



## Recovery Tax Worksheet

Complete this form if the trust was a qualified disability trust in a previous tax year and is subject to the recovery tax under paragraph 122(1)(c) of the Income Tax Act.

A trust that was a qualified disability trust (QDT) in a previous tax year is subject to the recovery tax in a year if one of the following applies:

- during the year, the trust no longer has among its beneficiaries any individuals who in one or more earlier tax years of the trust were electing beneficiaries of the trust. This includes the year in which the electing beneficiary of the trust (or if the trust had more than one electing beneficiary, the last one) dies
- the year is the tax year deemed to have ended because the trust ceased to be a resident in Canada
- the trust distributes capital to a beneficiary other than an individual who is an electing beneficiary for the year or any previous year. The recovery tax does not apply when paying or making payable:
  - an amount from the income of the trust which is deducted in calculating the trust's taxable income.
  - an amount to a beneficiary in their capacity as a creditor of the trust

Complete the column(s) in Parts 1 and 2 for each of the previous tax year(s) the trust was a QDT. Enter the applicable tax year(s) in the box(es) at the top of each column. Do not enter amounts for a year that was previously included in the recovery tax calculation of another tax year.

Use additional forms if you need to enter amounts for more than three previous years.

**Note**

Keep a completed copy of this worksheet for your records.

Name of trust	Trust account number T       -       -
Name of trustee	Tax year
Address of the trustee	Year    Month    Day 

**Part 1 – Federal recovery tax calculation**

	Year 	Year 	Year 
Taxable income (line 43 of the T3 return )			<b>1</b>
<b>Federal tax previously paid</b> Total federal tax paid for that year before additional tax on registered education saving plan accumulated income payments (line 31 of T3 schedule 11)	-	-	<b>2</b>
<b>Provincial or territorial tax previously paid</b> Actual provincial or territorial tax paid for that year (line 45 of the T3 return)	-	-	<b>3</b>
<b>Dividend gross-up</b> Total gross-up amount of dividends retained or not designated by the trust (line 30 of the T3 return)	-	-	<b>4</b>
<b>Capital distribution to electing beneficiaries</b> After-tax amount available for distribution to an electing beneficiary (line 1 <b>minus</b> lines 2 to 4)	=	=	<b>5</b>
Amount distributed to an electing beneficiary that can reasonably be considered to be made out of the after-tax income calculated in line 5, other than an amount distributed in the current year (amount cannot exceed line 5)			<b>6</b>
<b>Federal tax previously paid attributable to taxable income later distributed to an electing beneficiary</b> <b>Divide</b> line 6 by line 5, and <b>multiply</b> by line 2			<b>7</b>
<b>Provincial or territorial tax previously paid attributable to taxable income later distributed to an electing beneficiary</b> <b>Divide</b> line 6 by line 5, and <b>multiply</b> by line 3			<b>8</b>
<b>Section A</b> Taxable income (amount from line 1)			<b>9</b>
Amount distributed to an electing beneficiary (amount from line 6)	-	-	<b>10</b>
Federal tax previously paid attributable to taxable income later distributed (amount from line 7)	-	-	<b>11</b>
Provincial or territorial tax previously paid attributable to taxable income later distributed (amount from line 8)	-	-	<b>12</b>
Gross-up amount of dividends attributable to taxable income later distributed to an electing beneficiary ( <b>divide</b> line 6 by line 5, and <b>multiply</b> by line 4)	-	-	<b>13</b>
Adjusted taxable income (line 9 <b>minus</b> lines 10 to 13)	=	=	<b>14</b>
Adjusted federal tax on taxable income ( <b>multiply</b> line 14 by 33%)	=	=	<b>15</b>

**Federal recovery tax calculation (continued)**

**Section A (continued)**

**Federal tax credits**

	Year  _ _ _ _	Year  _ _ _ _	Year  _ _ _ _	
Total dividend tax credits and donations and gifts tax credit (line 17 of T3 schedule 11)				16
Minimum tax carryover from previous years (line 19 of T3 schedule 11)	+	+	+	17
Other federal tax credits (line 30 of T3 schedule 11)	+	+	+	18
Subtotal (add lines 16 to 18)	=	=	=	19
Amount of federal tax credit attributable to taxable income later distributed to an electing beneficiary ( <b>divide</b> line 6 by line 5, and <b>multiply</b> by line 19)	-	-	-	20
Amount of federal tax credit attributable to taxable income not distributed to an electing beneficiary (line 19 <b>minus</b> line 20)	=	=	=	21
Adjusted federal tax payable (line 15 <b>minus</b> line 21)	=	=	=	22

**Section B**

Actual total federal tax paid for that year (Enter the amount from line 2)				23
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**Section C**

Federal tax previously paid attributable to taxable income later distributed (Enter the amount from line 7)	-	-	-	24
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**Federal recovery tax**

Federal tax paid less amount attributable to taxable income later distributed (line 23 <b>minus</b> line 24)	=	=	=	25
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QDT recovery tax (line 22 <b>minus</b> line 25)	=	=	=	26
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QDT recovery tax for all years combined (sum of all amounts on line 26)				27
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Enter the amount from line 27 on line 11 of your T3 Schedule 11.

**Part 2 – Provincial or territorial recovery tax calculation**

**Section A**

	Year  _ _ _ _	Year  _ _ _ _	Year  _ _ _ _	
Taxable income (amount from line 1)				28

Amount distributed to an electing beneficiary (amount from line 6)	-	-	-	29
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Federal tax previously paid attributable to taxable income later distributed (amount from line 7)	-	-	-	30
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Provincial or territorial tax previously paid attributable to taxable income later distributed (amount from line 8)	-	-	-	31
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Adjusted taxable income (line 28 <b>minus</b> lines 29 to 31)	=	=	=	32
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Adjusted provincial or territorial tax payable ( <b>multiply</b> line 32 by the percentage rate on line 9 of the applicable provincial or territorial form)	=	=	=	33
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Total provincial or territorial tax credits from the applicable provincial or territorial form				34
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Amount of provincial or territorial tax credits attributable to taxable income later distributed to an electing beneficiary (divide line 6 by line 5, and multiply by line 34)	=	=	=	35
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Amount of provincial or territorial tax credits attributable to taxable income not distributed to an electing beneficiary (line 34 minus line 35)	=	=	=	36
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Adjusted provincial or territorial tax payable (line 33 minus line 36)	=	=	=	37
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**Section B**

Actual total provincial or territorial tax paid for that year (enter the amount from line 3)				38
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**Section C**

Provincial or territorial tax previously paid attributable to taxable income later distributed (enter the amount from line 8)				39
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**Provincial or territorial recovery tax**

Provincial or territorial tax paid <b>less</b> amount attributable to taxable income later distributed (line 38 <b>minus</b> line 39)	=	=	=	40
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Lines 37 <b>minus</b> line 40	=	=	=	41
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Total (sum of all amounts on line 41)				42
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Enter the result from line 42 on line 14 of the applicable provincial or territorial form

See the privacy notice on your return.