



NOVA SCOTIA TAX ON LARGE CORPORATIONS

Name of corporation	Account / business number	Taxation year end Day | Month | Year
---------------------	---------------------------	---

- This form is to be used by corporations with a permanent establishment (as defined in the federal *Income Tax Regulations*) in the province of Nova Scotia that are liable to pay tax on their taxable capital employed in the province for taxation years ending after March 31, 1997, and starting before April 1, 2002.
- The Nova Scotia tax on large corporations will apply to most large corporations except financial institutions (including banks, trust companies, and credit unions) as defined in Part IA of the provincial *Income Tax Act*. The terms "long-term debt", and "reserves" have the meanings as in subsection 181(1).
- Corporations exempt from the federal Part I.3 tax in accordance with subsection 181.1(3) are also exempt from the Nova Scotia tax on large corporations. A list of the exempted corporations is provided on page 1 of Form T2147, *Part I.3 Tax Return – Tax On Large Corporations*.
- You have to complete Form T2147/T2148/T2149 before you can complete this form. File completed copies of Form T1167 and Form T2147/T2148/T2149 with the *T2 Corporation Income Tax Return* within six months from the end of the taxation year.
- Except as otherwise stated, sections and subsections referred to on this form are those from the federal *Income Tax Act*.

Calculation of Nova Scotia taxable capital

Taxable capital for the year (enter the amount from line 351 of Form T2147, T2148, or T2149)	.....		A
Deduct: capital deduction claimed for the year	.....	655	B
(Enter \$5,000,000 or, for related corporations, the amount allocated on reverse if the combined taxable capital for the year of all related corporations is less than \$10,000,000.) (Enter nil if amount A is \$10,000,000 or more. For related corporations, enter nil, when the combined taxable capital for the year of all related corporations is \$10,000,000 or more.)			
Net taxable capital for the year (if negative, enter nil)	.....		C
Corporations with a permanent establishment only in Nova Scotia, enter amount C on line G, otherwise complete lines D, E, and F below.			
Total salaries and wages paid in Nova Scotia (line 507 of Form T2S-TC)	.....	=	..... % D
Total salaries and wages paid (line 529 of Form T2S-TC)			
Gross revenue attributable to Nova Scotia (line 537 of Form T2S-TC)	.....	=	..... % E
Total gross revenue (line 559 of Form T2S-TC)			
Add percentages D and E		..... %	x 1/2 =
		..... %	F
Amount C	.....	x	Percentage on line F
	 %	=
		.....	Nova Scotia taxable capital
		.....	G

Calculation of Nova Scotia tax on large corporations

If amount A plus the taxable capital for the year for all related corporations is less than \$10,000,000, complete the following:

Amount G	.....	x	Number of days in the taxation year *	.....	x	0.5% =	..... H
		365					

If amount A plus the taxable capital for the year for all related corporations is \$10,000,000 or more, complete the following:

Amount G	.....	x	Number of days in the taxation year *	.....	x	0.25% =	..... I
		365					

For a taxation year that straddles March 31, 1997 or April 1, 2002:

Amount H or I, whichever applies	.....	x	Number of days in the taxation year after March 31, 1997, and before April 1, 2002	.....	=	..... J
		Number of days in the taxation year				

Nova Scotia tax on large corporations – enter amount H, I, or J, whichever applies K

Include amount K on line 138 on page 7 of the T2 return. Amount K may be deducted in calculating net income for federal income tax purposes.

* Only complete the proration if the taxation year is less than 51 weeks

