



Manitoba Corporation Tax Calculation (2019 and later tax years)

Corporation's name	Business number	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">Tax year-end</td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">Year</td> <td style="text-align: center;">Month</td> <td style="text-align: center;">Day</td> <td></td> </tr> <tr> <td style="text-align: center;"> </td> <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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- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Manitoba and had taxable income earned in the year in Manitoba.
- This schedule is a worksheet only. You do not need to file it with your T2 Corporation Income Tax Return.

Part 1 – Income subject to Manitoba lower and higher tax rates

Taxable income for Manitoba [Note 1](#) 1A

Period before January 1, 2019

Income eligible for the Manitoba lower tax rate:

Line 400 of the T2 return [Note 2](#) 1B

Line 405 of the T2 return 1C

Line 427 of the T2 return × = 1D

Amount 1B, 1C, or 1D, whichever is the least 1E

Amount 1E × $\frac{\text{Taxable income for Manitoba } \text{Note 1}}{\text{Taxable income for all provinces } \text{Note 3}}$ = 1F

Note: amount 1F cannot exceed amount 1A

Income subject to Manitoba higher tax rate (amount 1A minus amount 1F) 1G

Period after December 31, 2018

Income eligible for the Manitoba lower tax rate:

Line 400 of the T2 return 1H

Line 405 of the T2 return 1I

Line 427 or 428 of the T2 return [Note 4](#) 1J

Amount 1H, 1I, or 1J, whichever is the least 1K

Amount 1K × $\frac{\text{Taxable income for Manitoba } \text{Note 1}}{\text{Taxable income for all provinces } \text{Note 3}}$ = 1L

Note: amount 1L cannot exceed amount 1A

Income subject to Manitoba higher tax rate (amount 1A minus amount 1L) 1M

Note 1 If your corporation had a permanent establishment only in Manitoba, enter the taxable income from line 360 of the T2 return. Otherwise, enter the taxable income allocated to Manitoba from column F in Part 1 of Schedule 5, Tax Calculation Supplementary – Corporations.

Note 2 If your corporation is a member of a partnership, complete Part 2 to calculate income from active business. Applies only for period before January 1, 2019.

Note 3 Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Note 4 If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 2 – Income from active business when there is partnership income

Period before January 1, 2019

Complete this part only if the corporation is a member of a partnership.

Amount Y from Part 6 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction 2A
 Line 530 in Part 6 of Schedule 7 2B
 Line 540 in Part 6 of Schedule 7 2C
 Amount AA from Part 6 of Schedule 7 2D
 Amount CC from Part 6 of Schedule 7 2E
 Subtotal [amount 2A minus (amount 2B plus amount 2C plus amount 2D) plus amount 2E] 2F
 Amount Q from Part 5 of Schedule 7 2G

1 Amount from column F1 in Part 4 of Schedule 7	2 Amount from column K1 in Part 4 of Schedule 7 multiplied by 450,000 500,000	3 Column 1 minus column 2 (if negative, enter "0")	4 Lesser of columns 1 and 2 (if column 1 is negative, enter "0")
Totals		2H	2I

Line 370 in Part 4 of Schedule 7 2J
 Line 380 in Part 4 of Schedule 7 2K
 Subtotal (amount 2J plus amount 2K) 2L
 Enter amount 2H or 2L, whichever is less 2M
 Specified partnership income (amount 2I plus amount 2M) 2N
 Partnership income not eligible for small business deduction (amount 2G minus amount 2N) 2O
Income from active business (amount 2F minus amount 2O) 2P
 Enter amount 2P at amount 1B in Part 1.

Part 3 – Manitoba tax before credits

Manitoba tax at the lower rate is zero. Calculate the Manitoba tax at the higher rate only.

Manitoba tax at the higher rate:

Amount 1G × $\frac{\text{Number of days in the tax year before January 1, 2019}}{\text{Number of days in the tax year}}$ = 3A
 Amount 1M × $\frac{\text{Number of days in the tax year after December 31, 2018}}{\text{Number of days in the tax year}}$ = 3B
 Subtotal (amount 3A plus amount 3B) 3C
 Manitoba tax before additional deduction for credit union and credits (amount 3C multiplied by 12%) 3D
 Manitoba additional deduction for credit union (line 652 of Schedule 17, Credit Union Deductions) 3E
Manitoba tax before credits (amount 3D minus amount 3E) [Note 5](#) 3F

Note 5 If your corporation had a permanent establishment in more than one jurisdiction or is claiming a Manitoba tax credit, enter amount 3F on line 230 of Schedule 5. Otherwise, enter it on line 760 of the T2 return.