



# 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 (the 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:

- the trust ceases during the year to have among its beneficiaries any individuals who in one or more earlier tax years of the trust were electing beneficiaries of the trust. This will include the year in which the electing beneficiary of the trust (or if the trust had more than one electing beneficiary, the last of them) 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 a particular year or was an electing beneficiary of the trust in an earlier tax year. Paying or making payable an amount out of the income of the trust which is deducted in the calculation of the trust's taxable income or an amount to a beneficiary in his/her capacity as a creditor of the trust does not trigger the recovery tax

Complete the applicable column(s) in Parts 1 and 2 for each of the previous tax year(s) the trust was a QDT. Do not enter amounts in a column for a year which has been previously included in the recovery tax calculation of another tax year.

**Note:** Keep a completed copy of this worksheet for your records.

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

## Part 1 — Federal recovery tax calculation

	2016	2017	2018
Taxable income (line 56 of the T3 return )			1
<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>Provincial or territorial tax previously paid</b>			
Actual provincial or territorial tax paid for that year (line 82 of the T3 return)	-	-	-
<b>Dividend gross-up</b>			
Total gross-up amount of dividends retained or not designated by the trust (line 49 of the T3 return)	-	-	-
<b>Capital distribution to electing beneficiaries</b>			
After-tax amount available for distribution to an electing beneficiary (line 1 minus lines 2 to 4)	=	=	=
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)			6
<b>Federal tax previously paid attributable to taxable income later distributed to an electing beneficiary</b>			
Divide line 6 by line 5, and multiply by line 2			7
<b>Provincial or territorial tax previously paid attributable to taxable income later distributed to an electing beneficiary</b>			
Divide line 6 by line 5, and multiply by line 3			8
<b>Section A</b>			
Taxable income (amount from line 1)			9
Amount distributed to an electing beneficiary (amount from line 6)	-	-	-
Federal tax previously paid attributable to taxable income later distributed (amount from line 7)	-	-	-
Provincial or territorial tax previously paid attributable to taxable income later distributed (amount from line 8)	-	-	-
Gross-up amount of dividends attributable to taxable income later distributed to an electing beneficiary (divide line 6 by line 5, and multiply by line 4)	-	-	-
Adjusted taxable income (line 9 minus lines 10 to 13)	=	=	=
Adjusted federal tax on taxable income (multiply line 14 by 33%)	=	=	=

**Federal recovery tax calculation (continued)****Section A (continued)**

	2016	2017	2018	
<b>Federal tax credits</b>				
Total dividend tax credits and donations and gifts tax credit (line 17 of T3 schedule 11)				<b>16</b>
Minimum tax carryover from previous years (line 19 of T3 schedule 11)	+	+	+	<b>17</b>
Other federal tax credits (line 30 of T3 schedule 11)	+	+	+	<b>18</b>
Subtotal (add lines 16 to 18)	=	=	=	<b>19</b>
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)	-	-	-	<b>20</b>
Amount of federal tax credit attributable to taxable income not distributed to an electing beneficiary (line 19 <b>minus</b> line 20)	=	=	=	<b>21</b>
Adjusted federal tax payable (line 15 <b>minus</b> line 21)	=	=	=	<b>22</b>
<b>Section B</b>				
Actual total federal tax paid for that year (Enter the amount from line 2)				<b>23</b>
<b>Section C</b>				
Federal tax previously paid attributable to taxable income later distributed (Enter the amount from line 7)	-	-	-	<b>24</b>
<b>Federal recovery tax</b>				
Federal tax paid less amount attributable to taxable income later distributed (line 23 <b>minus</b> line 24)	=	=	=	<b>25</b>
QDT recovery tax (line 22 <b>minus</b> line 25)	=	=	=	<b>26</b>
QDT recovery tax for all years combined (sum of all amounts on line 26)				<b>27</b>
Enter the amount from line 27 on line 11 of your T3 Schedule 11.				

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

	2016	2017	2018	
<b>Section A</b>				
Taxable income (amount from line 1)				<b>28</b>
Amount distributed to an electing beneficiary (amount from line 6)	-	-	-	<b>29</b>
Federal tax previously paid attributable to taxable income later distributed (amount from line 7)	-	-	-	<b>30</b>
Provincial or territorial tax previously paid attributable to taxable income later distributed (amount from line 8)	-	-	-	<b>31</b>
Adjusted taxable income (line 28 <b>minus</b> lines 29 to 31)	=	=	=	<b>32</b>
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)	=	=	=	<b>33</b>
Total provincial or territorial tax credits from the applicable provincial or territorial form				<b>34</b>
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)	=	=	=	<b>35</b>
Amount of provincial or territorial tax credits attributable to taxable income not distributed to an electing beneficiary (line 34 <b>minus</b> line 35)	=	=	=	<b>36</b>
Adjusted provincial or territorial tax payable (line 33 <b>minus</b> line 36)	=	=	=	<b>37</b>
<b>Section B</b>				
Actual total provincial or territorial tax paid for that year (enter the amount from line 3)				<b>38</b>
<b>Section C</b>				
Provincial or territorial tax previously paid attributable to taxable income later distributed (enter the amount from line 8)				<b>39</b>
<b>Provincial or territorial recovery tax</b>				
Provincial or territorial tax paid <b>less</b> amount attributable to taxable income later distributed (line 38 <b>minus</b> line 39)	=	=	=	<b>40</b>
Lines 37 <b>minus</b> line 40	=	=	=	<b>41</b>
Total (sum of all amounts on line 41)				<b>42</b>
Enter the result from line 42 on line 14 of the applicable provincial or territorial form				