

Manitoba Research and Development Tax Credit (2020 and later tax years)

Corporation's name	Business number	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="3" style="text-align: center; border-bottom: 1px solid black;">Tax year-end</td> </tr> <tr> <td style="text-align: center; border-bottom: 1px solid black;">Year</td> <td style="text-align: center; border-bottom: 1px solid black;">Month</td> <td style="text-align: center; border-bottom: 1px solid black;">Day</td> </tr> <tr> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> <td style="text-align: center;"> </td> </tr> </table>	Tax year-end			Year	Month	Day			
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Year	Month	Day									

- Use this schedule if you are a corporation with a permanent establishment in Manitoba that has made eligible expenditures for scientific research and experimental development carried out in the province under section 7.3 of the Income Tax Act (Manitoba), and you want to:
 - calculate a Manitoba research and development (R&D) tax credit for the current tax year
 - calculate the refundable component of the Manitoba R&D tax credit
 - claim the credit to reduce Manitoba income tax otherwise payable in the current tax year
 - carry back the current-year credit to reduce Manitoba income tax otherwise payable in any of the three previous tax years
 - carry forward the current-year credit to reduce Manitoba income tax otherwise payable in any of the 20 following tax years after 2005
 - renounce the current-year credit in whole or in part. If the renunciation is filed by the filing due date for the year, the corporation is deemed never to have received, been entitled to receive or had a reasonable expectation of receiving the amount. If the renunciation is filed within the 365-day period immediately following the filing-due date, the corporation is deemed never to have received, been entitled to receive or had a reasonable expectation of receiving the amount for all purposes **except** for paragraph 37(1)(d) and subsections 127(18) to (20) of the federal Income Tax Act
 - claim a credit transfer after an amalgamation or the windup of a subsidiary, as described in subsections 87(1) and 88(1) of the federal Income Tax Act
 - claim the share of a credit allocated to you as a member of a partnership or as the beneficiary of a trust
- The Manitoba refundable research and development tax credit earned under subsection 7.3(2.3) of the Income Tax Act (Manitoba), is the least of:
 - the amount by which the R&D tax credit available at the end of the current tax year exceeds the total of Manitoba income tax otherwise payable in the current tax year and the amount renounced under subsection 7.3(7) for the year
 - the total of the following amounts in the current tax year:
 - 15% of the corporation's eligible expenditures incurred in the current tax year under a R&D contract with a university, college, or other post-secondary educational institution in Manitoba or with a person approved for this purpose by the Minister of Economic Development and Training. For a list of educational institutions potentially eligible to participate in the SR&ED refundable Manitoba R&D tax credit program, go to gov.mb.ca/finance/business/pubs/eligible_institutions.pdf
 - 7.5% of the eligible expenditures not under a R&D contract with a qualifying institution incurred in the current tax year
 - the refundable credit allocated to the corporation that is a member of a partnership or a beneficiary under a trust
 - the total credit earned in the current tax year
- An **eligible expenditure** is defined in subsection 7.3(1) of the Income Tax Act (Manitoba). Eligible expenditures for the Manitoba R&D tax credit also include:
 - first and second term shared-use equipment
 - capital expenditures that are depreciable property, other than a building or a leasehold in a building
- This schedule must be filed no later than 12 months after the T2 Corporation Income Tax Return is due for the tax year that the expenditure was incurred in.
- File this schedule with your T2 return.

Part 1 – Summary of total eligible expenditures incurred in the current tax year

Total eligible expenditures incurred in the current tax year	107	
Eligible expenditures under a R&D contract incurred in the current tax year	109	
Eligible expenditures not under a R&D contract incurred in the current tax year	117	
Summary of total eligible expenditures incurred in the current tax year (line 109 plus line 117)	▶	A

Amount A cannot exceed the amount on line 107.

Part 2 – Total credit available and credit available for carryforward

Credit at the end of the previous tax year	_____		B	
Credit expired*	104 _____			
Credit at the beginning of the tax year (amount B minus line 104)	105 _____	▶		_____
Credit transferred on an amalgamation or the windup of a subsidiary	110 _____			
Repayments** for assistance related to an expenditure made before April 12, 2017 _____	x 20% =	123 _____		
Repayments** for assistance related to an expenditure made after April 11, 2017 _____	x 15% =	124 _____		
Credit earned in the current year:				
Line 107 in Part 1 _____	x 15% =	126 _____		
Your share of the credit from a partnership of which you are a member	130 _____			
Your share of the credit from a trust of which you are a beneficiary	140 _____			
Subtotal (add lines 126, 130, and 140) _____		C		
Credit renounced	150 _____			
Total credit earned in the current year (amount C minus line 150)	_____	▶		D
Total credit available for the current year (add lines 105, 110, 123, 124, and amount D)				E
Non-refundable credit claimed in the current tax year (cannot exceed the lesser of amount E and Manitoba tax otherwise payable)	160 _____			
Enter this amount on line 606 of Schedule 5, Tax Calculation Supplementary – Corporations.				
Refundable credit claimed in the current year (amount M from Part 5)	180 _____			
Enter this amount on line 613 of Schedule 5.				
Credit carried back to the previous tax years (complete Part 3)			F	
Subtotal (add lines 160, 180, and amount F) _____		▶		G
Closing balance – Total credit available for carryforward (amount E minus amount G)			200 _____	

* An unused credit expires after **20** tax years if it was earned in a tax year ending after 2005.

** Repayments must relate to a repayment made by the corporation in the tax year and not in any other tax year. Repayments are the sum of the following:

- a repayment made in the tax year of government or non-government assistance or a contract payment that reduced an eligible expenditure other than for first term or second term shared-use equipment, and
- a repayment made in the tax year of government or non-government assistance or a contract payment that reduced an eligible expenditure for first term or second term shared-use equipment, **multiplied** by 1/4

