the federal Income Tax Regulations by virtue of paragraph (c.1).
 - property acquired in Saskatchewan, or brought into Saskatchewan, by the corporation resulting in the corporation being subject to the *The Provincial Sales Tax Act* and property used in Saskatchewan by the corporation primarily for manufacturing or processing goods for sale or lease.
 - Manufacturing or processing is generally defined in subsection 125.1(3) of the federal Act and includes qualified activities as defined by section 5202 of the federal Income Tax Regulations. The federal definition of manufacturing and processing is altered for the purposes of the Saskatchewan investment tax credit by excluding paragraph (h) of that definition.
- The carryforward period is seven years. However, an unused credit that has not expired on April 6, 2006, has a carryforward period of 10 years instead of 7 years.
- The non-refundable credit may be renounced but must include all current year credits; partial renouncements are not permitted. The renouncement must be filed on or before the filing date of the federal T2 Corporation Income Tax Return.
- The credit is calculated on the sum of the following values:
 - the value of the equipment on which the *Provincial Sales Tax* has been paid;
 - other expenses incurred to install or make the equipment initially available for use. This also includes the amount of *Provincial Sales Tax* paid.
- Corporations acquiring property under a capital lease will be eligible for a credit on the total lease costs, including the *Provincial Sales Tax*.
- Use this form to show a credit transfer following an amalgamation or wind-up of a subsidiary as described under subsections 87(1) and 88(1) of the *Income Tax Act* (Canada). This form can also be used to show the credit allocated from a trust or a partnership.

PLEASE ENSURE THE FOLLOWING INFORMATION IS SUBMITTED WITH YOUR APPLICATION:

A complete set of all statements, schedules, returns and other information submitted with the T2 Corporation Income Tax Returns for the purposes of the *Income Tax Act* (Canada), including the T2 return.

Documentation to verify the purchase price of the asset, proof that *Provincial Sales Tax* has been paid, and supporting documentation of other expenses incurred to install or make the property initially available for use must be available for audit verification.

The T2 Corporation Income Tax Return does not need to be assessed by Canada Revenue Agency before applying for this tax reduction. However, for verification purposes, a copy of Canada Revenue Agency's Notice of Assessment must be mailed to Saskatchewan Finance upon receipt.

FOR FURTHER INFORMATION

Write: Saskatchewan Finance
Revenue Division
2350 Albert Street
Regina, Saskatchewan
S4P 4A6

Telephone: Toll Free 1-800-667-6102
(Extension 7773)

Regina area 787-7773

Fax: 306-787-0241