

- Enter the applicable tax year in the box above.
- **If a trust is subject to minimum tax, include a completed copy of this schedule with the trust's return.**
- Use this schedule to calculate a trust's minimum tax and minimum tax carryover.
- See page 4 for a list of trusts not subject to minimum tax.
- For information on how to complete this schedule, see the instructions on pages 4 and 5.
- To calculate provincial or territorial minimum tax, see pages 5 and 6.

Part 1 – Calculating net adjusted taxable income for minimum tax

Complete sections B, C, and D only if the trust is claiming losses from those sources.

A. Calculating the non-taxable part of capital gains reported in the year and kept in the trust

Do **not** include taxable capital gains from mortgage foreclosures or conditional sales repossessions. If the trust is reporting deemed dispositions of capital property on Form T1055, Summary of Deemed Dispositions (2002 and later tax years), or capital gains from donated property, you will need to make an adjustment for line 3. Use Chart 1 on page 4.

Taxable capital gains (line 21 of Schedule 1)	_____		1	
Taxable capital gains allocated and designated to beneficiaries (column 4 of line 921 of Schedule 9)	-		2	
Capital gains kept in the trust (line 1 minus line 2)	=		2A	
Capital gains conversion rate	x		2B	
Non-taxable part of capital gains kept in the trust (line 2A multiplied by line 2B)	12030 =		▶	3

B. Rental and leasing property

Capital cost allowance (CCA) and carrying charges claimed on rental and leasing property	12050 •		4	
Net income from rental and leasing property before CCA and related carrying charges (if a loss, enter "0"). See the Note on page 4.	12060 • -		5	
Loss, if any, created or increased by CCA and related carrying charges (line 4 minus line 5)	=		▶	+ 6

C. Film property

CCA and carrying charges claimed on certified film property acquired after 1987 and before March 1996	12080 •		7	
Net income reported from certified film property before CCA and related carrying charges (if a loss, enter "0"). See the Note on page 4.	12090 • -		8	
Loss, if any, created or increased by CCA and related carrying charges (line 7 minus line 8)	=		▶	+ 9

D. Resource property, royalties, and flow-through shares

Total of all resource deductions, allowances, depletion allowances, and carrying charges related to resource property and flow-through shares	12110 •		10	
Income from production of petroleum, natural gas, and minerals, including royalties before resource deductions and allowances and depletion allowances and related carrying charges (if a loss, enter "0")	12120 •		11	
Income from property, or from a business of selling the product of property, described in Class 43.1 or 43.2 in Schedule II to the Income Tax Regulations (before deductions included on line 10), and income from dispositions of foreign resource properties and recovery of exploration and development expenses (if a loss, enter "0")	12130 • +		12	
Total resource income (line 11 plus line 12)	=		▶	- 13
Loss, if any, created or increased by resource deductions and allowances, depletion allowances, and related carrying charges (line 10 minus line 13)	=		▶	+ 14

E. Limited partnership and tax shelter losses – Include the trust's total share of the partnership loss. (see Schedule 12 in Guide T4013, T3 Trust Guide)

	12160 • +		15	
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F. Limited and specified member partnership interest – Amount, if any, by which carrying charges related to acquiring a partnership interest are more than the trust's income from the partnership interest.

	12170 • +		16	
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Total additions to taxable income for minimum tax purposes (add lines 3, 6, 9, 14, 15, and 16)	=		▶	17
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Part 1 (continued)

Total additions to taxable income for minimum tax purposes (from line 17 on page 1)					17
Total gross-up amount of dividends kept by the trust (line 49 of the return)				18	
Allowable business investment losses (line 25 of the return)		19A			
Capital gains conversion rate	x		19B		
Line 19A multiplied by line 19B	=			19	
Total deductions from taxable income for minimum tax purposes (line 18 plus line 19)	=				20
Net additions to taxable income for minimum tax purposes (line 17 minus line 20)	=				21
Taxable income (line 56 of the return; if a loss, enter the amount in brackets)					22
Adjusted non-capital losses incurred in 2011 and earlier years (see "Lines 23A and 23B" on page 5)			12220 • +		23A
Adjusted non-capital losses incurred in 2012 and later years (see "Lines 23A and 23B" on page 5)			12221 • +		23B
					24
					24
					24
					24
Net capital losses of other years deducted in the current year (see "Line 25" on page 5)		12240 •		25A	
Capital gains conversion rate	x			25B	
Line 25A multiplied by line 25B	=				25
Adjusted taxable income for minimum tax (line 24 minus line 25)	=				26
Basic exemption (applies to a graduated rate estate only – see "Line 27" on page 5)			12260 • -		27
Net adjusted taxable income for minimum tax (line 26 minus line 27; if negative, enter "0")			12270 • =		28

If the amount on line 28 is more than zero, continue completing this schedule.

If the amount on line 28 is zero, the trust is not subject to minimum tax. However, you should complete Part 7 to determine the amount of minimum tax carryover available for this year and for future years. Enter "0" on line 69. **Include Schedule 12 with the return.**

If the trust has **taxable income** on line 56 of the return, complete Schedule 11.

Part 2 – Calculating the special foreign tax credit

Complete Part 2 only if the trust kept foreign income

Terms identified by the letters (a) and (e) are defined on Form T3 FFT, T3 Federal Foreign Tax Credits

Foreign non-business income for which the trust paid foreign non-business income tax (a)					29
Foreign business income		+			30
Total foreign income (line 29 plus line 30)		=			31
Applicable rate		x			32
Foreign income limit for special foreign tax credit (line 31 multiplied by line 32)		=			33
Foreign non-business income tax paid (a) (line 1 of Form T3 FFT)	x	=			34
Foreign business income tax paid (e) (line 4 of Form T3 FFT)		+			35
Total foreign taxes paid for special foreign tax credit (line 34 plus line 35)		=			36
Line 33 or line 36, whichever is less					37
Deductible amount of federal foreign tax credit (line 12 of Form T3 FFT)					38
Special foreign tax credit (line 37 or line 38, whichever is more)			12290 ■ =		39

Part 3 – Obligation to pay minimum tax

Net adjusted taxable income for minimum tax (line 28)	x	=			40
Donations and gifts tax credit (line 16 of Schedule 11)		-			41
Minimum amount (line 40 minus line 41)		=			42
Special foreign tax credit (from line 39)					43
Net minimum tax payable (line 42 minus line 43)			12340 ■ =		44
Federal tax payable (line 33 of Schedule 11)					45
48% surtax on income not subject to provincial or territorial tax (line 21 of Schedule 11)		-			46
Federal tax before surtax (line 45 minus line 46)		=			47
Amount by which minimum amount is more than regular federal tax payable (line 44 minus line 47; if negative, enter "0")					48

If the amount on line 48 is more than zero, complete the rest of this schedule.

If the amount on line 48 is zero, the trust is not liable to pay minimum tax. However, you should complete Part 7 to determine the amount of minimum tax carryover available for this year and for future years. **Include Schedule 12 with the return.**

If the trust has **taxable income** on line 56 of the return, complete Schedule 11.

Part 4 – Basic federal tax for the year

Basic federal tax (line 20 of Schedule 11)				49	
Minimum amount (from line 42)				50	
Basic federal tax for the year (line 49 or line 50, whichever is more)				12420	51

Part 5 – Calculating federal tax payable (minimum tax)

Net minimum tax payable (from line 44)					52
Surtax on income not subject to provincial or territorial tax (part of line 51 not subject to provincial or territorial tax)		x	=	+	53
Federal tax payable (line 52 plus line 53)				12550	54

Enter this amount on line 81 of the return.

To calculate provincial or territorial minimum tax, use Chart 3 on page 6.

Refundable Quebec abatement (see "Line 55" on page 5)	(amount from line 51)	x	=		55
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Enter the amount from line 55 on line 87 of the return.

Part 6 – Calculating this year's additional taxes paid for minimum tax carryover

Minimum amount (from line 42)					56
Basic federal tax (line 20 of Schedule 11)				57	
Special foreign tax credit (from line 39)					58
Deductible amount of federal foreign tax credit (amount from line 38)	-				59
Subtotal (line 58 minus line 59)	=				60
Amount from line 33					61
Amount from line 35	+				62
Subtotal (line 61 plus line 62)	=				63
Amount from line 60					64A
Amount from line 36 divided by amount from line 63	x				64B
Line 64A multiplied by line 64B	=			▶	64
Total (line 57 plus line 64)	=			▶	-
Additional taxes available to carry over to later years (line 56 minus line 65; if negative, enter "0")				12670	66

Part 7 – Calculating the total minimum tax carryover

Minimum tax carryover from the seven previous tax years				12680	67
Tax payable before carryover (line 18 of Schedule 11)				68	
Minimum amount (from line 42)	-				69
Maximum carryover that can be applied this year (line 68 minus line 69; if negative, enter "0") If the trust is subject to minimum tax, enter "0".	=				70

Minimum tax carryover applied this year:

Claim an amount that is not more than line 67 or line 70, whichever is less (Enter this amount on line 19 of Schedule 11)				-	71
Balance of minimum tax carryover (line 67 minus line 71)	=				72
Additional taxes available from this year (from line 66)	+				73
Line 72 plus line 73	=				74
Additional 2012 taxes not applied				12760	75
Minimum tax carryover available for next year (line 74 minus line 75)	=			12690	76

Is the trust subject to minimum tax?

The following types of trusts are **not** subject to minimum tax:

- a spousal or common-law partner trust, a joint spousal or common-law partner trust, or an alter ego trust if it reports in the year its first deemed disposition on Form T1055, Summary of Deemed Dispositions (2002 and later tax years), or
- if the trust was throughout the tax year:
 - a mutual fund trust
 - a related segregated fund trust
 - a master trust, or
 - an employee life and health trust

A trust, other than a type listed above, may have to pay minimum tax for the year if it:

- reports taxable capital gains (line 01 of the return)
- reports taxable dividends (line 03 of the return)
- claims a loss resulting from, or increased by, resource expenditures, or claims resource and depletion allowances on resource properties (line 06 or line 19 of the return)
- claims a loss resulting from, or increased by, capital cost allowance (CCA) or carrying charges claimed on a rental or leasing property (line 09 of the return), or certified films or videotapes (line 06 of the return)
- has certain losses that limited partners, specified members of a partnership, or partners of a registered tax shelter deduct for their partnership interest (for this purpose, losses allocated from a partnership are applied against gains from the same partnership source)
- has losses from an investment in a registered tax shelter
- has carrying charges for interests in limited partnerships, tax shelters, rental or leasing properties, or film or resource properties, that increase or create a loss from these sources

Note

Net income from rental, leasing, and film property includes income from these investments (before CCA and related carrying charges) **plus** any net taxable capital gains from the disposition of these investments **minus** any losses from these investments (before CCA and related carrying charges). You also have to subtract allocated partnership losses from gains from the same partnership source.

Line 3 – Non-taxable part of capital gains kept in the trust

This amount usually equals three-fifths of the taxable capital gains kept in the trust after the allocation and designation of net taxable capital gains to beneficiaries. **Do not** include taxable capital gains from mortgage foreclosures and conditional sales repossessions. Only the taxable part of a capital gain from the donation or gift of property is included in the base for determining minimum tax. If the trust reports a capital gain from donated property, you have to make an adjustment for the non-taxable part of capital gains as well. To make the adjustment, use the following chart. If you have completed Form T1055, you should also use the following chart to make the adjustment.

Chart 1 – Adjusted Line 3

Taxable capital gains from line 21 of Schedule 1		a			
Amount from line 25 of Form T1055 (include this amount only if the deemed disposition arises on a day described in D to H of that form)	+		b		
Subtotal (line a plus line b)	=		x	=	c
Net taxable capital gains allocated and designated (3/5 of line 921 from Schedule 9)			d		
30% of capital gains on other donated property from line 18 of Schedule 1	+		e		
Subtotal (line d plus line e)	=		▶	-	f
Total (line c minus line f). Enter this amount on line 3.				=	g

Part 1 – Calculating net adjusted taxable income for minimum tax

Lines 23A and 23B – Adjusted non-capital losses of other years used in the current year

If the trust claimed non-capital losses of other years, you may have to reduce the non-capital losses for minimum tax purposes. This reduction is any part of the non-capital losses attributable to:

- capital cost allowance or carrying charges claimed on:
 - rental or leasing property, or
 - films certified by the Canadian Audio-Visual Certification Office (CAVCO)
- resource expenditures, or
- resource and depletion allowances

For minimum tax purposes, a non-capital loss that is carried forward is calculated according to the minimum tax rules in effect for the year in which the loss was incurred.

Enter the reduction on line 23A or 23B.

For more information, see "Schedule 12 – Minimum Tax" in Guide T4013, T3 Trust Guide.

Line 25 – Net capital losses of other years deducted in the current year

You may have claimed a capital loss from previous years on line 52 of the return. If this is the case, you will have to adjust the trust's income for minimum tax purposes. On line 25A, enter the net capital losses of other tax years that you claimed in the current year on line 52 of the return. **Do not** include capital losses on mortgage foreclosures and conditional sales repossessions. Tax-free savings account trusts should not include an amount on line 25.

If the amount on line 52 of the return is less than the capital gains remaining in the trust after allocation to beneficiaries, and the trust has additional unapplied losses of other years, you may be able to increase the amount on line 25A.

Line 27 – Basic exemption

We allow a basic exemption of \$40,000 to a **graduated rate estate**. For the definition of graduated rate estate, see Guide T4013, T3 Trust Guide.

Note

For trusts other than a graduated rate estate, enter "0" on line 27 of this schedule.

Part 5 – Calculating federal tax payable (minimum tax)

Line 55 – Refundable Quebec abatement

For information, see the instructions for line 34 of Schedule 11 in the T3 Trust Guide.

Part 6 – Calculating this year's additional taxes paid for minimum tax carryover

Lines 56 to 66

Use Part 6 to calculate the amount of any additional minimum tax payable by the trust for this year that you can carry over to a future year. You may be able to deduct this amount from the trust's regular tax liability on line 19 of Schedule 11 in future years. You can claim a carryforward for a period of seven years.

Part 7 – Calculating the total minimum tax carryover

Lines 67 to 76

Use Part 7 to calculate the minimum tax carryover from previous years that you can claim on Schedule 11 in this year. You can carry over minimum tax from the seven previous tax years. It is in the trust's best interests to apply the oldest available carryover first. For example, apply any carryover from 2012 before any carryover from 2013. Also use Part 7 to calculate the total minimum tax carryover, if any, that can be carried forward to later years.

Provincial and territorial minimum tax payable

Use Chart 3, Calculating Provincial and Territorial Minimum Tax, on the next page, to calculate the trust's provincial and territorial minimum tax payable.

Chart 3 – Calculating Provincial and Territorial Minimum Tax

Newfoundland and Labrador		Saskatchewan	
Line 66 _____	1	Line 56 _____ minus Line 57 _____ = _____	1
Newfoundland and Labrador rate	x	Saskatchewan rate	x
Newfoundland and Labrador additional minimum tax (line 1 multiplied by line 2)		Saskatchewan additional minimum tax (line 1 multiplied by line 2)	
Enter amount A on line 22 of Form T3NL or on line 22 of Form T3NLMJ.	=	Enter amount G on line 22 of Form T3SK or on line 22 of Form T3SKMJ.	=
	A		G
Nova Scotia		Alberta	
Line 66 _____	1	Line 56 _____ minus Line 57 _____ = _____	1
Nova Scotia rate	x	Alberta rate	x
Nova Scotia additional minimum tax (line 1 multiplied by line 2)		Alberta additional minimum tax (line 1 multiplied by line 2)	
Enter amount B on line 22 of Form T3NS or on line 22 of Form T3NSMJ.	=	Enter amount H on line 22 of Form T3AB or on line 22 of Form T3ABMJ.	=
	B		H
New Brunswick		British Columbia	
Line 56 _____ minus Line 57 _____ = _____	1	Line 66 _____	1
New Brunswick rate	x	British Columbia rate	x
New Brunswick additional minimum tax (line 1 multiplied by line 2)		British Columbia additional minimum tax (line 1 multiplied by line 2)	
Enter amount C on line 22 of Form T3NB or on line 22 of Form T3NBMJ.	=	Enter amount I on line 22 of Form T3BC or on line 22 of Form T3BCMJ.	=
	C		I
Prince Edward Island		Nunavut	
Line 66 _____	1	Line 66 _____	1
Prince Edward Island rate	x	Nunavut rate	x
Prince Edward Island additional minimum tax (line 1 multiplied by line 2)		Nunavut additional minimum tax (line 1 multiplied by line 2)	
Enter amount D on line 22 of Form T3PE or on line 22 of Form T3PEMJ.	=	Enter amount J on line 22 of Form T3NU or on line 22 of Form T3NUMJ.	=
	D		J
Ontario		Northwest Territories	
Ontario additional tax for minimum tax purposes		Line 66 _____	1
Enter amount from line 30 of Form T3ON or line 30 of Form T3ONMJ.	=	Northwest Territories rate	x
	E	Northwest Territories additional minimum tax (line 1 multiplied by line 2)	
		Enter amount K on line 22 of Form T3NT or on line 22 of Form T3NTMJ.	=
			K
Manitoba		Yukon	
Line 56 _____ minus Line 57 _____ = _____	1	Line 66 _____	1
Manitoba rate	x	Yukon rate	x
Manitoba additional minimum tax (line 1 multiplied by line 2)		Yukon additional minimum tax (line 1 multiplied by line 2)	
Enter amount F on line 24 of Form T3MB or on line 24 of Form T3MBMJ.	=	Enter amount L on line 22 of Form T3YT or on line 22 of Form T3YTMJ.	=
	F		L