



**ONTARIO TRANSITIONAL TAX DEBITS AND CREDITS CALCULATION
(2009 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 style="text-align: center;">Month</td> <td style="text-align: center;">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> </table>	Tax year-end	Month	Day	Year	Month	Day
Tax year-end	Month	Day						
Year	Month	Day						

- Use this schedule to calculate the following amounts to be entered in Part 3 of Schedule 506, *Ontario Transitional Tax Debits and Credits*:
 - Eligible amalgamation;
 - Eligible post-2008 windup;
 - Eligible pre-2009 windup; and
 - Specified pre-2009 transfers.
- This schedule is a worksheet only and does not have to be filed with your *T2 Corporation Income Tax Return*.

Part 1 – Eligible amalgamation (federal)

Complete this calculation for each predecessor corporation with a permanent establishment (PE) in Ontario and enter the total of all the calculations on line 310 of Schedule 506.

Total federal balance of the predecessor corporation immediately before the eligible amalgamation	_____	A
Days in the reference period of the predecessor corporation before the eligible amalgamation	_____	= _____ B
Total number of days in the reference period of the predecessor corporation	_____	= _____ C
Eligible amalgamation (federal) (amount A multiplied by amount C)	_____	D

Enter amount D on line 310 of Schedule 506.

Part 2 – Eligible amalgamation (Ontario)

Complete this calculation for each predecessor corporation with a PE in Ontario and enter the total of all the calculations on line 350 of Schedule 506.

Total Ontario balance of the predecessor corporation immediately before the eligible amalgamation	_____	E
Days in the reference period of the predecessor corporation before the eligible amalgamation	_____	= _____ F
Total number of days in the reference period of the predecessor corporation	_____	= _____ G
Eligible amalgamation (Ontario) (amount E multiplied by amount G)	_____	H

Enter amount H on line 350 of Schedule 506.

Part 3 – Eligible post-2008 windup (federal)

Complete this calculation for each wound-up subsidiary corporation with a PE in Ontario and enter the total of all the calculations on line 315 of Schedule 506.

Total federal balance of the subsidiary corporation at the completion time of the windup	_____	I
Number of days in the subsidiary's reference period that are after the end of the subsidiary's tax year ending at the completion time	_____	= _____ J
Total number of days in the subsidiary's reference period	_____	= _____ K
Total number of days in the parent's reference period	_____	= _____ K
Number of days in the parent's reference period after the beginning of the parent's tax year that includes the time immediately after the completion time	_____	= _____ K
Eligible post-2008 windup (federal) (amount I multiplied by amount J multiplied by amount K)	_____	L

Enter amount L on line 315 of Schedule 506.

Part 4 – Eligible post-2008 windup (Ontario)

Complete this calculation for each wound-up subsidiary corporation with a PE in Ontario and enter the total of all the calculations on line 355 of Schedule 506.

Total Ontario balance of the subsidiary corporation at the completion time of the windup M

Number of days in the subsidiary's reference period that are after the end of the subsidiary's tax year ending at the completion time N

Total number of days in the subsidiary's reference period

Total number of days in the parent's reference period O

Number of days in the parent's reference period after the beginning of the parent's tax year that includes the time immediately after the completion time

Eligible post-2008 windup (Ontario) (amount M multiplied by amount N multiplied by amount O) P

Enter amount P on line 355 of Schedule 506.

Part 5 – Eligible pre-2009 windup (federal)

Total federal balance of the subsidiary corporation immediately after the completion time* Q

Enter amount Q on line 320 of Schedule 506.

* Determine this amount as if the subsidiary corporation continued to exist, as if its next tax year ending after that time ended no earlier than January 1, 2009, and as if any property that is deemed under paragraph 88(1)(a.2) of the federal *Income Tax Act* not to have been disposed of had been retained until the completion time.

Part 6 – Eligible pre-2009 windup (Ontario)

Total Ontario balance of the subsidiary corporation immediately after the completion time* R

Enter amount R on line 360 of Schedule 506.

* Determine this amount as if the subsidiary corporation continued to exist, as if its next tax year ending after that time ended no earlier than January 1, 2009, and as if any property that is deemed under paragraph 88(1)(a.2) of the federal Act not to have been disposed of had been retained until the completion time.

Part 7 – Specified pre-2009 transfers (federal)

Enter one of the following, whichever applies, on line S:

- 1) If you are the transferee and have received a property in your tax year ending after 2008, enter the transferor's adjusted proceeds* of disposition under the federal Act.
- 2) If you are the transferor and have disposed of a property in your tax year ending after 2008, enter in brackets the transferee's adjusted cost** amount under the federal Act.

Specified pre-2009 transfers (federal) S

Enter amount S, in brackets if applicable, on line 325 of Schedule 506.

* The transferor's adjusted proceeds of an eligible capital property are 3/4 of the transferor's proceeds of disposition, as determined under the federal Act. For any other property, the adjusted proceeds are the transferor's proceeds of disposition as determined under the federal Act.

** The adjusted cost of an eligible capital property is 3/4 of the cost amount to the transferee as determined under the federal Act. For any other property, the adjusted cost is the cost amount to the transferee as determined under the federal Act.

Part 8 – Specified pre-2009 transfers (Ontario)

Enter one of the following, whichever applies, on line T:

- 1) If you are the transferee and have received a property in your tax year ending after 2008, enter the transferor's adjusted proceeds* of disposition under the *Corporations Tax Act* (Ontario).
- 2) If you are the transferor and have disposed of a property in your tax year ending after 2008, enter in brackets the transferee's adjusted cost** amount under the *Corporations Tax Act* (Ontario).

Specified pre-2009 transfers (Ontario) T

Enter amount T, in brackets if applicable, on line 365 of Schedule 506.

* The transferor's adjusted proceeds of an eligible capital property are 3/4 of the transferor's proceeds of disposition, as determined under the *Corporations Tax Act* (Ontario). For any other property, the adjusted proceeds are the transferor's proceeds of disposition as determined under the *Corporations Tax Act* (Ontario).

** The adjusted cost of an eligible capital property is 3/4 of the cost amount to the transferee as determined under the *Corporations Tax Act* (Ontario). For any other property, the adjusted cost is the cost amount to the transferee as determined under the *Corporations Tax Act* (Ontario).