



## Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation (2019 and later tax years)

**Protected B**  
when completed

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

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is **connected** with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.

### Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
  - Complete columns B, C, D, H and I **only** if the payer corporation is **connected**.
- Important instructions to follow if the payer corporation is connected**
- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
  - When completing columns J and K use the **special calculations provided in the notes**.

A Name of payer corporation (from which the corporation received the dividend)	B Enter 1 if payer corporation is <b>connected</b>	C Business number of <b>connected</b> corporation
<b>200</b>	<b>205</b>	<b>210</b>

D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD	E Non-taxable dividends under section 83	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1), (b), or (d) <small>note 1</small>	G Eligible dividends included in column F
<b>220</b>	<b>230</b>	<b>240</b>	<b>242</b>

**Total of column E** \_\_\_\_\_  
(enter amount on line 402 of Schedule 1)

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) .....	_____ 1A
Taxable dividends received from non-connected corporations (total amounts from column F with no code in column B) .....	_____ 1B
Subtotal (amount 1A <b>plus</b> amount 1B, include this amount on line 320 of the T2 return)	===== 1C
Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) .....	===== 1D
Eligible dividends received from non-connected corporations (total amounts from column G with no code in column B) .....	===== 1E

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column K (and column J, if applicable). Life insurers are not subject to Part IV tax on subsection 138(6) dividends.



**Part 2 – Calculation of Part IV tax payable (continued)**

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1) ..... 2H

Amount 4C from Schedule 43 ..... 2I

**Part IV tax payable on eligible dividends received from non-connected corporations** (amount 2H minus amount 2I, if negative enter "0") ..... 2J

(enter at amount M on page 7 of the T2 return)

**Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund**

If your corporation's tax year-end is different than that of the recipient corporation with which you are connected, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

L Name of recipient corporation with which you are connected	M Business number	N Tax year-end of recipient corporation in which the dividends in column O were received YYYYMMDD	O Taxable dividends paid to recipient corporations with which you are connected	P Eligible dividends included in column O
<b>400</b>	<b>410</b>	<b>420</b>	<b>430</b>	<b>440</b>

(Total of column O) (Total of column P)

Total taxable dividends paid in the tax year to other than connected corporations ..... **450**

Eligible dividends included in line 450 ..... **455**

Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O plus line 450) ..... **460**

Total eligible dividends paid in the tax year (total of column P plus line 455) ..... **465**

Total non-eligible taxable dividends paid in the tax year (line 460 minus line 465) ..... **470**

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 multiplied by 38 1/3% ..... 3A  
(enter at amount AA on page 7 of the T2 return)

Line 470 multiplied by 38 1/3% ..... 3B  
(enter at amount DD on page 7 of the T2 return)

**Part 4 – Total dividends paid in the tax year**

Complete this part if the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total dividends paid in the tax year ..... **500**

Dividends paid out of capital dividend account ..... **510**

Capital gains dividends ..... **520**

Dividends paid on shares described in subsection 129(1.2) ..... **530**

Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year ..... **540**

Subtotal (total of lines 510 to 540) ..... ▶ 4A

**Total taxable dividends paid in the tax year that qualify for a dividend refund** (Line 500 minus amount 4A) ..... 4B