



Northwest Territories Corporation Tax Calculation (2020 and later tax years)

Corporation's name	Business number	<table style="width: 100%; border-collapse: collapse;"> <tr> <th colspan="3" style="text-align: center; border-bottom: 1px solid black;">Tax year-end</th> </tr> <tr> <td style="width: 33%; border-bottom: 1px solid black; text-align: center;">Year</td> <td style="width: 33%; border-bottom: 1px solid black; text-align: center;">Month</td> <td style="width: 34%; border-bottom: 1px solid black; text-align: center;">Day</td> </tr> </table>	Tax year-end			Year	Month	Day
Tax year-end								
Year	Month	Day						

- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in the Northwest Territories, and had taxable income earned in the year in the Northwest Territories.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Part 1 – Income subject to Northwest Territories lower and higher tax rates

Taxable income for the Northwest Territories Note 1	_____ 1A
Income eligible for the Northwest Territories lower tax rate:	
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 the Northwest Territories Note 1 _____ = _____ 1F	Taxable income for all provinces Note 2
Income subject to the Northwest Territories higher tax rate (amount 1A minus amount 1F)	===== 1G

Note 1: If your corporation had a permanent establishment only in the Northwest Territories, enter the taxable income from line 360 of the T2 return. Otherwise, enter the taxable income allocated to the Northwest Territories 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 – Northwest Territories tax before credits

Northwest Territories tax at the lower rate:	
Amount 1F _____ × $\frac{\text{Number of days in the tax year before January 1, 2021}}{\text{Number of days in the tax year}}$ × 4% = _____ 2A	
Amount 1F _____ × $\frac{\text{Number of days in the tax year after December 31, 2020}}{\text{Number of days in the tax year}}$ × 2% = _____ 2B	
Northwest Territories tax at the lower rate (amount 2A plus amount 2B) _____	▶ _____ 2C
Northwest Territories tax at the higher rate:	
Amount 1G _____ × 11.5% = _____ 2D	
Northwest Territories tax before credits (amount 2C plus amount 2D) Note 3	===== 2E

Note 3: If your corporation had a permanent establishment in more than one jurisdiction, or is claiming a Northwest Territories tax credit, enter amount 2E on line 250 of Schedule 5. Otherwise, enter it on line 760 of the T2 return.