

T3 –

Trusts' Agreement to Allocate the Basic Exemption from Minimum Tax

Schedule 6

- Enter the applicable tax year in the box above. **Include a completed copy of this schedule with each of the trust returns.**
- We allow a \$40,000 basic exemption from minimum tax to testamentary or grandfathered inter vivos trusts. For a definition of testamentary and grandfathered inter vivos trusts, see Guide T4013, *T3 Trust Guide*.
- Use this schedule when more than one qualifying trust is formed from contributions by the same individual and you have to allocate the \$40,000 basic exemption among the trusts (see the example below).
- If we ask for this schedule in writing, and you do not send us the completed schedule within 30 days, we may allocate the \$40,000 exemption among the qualifying trusts ourselves.
- The "Agreement" section of this schedule has to be signed by the trustee or legal representative of each trust in the group.
- If you need more space, attach a separate sheet.

Note

For tax years that begin after 2015, grandfathered inter vivos trusts, trusts created by will, and certain estates will no longer benefit from the \$40,000 basic exemption from minimum tax. The basic exemption will apply to a graduated rate estate. For more information, see Guide T4013, *T3 Trust Guide*.

Names and addresses of all trusts contributed to by the same individual	Trust account number	Allocated amount
	- -	
	- -	
	- -	
	- -	

Enter the trust's allocated amount on line 28 of Schedule 12, *Minimum Tax*.

Agreement

It is hereby agreed that the \$40,000 exemption from minimum tax is allocated as shown above.			
Trust's name	Authorized officer's signature	Position or office	Date
			Year Month Day
			Year Month Day
			Year Month Day
			Year Month Day

Example

Kate is an individual who created five trusts. Kate was divorced twice before 1970, and when she divorced she set up two trusts—one for each of her former spouses. In her will, Kate created three new separate trusts—one for her grandchildren, one for her children, and one for her current spouse. If minimum tax applies to any of the trusts, you have to allocate the \$40,000 basic exemption among the trusts.

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source <http://www.cra-arc.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html>, personal information bank(s) CRA PPU 015.