

Completing your Alberta form

The following information will help you complete Form AB428, *Alberta Tax and Credits*.

The terms **spouse** and **common-law partner** are defined in the *General Income Tax and Benefit Guide*.

The term **end of the year** means December 31, 2009, the date you left Canada if you emigrated in 2009, or the date of death for a person who died in 2009.

Tax Tip

A number of Alberta tax measures are distinct from corresponding federal measures. However, many rules for calculating Alberta tax are still based on the federal *Income Tax Act*. As a result, you may find it easier to calculate your federal tax first. Your total taxes payable will be the same, no matter which tax you calculate first.

Form AB428, *Alberta Tax and Credits*

Complete Form AB428 if you were a resident of Alberta at the end of the year.

If you had income from a business with a permanent establishment outside Alberta, complete Form T2203, *Provincial and Territorial Taxes for 2009 – Multiple Jurisdictions*, **instead of** completing Form AB428.

You also have to complete Form AB428 if you were a non-resident of Canada in 2009 and you earned income from employment in Alberta or received income from a business with a permanent establishment only in Alberta.

Alberta non-refundable tax credits

The eligibility criteria and rules for claiming the Alberta non-refundable tax credits are the same as for the federal non-refundable tax credits. However, **the value and calculation of some Alberta non-refundable tax credits are different from the corresponding federal credits.**

To calculate some of the provincial non-refundable tax credits, you will need to use the *Provincial Worksheet* in this book.

Newcomers to Canada and emigrants

If you prorated any of the amounts you claimed on lines 300 to 306, 315, 316, 318, 324, and 326 of your federal Schedule 1, you have to prorate the corresponding provincial amounts on lines 5804 to 5820, 5840, 5844, 5848, 5860, and 5864.

Line 5804 – Basic personal amount

Claim the basic personal amount of \$16,775.

Line 5808 – Age amount

You can claim this amount if you were 65 or older on December 31, 2009, and your net income (line 236 of your return) is less than \$65,966.

If your net income is:

- \$34,799 or less, enter \$4,675 on line 5808; or
- more than \$34,799 but less than \$65,966, complete the calculation for line 5808 on the *Provincial Worksheet* in this book to determine your claim.

Note

You may be able to transfer all or part of your age amount to your spouse or common-law partner or to claim all or part of his or her age amount. Read line 5864 for details.

Line 5812 – Spouse or common-law partner amount

You can claim this amount if the rules are met for claiming the amount on line 303 of federal Schedule 1. You still may be able to claim the provincial amount if your spouse's or common-law partner's net income (line 236 of his or her return, or the amount that it would be if he or she filed a return) is less than \$16,775.

Complete the calculation on Form AB428 to determine your claim, and enter the amount on line 5812.

Note

Enter your marital status and the information about your spouse or common-law partner (including his or her net income, even if it is zero) in the Identification area on page 1 of your return.

Line 5816 – Amount for an eligible dependant

You can claim this amount if the rules are met for claiming the amount on line 305 of federal Schedule 1. You still may be able to claim the provincial amount if your dependant's net income (line 236 of his or her return, or the amount that it would be if he or she filed a return) is less than \$16,775.

Complete the calculation on Form AB428 to determine your claim, and enter the amount on line 5816.

If you have not already completed federal Schedule 5, complete and attach it to your return.

Line 5820 – Amount for infirm dependants age 18 or older

You can claim this amount if the rules are met for claiming the amount on line 306 of federal Schedule 1. You still may be able to claim the provincial amount if your dependant's net income (line 236 of his or her return, or the amount that it would be if he or she filed a return) is less than \$16,125.

Complete the calculation for line 5820 on the *Provincial Worksheet* in this book to determine your claim.

Line 5824 – Canada Pension Plan or Quebec Pension Plan contributions through employment

Enter on this line the amount you claimed on line 308 of federal Schedule 1.

Line 5828 – Canada Pension Plan or Quebec Pension Plan contributions on self-employment and other earnings

Enter on this line the amount you claimed on line 310 of federal Schedule 1.

Line 5832 – Employment Insurance premiums

Enter on this line the amount you claimed on line 312 of federal Schedule 1.

Line 5833 – Adoption expenses

You can claim this amount if the rules are met for claiming an amount on line 313 of federal Schedule 1

You can claim on line 5833 up to \$11,473 of eligible adoption expenses for each child.

The claim for adoption expenses may be split between two adoptive parents as long as the total combined claim for each child is not more than the amount before the split.

Note

Only residents of Alberta are eligible for this amount. If you are not a resident of Alberta, you cannot claim this tax credit in calculating your Alberta tax even though you may have received income from a source inside Alberta in 2009.

Line 5836 – Pension income amount

You can claim this amount if you met the rules for claiming an amount on line 314 of federal Schedule 1.

The amount you can claim on line 5836 is the amount on line 314 of federal Schedule 1 or \$1,292, whichever is less.

Note

Only residents of Alberta are eligible for this amount. If you are not a resident of Alberta, you cannot claim this tax credit in calculating your Alberta tax even though you may have received income from a source inside Alberta in 2009.

Line 5840 – Caregiver amount

You can claim this amount if the rules are met for claiming the amount on line 315 of federal Schedule 1. You still may be able to claim the provincial amount if your dependant's net income (line 236 of his or her return, or the amount that it would be if he or she filed a return) is less than \$25,150.

Complete the calculation for line 5840 on the *Provincial Worksheet* in this book to determine your claim.

Line 5844 – Disability amount

You can claim this amount if you met the rules for claiming the amount on line 316 of federal Schedule 1.

- If you were **18 or over** at the end of the year, enter \$12,940 on line 5844.
- If you were **under 18** at the end of the year, you may be eligible to claim a supplement up to a maximum of \$9,710 in addition to the disability amount of \$12,940. Complete the calculation for line 5844 on the *Provincial Worksheet* in this book to determine your claim.

Line 5848 – Disability amount transferred from a dependant (other than your spouse or common-law partner)

You can claim this amount if the rules are met for claiming the amount on line 318 of federal Schedule 1.

Complete the calculation for line 5848 on the *Provincial Worksheet* in this book to determine your claim.

Line 5852 – Interest paid on your student loans

Enter on this line the amount you claimed on line 319 of federal Schedule 1.

Line 5856 – Your tuition and education amounts

Complete Schedule AB(S11), *Provincial Tuition and Education Amounts*, to calculate your claim.

Receipts – If you are filing a paper return, **attach the completed Schedule AB(S11)**. Whether you are filing a paper return or electronically, keep your forms and official tuition fees receipts in case we ask to see them.

Transferring and carrying forward amounts

You may not need all of your 2009 tuition and education amounts to reduce your provincial income tax to zero. In this case, you can **transfer** all or some of the unused part to **one** person, either your spouse or common-law partner (who would claim it on line 5864), your parent or

grandparent, or your spouse's or common-law partner's parent or grandparent (who would claim it on line 5860).

You can only transfer an amount to your parent or grandparent, or your spouse's or common-law partner's parent or grandparent, if your spouse or common-law partner does not claim an amount for you on line 5812 or 5864.

Complete the "Transfer/Carryforward of unused amount" section of Schedule AB(S11) to calculate the provincial amount available to transfer, as well as Form T2202, *Education and Textbook Amounts Certificate*, T2202A, *Tuition, Education, and Textbook Amounts Certificate*, TL11A, *Tuition, Education, and Textbook Amounts Certificate – University Outside Canada*, TL11B, *Tuition, Education, and Textbook Amounts Certificate – Flying School or Club*, or TL11C, *Tuition, Education, and Textbook Amounts Certificate – Commuter to the United States*, to designate who can claim it and the amount the person can claim. This amount may be different from the amount calculated for the same person on your federal Schedule 11. You must enter the provincial amount you are transferring on line 20 of your Schedule AB(S11).

Tax Tip

If you are transferring an amount to a designated person, only transfer the amount this person can use. That way, you can carry forward as much as possible to use in a future year.

Complete the "Transfer/Carryforward of unused amount" section of Schedule AB(S11) to calculate the amount you can **carry forward** to a future year. This amount corresponds to the part of your tuition and education amounts you do not need to use (and do not transfer) for the year.

Line 5860 – Tuition and education amounts transferred from a child

You can claim these amounts if the rules are met for claiming an amount on line 324 of federal Schedule 1.

Enter on line 5860 the total of all provincial amounts transferred to you that each student designated on his or her Form T2202, T2202A, TL11A, TL11B, or TL11C.

Notes

The student **must have entered this amount on line 20** of his or her Schedule AB(S11). He or she may have chosen to transfer an amount that is less than the available provincial amount. The student cannot transfer to you any unused amounts carried forward from a previous year.

If the student was a resident of another province or territory on December 31, 2009, special rules may apply. Call the Canada Revenue Agency (CRA) to determine the amount you can claim on line 5860.

Other rules may apply if the student has a spouse or a common-law partner. Read line 324 in the *General Income Tax and Benefit Guide*.

Receipts – If you are filing a paper return, **do not include the student's Schedule AB(S11)**, forms, and official tuition fees receipts. Whether you are filing a paper return or electronically, keep all of your documents in case we ask to see them.

Line 5864 – Amounts transferred from your spouse or common-law partner

You can claim these amounts if the rules are met for claiming the amount on line 326 of federal Schedule 1. Complete Schedule AB(S2), *Provincial Amounts Transferred From Your Spouse or Common-Law Partner*, to calculate your claim. Attach this schedule to your return.

Line 5868 – Medical expenses

The medical expenses you can claim on line 5868 are the same as those you can claim on line 330 of your federal Schedule 1. They have to cover the **same 12-month period** ending in 2009 and must not have been claimed on a 2008 return. Your total medical expenses have to be more than either 3% of your net income (line 236 of your return) or \$2,168, whichever is less.

Line 5872 – Allowable amount of medical expenses for other dependants

In addition to the medical expenses claimed on line 5868, you can also claim medical expenses for other dependants.

The medical expenses you use to calculate your claim on line 5872 are the same as those used to calculate your federal claim on line 331 of federal Schedule 1. They have to cover the **same 12-month period** ending in 2009 and must not have been claimed on a 2008 return.

The total expenses for each dependant have to be more than either 3% of that dependant's net income (line 236 of his or her return) or \$2,168, whichever is **less**. The maximum amount you can claim is \$11,473 for each dependant.

Complete the calculation for line 5872 on the *Provincial Worksheet* in this book to determine your claim.

Line 5896 – Donations and gifts

Complete the calculation for line 5896 on the *Provincial Worksheet* in this book to determine your claim.

Enter on line 5895 the eligible amounts of your unclaimed donations and gifts for the years 2004 to 2006 that were reported on line 344 of your 2009 federal Schedule 9.

Line 31 – Alberta tax on split income

If you have to pay federal tax on split income on line 424 of your federal Schedule 1, complete Part 2 of Form T1206, *Tax on Split Income*, to calculate the provincial tax that applies to this income. Form T1206 also contains a special rule that applies to the amount you enter on line 428 of your return. You can find more information on tax on split income in the *General Income Tax and Benefit Guide*.

Line 39 – Alberta additional tax for minimum tax purposes

If you have to pay federal minimum tax as calculated on Form T691, *Alternative Minimum Tax*, you will also have to determine your Alberta additional tax for minimum tax purposes. To do this, complete the calculation at line 39 of Form AB428.

You can find information about minimum tax in the *General Income Tax and Benefit Guide*.

Line 41 – Provincial foreign tax credit

If your federal foreign tax credit on non-business income is less than the related tax you paid to a foreign country, you may be eligible to claim a provincial foreign tax credit.

To claim the credit, get Form T2036, *Provincial or Territorial Foreign Tax Credit*, from the CRA's Web site or by contacting us (see the section called "For more information" at the beginning of this book).

Enter, on line 41 of Form AB428, the tax credit amount calculated at line 5 of Form T2036.

Receipts – Attach Form T2036 to your paper return. If you are filing electronically, keep all your documents in case we ask to see them.

Lines 43 to 47 – Alberta political contribution tax credit

You can claim this credit if you contributed to:

- a registered Alberta political party, a registered candidate, or a constituency association in an election held under the *Election Act* for this province; or
- a registered Alberta political party that has nominated a candidate or to a registered candidate in an election held under the *Senatorial Selection Act* for this province.

Only claim contributions you made during 2009.

You have to claim this credit on your return or within 90 days after the date of the notice of assessment or notice of reassessment for the tax year.

How to claim – Official receipt called *Annual Contribution*

Enter your contributions on line 43 of Form AB428 and determine the amount to enter on line 44 as follows:

- For contributions of **more than \$2,300**, enter \$1,000 on line 44 of Form AB428.
- For contributions of **less than \$2,300**, complete the calculation for line 44 on the *Provincial Worksheet* in this book.

How to claim – Official receipt called *Senatorial Selection Campaign Contribution*

Enter your contributions on line 45 of Form AB428 and determine the amount to enter on line 46 as follows:

- For contributions of **more than \$2,300**, enter \$1,000 on line 46 of Form AB428.
- For contributions of **less than \$2,300**, complete the calculation for line 46 on the *Provincial Worksheet* in this book.

Receipts – For each contribution, attach to your paper return the official receipt signed by an official of the political party or by the candidate. If you are filing electronically, keep all your documents in case we ask to see them.

Line 49 – Royalty tax rebate

Unused Alberta attributed Canadian royalty income

If you had any unused amount of Alberta attributed Canadian royalty income in 2008, complete the calculation at line 49 to determine your rebate. Any unused amount is shown on your 2008 notice of assessment or notice of reassessment.

If on your 2007 return you did not claim your unused Alberta royalty tax rebate from your 2006 Form T79, *Alberta Royalty Tax Rebate (individuals)*, you have to send a request for reassessment of your 2007 return to the CRA.

Alberta stock savings plan tax credit

If you had any unused stock savings plan tax credit to be applied in 2009, attach a completed Form T89, *Alberta Stock Savings Plan Tax Credit*, to your paper return.