



Nova Scotia Corporation Tax Calculation (2020 and later tax years)

Corporation's name	Business number	Tax year-end Year Month Day
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- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Nova Scotia, and had taxable income earned in the year in Nova Scotia and its offshore area.
- This schedule is a worksheet only and does not have to be filed with your T2 Corporation Income Tax Return.

Part 1 – Income subject to the lower and higher tax rate for Nova Scotia and its offshore area

Taxable income for Nova Scotia <small>Note 1</small>		1A
Income eligible for the lower tax rate for Nova Scotia and its offshore area:		
Line 400 of the T2 return	1B	
Line 405 of the T2 return	1C	
Line 428 of the T2 return	1D	
Amount 1B, 1C, or 1D, whichever is the least	1E	
Amount 1E _____ × Taxable income for Nova Scotia <small>Note 1</small> _____	=	1F
Taxable income for all provinces <small>Note 2</small>		
Income subject to the higher tax rate for Nova Scotia and its offshore area (amount 1A minus amount 1F)		
		1G

Note 1 If your corporation had a permanent establishment only in Nova Scotia or in the offshore area of Nova Scotia, enter the taxable income from line 360 of the T2 return. Otherwise, enter the total of the taxable incomes allocated to both jurisdictions in Nova Scotia (the province itself and the offshore area) from column F in Part 1 of Schedule 5, Tax Calculation Supplementary – Corporations.

Note 2 Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 2 – Nova Scotia tax before credits and Nova Scotia offshore tax

Tax at the lower rate for Nova Scotia and its offshore area:					
Amount 1F _____	×	Number of days in the tax year before April 1, 2020 _____	×	3% = _____ 2A
		Number of days in the tax year			
Amount 1F _____	×	Number of days in the tax year after March 31, 2020 _____	×	2.5% = _____ 2B
		Number of days in the tax year			
Subtotal (amount 2A plus amount 2B)					2C
Tax at the higher rate for Nova Scotia and its offshore area:					
Amount 1G _____	×	Number of days in the tax year before April 1, 2020 _____	×	16% = _____ 2D
		Number of days in the tax year			
Amount 1G _____	×	Number of days in the tax year after March 31, 2020 _____	×	14% = _____ 2E
		Number of days in the tax year			
Subtotal (amount 2D plus amount 2E)					2F
Tax for Nova Scotia and its offshore area (amount 2C plus amount 2F)					2G

Only one jurisdiction

If your taxable income is allocated only to Nova Scotia or to Nova Scotia offshore, and your corporation is not claiming a Nova Scotia tax credit, enter amount 2G on line 760 of the T2 return. If your corporation is claiming a credit, enter amount 2G on line 215 or 220 of Schedule 5, whichever applies.

Jurisdictions in both Nova Scotia and Nova Scotia offshore

If your corporation has taxable income allocated to both Nova Scotia and its offshore area, calculate the following:

Amount 2G _____	×	Taxable income for Nova Scotia offshore _____	=		2H
		Taxable income for Nova Scotia plus taxable income for Nova Scotia offshore			

Nova Scotia offshore tax – enter the amount 2H at line 220 of Schedule 5.

Nova Scotia tax before credits (amount 2G minus amount 2H) – enter the amount 2I at line 215 of Schedule 5	2I
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