



Ministry of Finance
Corporations Tax Branch - Hydro PIL
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Keep this portion for your records.

Notice of Assessment

Electricity Act, 1998 • Corporations Tax Act, R.S.O. 1990
from 2005/01/01 to 2005/12/31

KINGSTON ELECTRICITY DISTRIBUTION LIMITED

Account No.	Assessment Date (year, month, day)	Page
1800263	2007/03/26	1 of 1

ASSESSMENT NO. 100

Tax: Federal and Provincial PIL
Assessment Interest

448,599.00
2,264.59
450,863.59

Total Assessment Liability

SUMMARY OF 2005/12/31 TAXATION YEAR TRANSACTIONS

Payments/Transfers

448,599.00CR

Sub-Total

448,599.00CR

TAXATION YEAR BALANCE DUE **

2,264.59

In accordance with s.s.80(8) of the Corporations Tax Act, as made applicable by s.95 of the Electricity Act, 1998, notice is hereby given of the amount of tax, penalty and interest for which you are assessed.

Total tax assessed as per company estimate

**Remember to include additional interest due with your payment. Interest on the balance is compounded daily from the date of this Notice/Statement until payment is received by the Ontario Electricity Financial Corporation (OEFC). The current interest rate is 0.0246575%.

ELECT 780709 6480000 78201 001

Tax (Re)Assessment Enquiries:

- Toronto (416) 730-5585
- FAX (416) 730-5593

Account Billing Enquiries & Change of Address Information:

- Oshawa and Local (905) 433-6708
- Toll-Free 1-800-262-0784 ext. 3036
- Toronto (416) 920-9048 ext. 3036
- FAX (905) 433-5197

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Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

2004/
2005

CT23 Corporations Tax and Annual Return

Corporations Tax Act - Ministry of Finance (MOF)
Corporations Information Act - Ministry of Consumer and Business Services (MCBS)

For taxation years commencing
after December 31, 2002

This form is a combination of the Ministry of Finance (MOF) **CT23 Corporations Tax Return** and the Ministry of Consumer and Business Services (MCBS) **Annual Return**. Page 1 is a common page required for both Returns. For tax purposes, depending on which criteria the corporation satisfies, it must complete either the **Exempt from Filing (EFF)** declaration on page 2 or file the **CT23 Return** on pages 3-17. Corporations that **do not** meet the EFF criteria but **do** meet the Short-Form criteria, may request and file the **CT23 Short-Form Return** (see page 2).

The **Annual Return** (common page 1 and MCBS Schedule A on pages 18 and 19, and Schedule K on page 20) contains non-tax information collected under the authority of the *Corporations Information Act* for the purpose of maintaining a public database of corporate information. This return must be completed by Ontario share-capital corporations or Foreign-Business share-capital corporations that have an extra-provincial licence to operate in Ontario.

MCBS Annual Return Required? (Not required if already filed or Annual Return exempt. Refer to Guide)

☒ Yes

☐ No

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Ministry Use

CLIENT'S COPY

Corporation's Legal Name (including punctuation) Kingston Electricity Distribution Limited			Ontario Corporations Tax Account No. (MOF) 1800263														
Mailing Address Randy Murphy 1211 John Counter Blvd. Kingston ON CA K7L 4X7			This Return covers the Taxation Year Start <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr><tr><td>2005</td><td>01</td><td>01</td></tr></table> End <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr><tr><td>2005</td><td>12</td><td>31</td></tr></table>			year	month	day	2005	01	01	year	month	day	2005	12	31
year	month	day															
2005	01	01															
year	month	day															
2005	12	31															
Has the mailing address changed since last filed CT23 Return? <input type="checkbox"/> Yes			Date of Incorporation or Amalgamation <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr><tr><td>2000</td><td>09</td><td>19</td></tr></table>			year	month	day	2000	09	19						
year	month	day															
2000	09	19															
Registered/Head Office Address 1211 John Counter Blvd. Kingston ON CA K7L 4X7			Ontario Corporation No. (MCBS) 1425446														
Location of Books and Records 11 John Counter Blvd. Kingston ON CA K7L 4X7			Canada Customs and Revenue Agency Business No. If applicable, enter 86652 9399 RC0001														
Name of person to contact regarding this CT23 Return Randy Murphy		Telephone No. (613) 546-1181	Jurisdiction Incorporated Ontario														
Address of Principal Office in Ontario (Extra-Provincial Corporations only) (MCBS) Ontario Canada			If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased: Commenced <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr></table> Ceased <table border="1"><tr><td>year</td><td>month</td><td>day</td></tr></table>			year	month	day	year	month	day						
year	month	day															
year	month	day															
Former Corporation Name (Extra-Provincial Corporations only) <input checked="" type="checkbox"/> Not Applicable (MCBS)			<input checked="" type="checkbox"/> Not Applicable														
Information on Directors/Officers/Administrators must be completed on MCBS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MCBS). No. of Schedule(s) <table border="1"><tr><td> </td></tr></table>				Preferred Language / Langue de préférence <input checked="" type="checkbox"/> English <input type="checkbox"/> French anglais français													
If there is no change to the Directors'/Officers'/Administrators' information previously submitted to MCBS, please check (X) this box. Schedule(s) A and K are not required (MCBS). <input checked="" type="checkbox"/> No Change			Ministry Use 														

Certification (MCBS)

I certify that all information set out in the **Annual Return** is true, correct and complete.

Name of Authorized Person (Print clearly or type in full)

James Keech

Title ☒ Director ☒ Officer ☐ Other individuals having knowledge of the Corporation's business activities

Note: Sections 13 and 14 of the Corporations Information Act provide penalties for making false or misleading statements or omissions.

Kingston Electricity Distribution Limited

1800263

2005-12-31

CT23 Corporations Tax Return

Continuation of Form CT23 (for CT23 filers only)

Type of Corporation – Please check (X) box(es) if applicable in sections

1 & 2

1 ☒ Canadian-controlled Private (CCPC) all year
(Generally a private corporation of which
50% or more shares are owned by
Canadian residents.) (fed.s.125(7)(b))

2 ☐ Other Private

3 ☐ Public

4 ☐ Non-share Capital

5 ☐ Other (specify) ▼

Share Capital with full voting rights
owned by Canadian Residents

(nearest percent)

100 %

Ontario Retail Sales Tax Vendor Permit No.
(Use Head Office no.)

If applicable, enter

Ontario Employer Health Tax Account No.
(Use Head Office no.)

If applicable, enter

Specify major business activity

Electricity Distrib

- 2
- 1 ☐ Family Farm Corporation s.1 (2)
- 2 ☐ Family Fishing Corporation s.1 (2)
- 3 ☐ Mortgage Investment Corporation s.47
- 4 ☐ Credit Union s.51
- 5 ☐ Bank Mortgage Subsidiary s.61 (4)
- 6 ☐ Bank s.1 (2)
- 7 ☐ Loan and Trust Corporation s.61 (4)
- 8 ☐ Non-resident Corporation
s.2(2)(a) or (b)
- 9 ☐ Non-resident Corporation s.2(2)(c)
- 10 ☐ Mutual Fund Corporation s.48
- 11 ☐ Non-resident owned investment
Corporation s.49
- 12 ☐ Non-resident ship or aircraft under
reciprocal agreement with Canada s.28(b)

- 14 ☐ Bare Trustee Corporation
- 15 ☐ Branch of Non-resident s.63(1)
- 16 ☐ Financial institution prescribed by
Regulation only
- 17 ☐ Investment Dealer
- 18 ☐ Generator of electrical energy for sale or
producer of steam for use in the generation
of electrical energy for sale
- 19 ☐ Hydro successor, Municipal Electrical
Utility or subsidiary of either
- 20 ☐ Producer and seller of steam for uses
other than for the generation of electricity
- 21 ☐ Insurance Exchange s.74.4
- 22 ☐ Farm Feeder Finance Co-operative
Corporation
- 23 ☐ Professional Corporation
(incorporated professionals only)

Please check (X) box(es) if applicable

☐ First Year of Filing

☐ Amended Return

☐ Taxation Year End has changed – Canada
Customs and Revenue Agency approval
required

☐ Final Taxation Year up to Dissolution (wind-up)
(Note: For discontinued businesses, see Guide.)

☐ Final Taxation Year before Amalgamation

☐ Floating Fiscal Year End

☐ Transfer or Receipt of Asset(s) involving a
corporation having a Canadian permanent
establishment outside Ontario

☐ Acquisition of Control fed s. 249(4)

Date Control was acquired

year month day

Was the corporation inactive throughout the taxation year?

Yes No
☐ ☒

Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?

☒ ☐

Are you requesting a refund due to: the Carry-back of a Loss?

☐ ☒

an Overpayment?

☐ ☒

a Specified Refundable Tax Credit?

☐ ☒

Are you a Member of a Partnership or Joint Venture?

☐ ☒

Allocation – If you carry on a business through a permanent establishment in a jurisdiction outside Ontario, you may allocate that portion of taxable income deemed earned in that jurisdiction to that jurisdiction (s.39) (Int.B. 3008).

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	- - - - -	±	From	690	1,036,793
Subtract: Charitable donations	- - - - -	-		1	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property (Attach schedule 2)	- - - - -	-		2	
Subtract: Taxable dividends deductible, per federal Schedule 3	- - - - -	-		3	
Subtract: Ontario political contributions (Attach Schedule 2A) (Int.B. 3002R)	- - - - -	-		4	
Subtract: Federal Part VI.1 tax	- - - - -	-		5	
Subtract: Prior years' losses applied – Non-capital losses	- - - - -	-	From	704	
	From 715				
Net capital losses (page 16)	- - - - -	x	inclusion rate	50.000000 %	=
Farm losses	- - - - -	-	From	724	
Restricted farm losses	- - - - -	-	From	734	
Limited partnership losses	- - - - -	-	From	754	
Taxable Income (Non-capital loss)	- - - - -	=		10	1,036,793
Addition to taxable income for unused foreign tax deduction for federal purposes	- - - - -	+		11	
Adjusted Taxable Income	10 + 11 (if 10 is negative, enter 11)	=		20	1,036,793

Taxable Income

From 10 (or 20 if applicable)	1,036,793	x	30	100.0000 %	x	12.5 %	x	33	÷	73	365	= +	29	
Ontario Allocation														
From 10 (or 20 if applicable)	1,036,793	x	30	100.0000 %	x	14 %	x	34	365 ÷ 73	365	= +	32	145,151	
Ontario Allocation														
Income Tax Payable (before deduction of tax credits)	29 + 32	=	40	145,151										

Number of Days in Taxation Year

Days after Dec. 31, 2002 and before Jan. 1, 2004

Total Days

Days after Dec. 31, 2003

Total Days

Incentive Deduction for Small Business Corporations (IDSBC) (s.41)

Section 41(1) is not completed, the IDSBC will be denied.

Did you claim the federal Small Business Deduction (fed.s.125(1)) in the taxation year or would you have claimed the federal Small Business Deduction had the provisions of fed.s.125(5.1) not been applicable in the taxation year? (X)

☒ Yes ☐ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))	- - - - -	50	1,036,793
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51	1,036,793	
Add: Losses of other years deducted for federal purposes (fed.s.111)	+ 52		
Subtract: Losses of other years deducted for Ontario purposes (s.34)	- 53		
	=	1,036,793	54 1,036,793
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)	- - - - -	55	300,000

Ontario Business Limit Calculation

320,000 x	Days after Dec. 31, 2002 and before Jan. 1, 2004	31	÷	365	= +	46	
400,000 x	Days after Dec. 31, 2003	34	365 ÷	365	= +	47	400,000
Business Limit for Ontario purposes	46 + 47	=	44	400,000	x	Percentage of federal Business limit (from T2 Schedule 23). Enter 100% if not associated.	48 100.0000 %
		=	45	400,000			
Income eligible for the IDSBC	- - - - -	From	30	100.0000 %	x	56	400,000
			***Ontario Allocation	Least of	50, 54 or 45	=	60 400,000

* **Note:** Modified by s.41(6) and (7) for corporations that are members of a partnership. (Refer to Guide.)

* **Note:** Adjust accordingly for a floating taxation year and use 366 for a leap year.

* **Note:** Ontario Allocation for IDSBC purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.41(4)).

continued on Page 5

DOLLARS ONLY

Additional Deduction for Credit Unions (s.51(4)) (Attach schedule 17)

110

Manufacturing and Processing Profits Credit (M&P) (s.43)

Applies to Eligible Canadian Profits from manufacturing and processing, farming, mining, logging and fishing carried on in Canada, as determined by regulations.

Eligible Canadian Profits from mining are the "resource profits from the mining operations", as determined for Ontario depletion purposes, after deducting depletion and resource allowances but excluding amounts from sale of Canadian resource property, rentals or royalties. If you are claiming this credit, attach a copy of Ontario schedule 27.

The whole of the active business income qualifies as Eligible Canadian Profits if: a) your active business income from sources other than manufacturing and processing, mining, farming, logging or fishing is 20% or less of the total active business income and b) the total active business income is \$250,000 or less.

Eligible Canadian Profits - - - - - + 120

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56 400,000

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 29,719 ÷ From 30 100.0000% ÷ From 78 8.5000% = 121 349,635

*Ontario Allocation

Lesser of 56 or 121 - - - - - + 122 349,635

120 - 56 + 122 - - - - - = 130

Taxable Income - - - - - + From 10 1,036,793

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - From 56 400,000

Add: Adjustments for Surtax on Canadian-controlled private corporations - - - - - + From 122 349,635

Subtract: Taxable Income 10 1,036,793 X Allocation % to jurisdictions outside Canada % - - - 140

Subtract: Amount by which Canadian and foreign investment income exceeds net capital losses - - - - - 141

10 - 56 + 122 - 140 - 141 - - - - - = 142 986,428

n

Number of Days in Taxation Year

Days after Dec. 31, 2002
and before Jan 1, 2004 Total Days

143 X From 30 100.0000% X 1.5% X 33 ÷ 73 365 = + 154

Lesser of 130 or 142

Ontario Allocation

Days after Dec. 31, 2003 Total Days

143 X From 30 100.0000% X 2% X 34 365 ÷ 73 365 = + 156

Lesser of 130 or 142

Ontario Allocation

M&P claim for taxation year 154 + 156 - - - - - = 160

* Note: Ontario Allocation for M&P Credit purposes may differ from 30 if Taxable Income is allocated to foreign jurisdictions. See special rules (s.43(1))

Manufacturing and Processing Profits Credit for Electrical Generating Corporations

= 161

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity

= 162

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). (Attach schedule).

170

Credit for Investment in Small Business Development Corporations (SBDC)

Applies if you have an unapplied, previously approved credit from prior years' investments in new issues of equity shares in Small Business Development Corporations. Any unused portion may be carried forward indefinitely and applied to reduce subsequent years' income taxes. (Refer to the former *Small Business Development Corporations Act*)

Eligible Credit 175

Credit Claimed 180

Subtotal of Income Tax 40 - 70 + 100 - 110 - 160 - 161 - 162 - 170 - 180 - - - - - = 190 140,870

continued on Page 7

Kingston Electricity Distribution Limited

1800263

2005-12-31

DOLLARS ONLY

Income Tax *continued from Page 6***Specified Tax Credits** (Refer to Guide)**Ontario Innovation Tax Credit (OITC) (s.43.3)** *Applies to scientific research and experimental development in Ontario.*Eligible Credit From **5820** OITC Claim Form (Attach original Claim Form)+ **191****Co-operative Education Tax Credit (CETC) (s.43.4)** *Applies to employment of eligible students.*Eligible Credit From **5798** CT23 Schedule 113 (Attach Schedule 113)+ **192****Ontario Film & Television Tax Credit (OFTTC) (s.43.5)***Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.* Name of Production **204**Eligible Credit From **5850** of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ **193****Graduate Transitions Tax Credit (GTTC) (s.43.6)***Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005.*Eligible Credit From **6598** CT23 Schedule 115 (Attach Schedule 115)+ **195****Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)***Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.*Eligible Credit From **6900** OBPTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility)+ **196****Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)***Applies to labour relating to computer animation and special effects on an eligible production.*Eligible Credit From **6700** of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ **197****Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)***Applies to qualifying R&D expenditures under an eligible research institute contract.*Eligible Credit From **7100** OBRITC Claim Form (Attach original Claim Form)+ **198****Ontario Production Services Tax Credit (OPSTC) (s.43.10)***Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.*Eligible Credit From **7300** of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ **199****Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)***Applies to qualifying labour expenditures of eligible products for the taxation year.*Eligible Credit From **7400** of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility)

+ **200****Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)***Applies to qualifying expenditures in respect of eligible Canadian sound recordings.*Eligible Credit From **7500** OSRTC Claim Form (Attach both the original Claim Form and the Certificate of Eligibility)+ **201****Apprenticeship Training Tax Credit (ATTC) (s.43.13)***Applies to employment of eligible apprentices*Eligible Credit From **5898** CT23 Schedule 114 (Attach Schedule 114)+ **203**

Other (specify)

+ **203.1****Total Specified Tax Credits** **191** + **192** + **193** + **195** + **196** + **197** + **198** + **199** + **200** + **201** + **203** + **203.1**= **220****Specified Tax Credits Applied to reduce Income Tax**= **225****Income Tax** **190** - **225** OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative)= **230** 140,870To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on Page 8. If CMT is not applicable, transfer amount in **230** to Income Tax in **Summary** section on Page 17.

OR

If CMT is not applicable for the current taxation year but your corporation has CMT Credit Carryovers that you want to apply to reduce income tax otherwise payable, then proceed to and complete the **Application of CMT Credit Carryovers** section part B, on Page 8.

DOLLARS ONLY

Total Assets of the corporation - - - - - + **240** 45,085,929 .
 Total Revenue of the corporation - - - - - + **241** 64,131,339 .

above amounts include the corporation's and associated corporations' share of any partnership(s) / joint venture(s) total assets and total revenue.

If you are a member of an associated group (X) **242** ☒ (Yes)

Name of associated corporation (Canadian & foreign) (if insufficient space, attach schedule)	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Total Assets	Total Revenue
1425445 Ontario Limited	1800292	2005-12-31	+ 243 10,777,380 .	+ 244 71,930,263 .
			+ 245 .	+ 246 .
			+ 247 .	+ 248 .
Aggregate Total Assets	240 + 243 + 245 + 247 , etc.		= 249 55,863,309 .	
Aggregate Total Revenue	241 + 244 + 246 + 248 , etc.			= 250 136,061,602 .

Determination of Applicability

Applies if either Total Assets **249** exceeds \$5,000,000 or Total Revenue **250** exceeds \$10,000,000.

Short Taxation Years – Special rules apply for determining total revenue where the taxation year of the corporation or any associated corporation or any fiscal period of any partnership(s) / joint venture(s) of which the corporation or associated corporation is a member, is less than 51 weeks.

Associated Corporation – The total assets or total revenue of associated corporations is the total assets or total revenue for the taxation year ending on or before the date of the claiming corporation's taxation year end.

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedule 101**.

Calculation: CMT (Attach Schedule 101.)

Gross CMT Payable - - CMT Base From Schedule 101 **2136** 311,230 . X From **30** 100.0000 % X 4 % = **276** 12,449 .
 If negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach Schedule) - - - - - **277** .

Subtract: Income Tax - - - - - From **190** 140,870 .

Net CMT Payable (If negative, enter Nil on Page 17.) - - - - - = **280** -128,421 .

If **280** is less than zero and you do not have a CMT credit carryover, transfer **230** from Page 7 to Income Tax Summary, on Page 17.

If **280** is less than zero and you have a CMT credit carryover A & B below.

If **280** is greater than or equal to zero, transfer **230** to Page 17 and transfer **280** to Page 17, and to Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.

CMT Credit Carryover available From Schedule 101 - - - - - From **2333** .

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) - - - - - + From **190** 140,870 .
 Gross CMT Payable - - - - - + From **276** 12,449 .
 Subtract: Foreign Tax Credit for CMT purposes - - - - - - From **277** .
 If **276** - **277** is negative, enter NIL in **290** = 12,449 .
 Income Tax eligible for CMT Credit - - - - - = **300** 128,421 .

B. Income Tax (after deduction of specified credits) - - - - - + From **230** 140,870 .
 Subtract: CMT credit used to reduce income taxes - - - - - - **310** .
 Income Tax - - - - - = **320** 140,870 .

Transfer to page 17

If B apply, **310** cannot exceed the lesser of **230**, **300** and your CMT credit carryover available **2333**.

If only B applies, **310** cannot exceed the lesser of **230** and your CMT credit carryover available **2333**.

Kingston Electricity Distribution Limited

1800263

2005-12-31

DOLLARS ONLY

Capital Tax (Refer to Guide and Int.B. 3011R)

If your corporation is a Financial Institution (s.58(2)), complete lines 480 and on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and the Gross Revenue and Total Assets as calculated on page 10 in 480 and 430 are both \$3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation.

A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in 550 on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be

adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017R).

Any Assets and liabilities of a corporation that are being utilized in a joint venture must be included along with the corporation's other Assets and liabilities when calculating its Taxable Paid-up Capital.

Special rules and rates apply to Non-Resident corporations (s.63, s.64 and s.69(3)).

Paid-up Capital of Non-resident: Paid-up capital employed in Canada of a non-resident subject to tax by virtue of s.2(a) or (b), and whose business is not carried on solely in Canada is deemed to be the greater of (1) taxable Income in Canada divided by 8 percent or (2) total assets in Canada minus certain indebtedness in accordance with the provisions of s.63(1)(a) (Int.B. 3010).

Paid-up Capital

Paid-up capital stock (Int.B. 3012R and 3015R)	- - - - -	+	350	12,380,617	•
Retained earnings (if deficit, deduct) (Int.B. 3012R)	- - - - -	±	351	-774,641	•
Capital and other surpluses, excluding appraisal surplus (Int.B.3012R)	- - - - -	+	352	2,477,763	•
Loans and advances (Attach schedule) (Int.B. 3013R)	- - - - -	+	353		•
Bank loans (Int.B. 3013R)	- - - - -	+	354	16,719,114	•
Bankers acceptances (Int.B. 3013R)	- - - - -	+	355	3,000,000	•
Bonds and debentures payable (Int.B. 3013R)	- - - - -	+	356		•
Mortgages payable (Int.B. 3013R)	- - - - -	+	357		•
Lien notes payable (Int.B. 3013R)	- - - - -	+	358		•
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R)	- - - - -	+	359	1,059,462	•
Contingent, investment, inventory and similar reserves (Int.B. 3012R)	- - - - -	+	360		•
Reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012R)	- - - - -	+	361		•
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017R)	- - - - -	+	362		•
Subtotal	- - - - -	=	370	34,862,315	•
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012R)	- - - - -	-	371	847,672	•
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R)	- - - - -	-	372		•
Total Paid-up Capital	- - - - -	=	380	34,014,643	•
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R)	- - - - -	-	381		•
Electrical Generating Corporations Only – All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the Corporations Tax Act, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	- - - - -	-	382		•
Net Paid-up Capital	- - - - -	=	390	34,014,643	•

Eligible Investment (Refer to Guide and Int.B. 3015R)

Attach computations and list of corporation names and investment amounts. Short-term investments (bankers acceptances, commercial paper, etc.) are eligible for the allowance only if issued for a term of and held for 120 days or more prior to the year end of the investor corporation.

Bonds, lien notes and similar obligations, (similar obligations, e.g. stripped interest coupons, applies to taxation years ending after October 30, 1998)	- - - - -	+	402		•
Mortgages due from other corporations	- - - - -	+	403		•
Shares in other corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+	404		•
Loans and advances to unrelated corporations	- - - - -	+	405	500,000	•
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	- - - - -	+	406		•
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	- - - - -	+	407		•
Total Eligible Investments	- - - - -	=	410	500,000	•

continued on Page 10

DOLLARS ONLY

[illegible]

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)	-	-	-	480	64,131,339
Total Assets (as adjusted)	-	-	-	430	45,085,929

Financial Institutions use calculations on page 13.

If the corporation is a family farm corporation, family fishing corporation or a credit union that is not a Financial Institution, complete only Section A below.

- OR** If the corporation is **not** a member of an associated group and/or partnership, complete Section B below, then review only the Capital Tax calculations in Section C below, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.
- OR** If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the 2004/2005 CT23 Guide for additional instructions before completing the Capital Tax section.

SECTION A

This section applies only if the corporation is a family farm corporation, a family fishing corporation or a credit union that is not a Financial Institution (Int.B. 3018).

Enter NIL in **550** on page 12 and complete the return from that point.

SECTION B

Calculation of Taxable Capital Deduction (TCD)

Number of Days in Taxation Year	
Days before Jan. 1, 2005	Total Days
5,000,000 x <input type="text" value="35"/> _____ ÷ <input type="text" value="73"/> <input type="text" value="365"/>	= + <input type="text" value="500"/> _____
Days after Dec. 31, 2004 and before Jan. 1, 2006	Total Days
7,500,000 x <input type="text" value="36"/> <input type="text" value="365"/> ÷ <input type="text" value="73"/> <input type="text" value="365"/>	= + <input type="text" value="501"/> _____ 7,500,000
Days after Dec. 31, 2005 and before Jan. 1, 2007	Total Days
10,000,000 x <input type="text" value="37"/> _____ ÷ <input type="text" value="73"/> <input type="text" value="365"/>	= + <input type="text" value="502"/> _____
Capital Deduction (TCD)	<input type="text" value="500"/> + <input type="text" value="501"/> + <input type="text" value="502"/> = <input type="text" value="503"/> <input type="text" value="7,500,000"/>

SECTION C

This section applies if the corporation is **not** a member of an associated group and/or partnership.

- C1.** If and on page 10 are both \$3,000,000 or less, enter NIL in on page 12 and complete the return from that point.
- C2.** If Taxable Capital in is equal to or less than the TCD in , enter NIL in on page 12 and complete the return from that point.
- C3.** If Taxable Capital in exceeds the TCD in , complete the following calculation and transfer the amount from to on page 12, and complete the return from that point.

+ From 470 _____
 - From 503 _____
 = 471 _____

X From 30 100.0000 % X 0.3 % X 555 365 - - - - - = + 523 _____

Ontario Allocation

365 (366 if leap year)

If floating taxation year, refer to Guide.

Transfer to 543 on page 12 and complete the return from that point.

continued on Page 11

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Capital Tax Calculation *continued from Page 10***SECTION D**

This section applies **ONLY** to a corporation that is a member of an associated group (excluding Financial Institutions and corporations exempt from Capital Tax) and/or partnership. You must check either **509** or **524** and complete this section before you can calculate your Capital Tax Calculation under either Section E or Section F.

D1. ☐ **509** (X if applicable)All corporations that you are associated with do **not** have a permanent establishment in Canada.

If Taxable Capital **470** on page 10 is equal to or less than the TCD **503** on page 10, enter NIL in **550** on page 12 and complete the return from that point.

If Taxable Capital **470** on page 10 exceeds the TCD **503** on page 10, proceed to **Section E**, enter the TCD amount in **542** in Section E, and complete Section E and the return from that point.

D2. ☒ **524** (X if applicable)One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.

You and your associated group may continue to allocate the TCD by completing the Calculation below. Or, the associated group **may file an election** under subsection 69(2.1) of the *Corporations Tax Act*, whereby total assets are used to allocate the TCD among the associated group. Once a ss.69(2.1) election is filed, all members of the group will then be required to file in accordance with the election and allocate a portion (portion is henceforth referred to as **Net Deduction**) of the capital tax effect relating to the TCD to each corporation in the group on the basis of the ratio that each corporation's total assets multiplied by its Ontario allocation is to the total assets of the group.

The total asset amounts and Ontario allocation percentages to be used for this calculation must be taken from each corporation's financial information from its last taxation year ending in the immediately preceding calendar year.

In addition, although each corporation in the associated group may deduct its Net Deduction amount as apportioned by the total asset formula, the group may, at the group's option, reallocate the group's total Net Deduction among the group on what ever basis the corporate group wishes, as long as the total of the reallocated amounts does not exceed the group's total Net Deduction amount originally calculated for the associated group.

Calculation Do not complete this calculation if ss.69(2.1) election is filedTaxable Capital From **470** on page 10 - - - - - + From **470** .**Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada**

Names of associated corporations (excluding Financial Institutions and corporations exempt from Capital Tax) having a permanent establishment in Canada (if insufficient space, attach schedule)

Ontario Corporations Tax Account No. (MOF) (if applicable)

Taxation Year End

Taxable Capital

+ **531** .+ **532** .+ **533** .Aggregate Taxable Capital **470** + **531** + **532** + **533** , etc. - - - - -= **540** .

If **540** above is equal to or less than the TCD **503** on page 10, the corporation's Capital Tax for the taxation year, is NIL.

Enter NIL in **523** in section E on page 12, as applicable.

If **540** above is greater than the TCD **503** on page 10, the corporation must compute its share of the TCD below in order to calculate its Capital Tax for the taxation year under Section E on page 12.

From **470** . ÷ From **540** . X From **503** . = **541** .

Transfer to **542** in Section E on page 12**Ss.69(2.1) Election Filed**☒ **591** (X if applicable)

Election filed. Attach a copy of Schedule 591 with this CT23 Return. Proceed to **Section F** on page 12.

continued on Page 12

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Capital Tax continued from Page 12**Calculation of Capital Tax for Financial Institutions****1.1 Credit Unions only**

For taxation years commencing after May 4, 1999 enter NIL in 550 on page 12, and complete the return from that point.

1.2 Other than Credit Unions

(Retain details of calculations for amounts in boxes 565 and 570. Do not submit with this tax return.)

$$565 \times 0.6\% \times \text{From } 30 \times \frac{100.0000\%}{\text{Ontario Allocation}} \times \frac{555}{365} \div \frac{365}{366 \text{ (if leap year)}} = + 569$$

Lesser of adjusted
Taxable Paid Up Capital
and Basic Capital Amount
in accordance with
Division B.1

$$570 \times 571 \times \text{From } 30 \times \frac{100.0000\%}{\text{Ontario Allocation}} \times \frac{555}{365} \div \frac{365}{366 \text{ (if leap year)}} = + 574$$

Adjusted Taxable
Paid Up Capital
in accordance with
Division B.1 in excess
of Basic Capital Amount

Capital Tax Rate
(Refer to Guide)

$$\text{Capital Tax for Financial Institutions - other than Credit Unions (before Section 2)} \quad 569 + 574 - - = 575$$

* If floating taxation year, refer to Guide.

Small Business Investment Tax Credit

(Retain details of eligible investment calculation and, if claiming an investment in CSBIF, retain the original letter approving the credit issued in accordance with the Community Small Business Investment Fund Act. Do not submit with this tax return.)

$$\text{Allowable Credit for Eligible Investments} - - - - - = 585$$

Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? (X) ☐ Yes

$$\text{Capital Tax - Financial Institutions} \quad 575 - 585 - - - - - = 586$$

Transfer to 543 on page 12

Premium Tax (s.74.2 & 74.3) (Refer to Guide)

$$(1) \text{ Uninsured Benefits Arrangements} - - - - - 587 \times 2\% - - = 588$$

Applies to Ontario-related uninsured benefits arrangements.

$$(2) \text{ Unlicensed Insurance (enter premium tax payable in } 588 \text{ and attach a detailed schedule of calculations. If subject to tax under (1) above, add both taxes together and enter total tax in } 588.)$$

Applies to Insurance Brokers and other persons placing insurance for persons resident or property situated in Ontario with unlicensed insurers.

$$\text{Deduct: Specified Tax Credits applied to reduce premium tax (Refer to Guide)} - - - - - = 589$$

$$\text{Premium Tax} \quad 588 - 589 - - - - - = 590$$

Transfer to page 17

DOLLARS ONLY

Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ

Net income (loss) for federal income tax purposes, per federal T2 Schedule 1 - - - - - ± 600 1,036,793.
Transfer to page 15

Add:

Federal capital cost allowance	- - - - -	+	601	1,065,052.
Federal cumulative eligible capital deduction	- - - - -	+	602	698.
Ontario taxable capital gain	- - - - -	+	603	.
Federal non-allowable reserves. Balance beginning of year	- - - - -	+	604	1,075,407.
Federal allowable reserves. Balance end of year	- - - - -	+	605	.
Ontario non-allowable reserves. Balance end of year	- - - - -	+	606	1,059,462.
Ontario allowable reserves. Balance beginning of year	- - - - -	+	607	.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	- - - - -	+	608	.
Federal resource allowance (Refer to Guide)	- - - - -	+	609	.
Federal depletion allowance	- - - - -	+	610	.
Federal foreign exploration and development expenses	- - - - -	+	611	.
Crown charges, royalties, rentals, etc. deducted for Federal purposes (Refer to Guide)	- - -	+	617	.
Management fees, rents, royalties and similar payments to non-arm's length non-residents ▼				

Number of Days in Taxation Year

Days after Dec. 31, 2002 and before Jan. 1, 2004		Total Days
612	× 5 / 12.5 ×	33 ÷ 73 = 365
Days after Dec. 31, 2003		Total Days
612	× 5 / 14 ×	34 365 ÷ 73 = 365

Total add-back amount for Management fees, etc. 633 + 634 = 613

Federal Scientific Research Expenses claimed in year from line 460 of fed. form T661 excluding any negative amount in 473 from Ont. CT23 Schedule 161 - - - - - + 615

Add any negative amount in 473 from Ont. CT23 Schedule 161 - - - - - + 616

Federal allowable business investment loss - - - - - + 620

Total of other items not allowed by Ontario but allowed federally (Attach schedule) - - - - - + 614

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 - - - = 3,200,619. 640 3,200,619.
Transfer to page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	- - - - -	+	650	1,065,052.
Ontario cumulative eligible capital deduction	- - - - -	+	651	698.
Federal taxable capital gain	- - - - -	+	652	.
Ontario non-allowable reserves. Balance beginning of year	- - - - -	+	653	1,075,407.
Ontario allowable reserves. Balance end of year	- - - - -	+	654	.
Federal non-allowable reserves. Balance end of year	- - - - -	+	655	1,059,462.
Federal allowable reserves. Balance beginning of year	- - - - -	+	656	.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) (Retain calculations. Do not submit.)	- - - - -	+	657	.
Ontario depletion allowance	- - - - -	+	658	.
Ontario resource allowance (Refer to Guide)	- - - - -	+	659	.
Ontario current cost adjustment (Attach schedule)	- - - - -	+	661	.
CCA on assets used to generate electricity from natural gas, alternative or renewable resources.	- - - - -	+	675	.

Subtotal of deductions for this page 650 to 659 + 661 + 675 - - - - - 681 3,200,619.
Transfer to page 15

continued on Page 15

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Reconcile net income (loss) for federal income tax purposes with net income (loss) for Ontario purposes if amounts differ*(Continued from Page 14)*Net Income (loss) for federal income tax purposes, per federal Schedule 1 - - - - - From \pm **600** 1,036,793.Total of Additions on page 14 - - - - - From $=$ **640** 3,200,619.Sub Total of deductions on page 14 - - - - - From $=$ **681** 3,200,619.**Deduct:****Ontario New Technology Tax Incentive (ONTTI) Gross-up***(Applies only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)*Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - **662** .**ONTTI Gross-up deduction calculation:**

Gross-up of CCA

$$\left[\begin{array}{l} \text{From } \mathbf{662} \\ \times \\ \text{From } \mathbf{30} \end{array} \right] \times \begin{array}{c} 100 \\ 100.0000 \\ \text{Ontario Allocation} \end{array} - \text{From } \mathbf{662} = \mathbf{663} .$$

Workplace Child Care Tax Incentive (WCCT)*(Applies to eligible expenditures incurred prior to January 1, 2005.)*

$$\text{Qualifying expenditures: } \left[\begin{array}{l} \mathbf{665} \\ \times \\ \text{From } \mathbf{30} \end{array} \right] \times 30\% \times \begin{array}{c} 100 \\ 100.0000 \\ \text{Ontario allocation} \end{array} = \mathbf{666} .$$

Workplace Accessibility Tax Incentive (WATI)*(Applies to eligible expenditures incurred prior to January 1, 2005.)*

$$\text{Qualifying expenditures: } \left[\begin{array}{l} \mathbf{667} \\ \times \\ \text{From } \mathbf{30} \end{array} \right] \times 100\% \times \begin{array}{c} 100 \\ 100.0000 \\ \text{Ontario allocation} \end{array} = \mathbf{668} .$$

Number of Employees accommodated **669****Ontario School Bus Safety Tax Incentive (OSBSTI)***(Applies to the eligible acquisition of school buses purchased after May 4, 1999 and before January 1, 2006.) (Refer to Guide)*

$$\text{Qualifying expenditures: } \left[\begin{array}{l} \mathbf{670} \\ \times \\ \text{From } \mathbf{30} \end{array} \right] \times 30\% \times \begin{array}{c} 100 \\ 100.0000 \\ \text{Ontario allocation} \end{array} = \mathbf{671} .$$

Educational Technology Tax Incentive (ETTI)*(Applies to eligible expenditures incurred prior to January 1, 2005.)*

$$\text{Qualifying expenditures: } \left[\begin{array}{l} \mathbf{672} \\ \times \\ \text{From } \mathbf{30} \end{array} \right] \times 15\% \times \begin{array}{c} 100 \\ 100.0000 \\ \text{Ontario allocation} \end{array} = \mathbf{673} .$$

Ontario allowable business investment loss - - - - - + **678** .Ontario Scientific Research Expenses claimed in year in **477** from Ont. CT23 Schedule 161 + **679** .Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) - - - - - + **677** .Total of other deductions allowed by Ontario (Attach schedule) - - - - - + **664** .Total of Deductions **681** + **663** + **666** + **668** + **671** + **673** + **678** + **679** + **677** + **664** = 3,200,619. **680** 3,200,619.Net income (loss) for Ontario Purposes **600** + **640** - **680** = **690** 1,036,793.
Transfer to page 4

Continuity of Losses Carried Forward

DOLLARS ONLY

	Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2)	710 (2)	720 (2)	730	740	750
Add:						
Current year's losses (7)	701	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703	713	723	733	743	753
Subtract:						
Utilized during the year to reduce taxable income	704 (2)	715 (2) (4)	724 (2)	734 (2) (4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17	716 (2) to Page 17	726 (2) to Page 17	736 (2) to Page 17	746	
Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8)	719	729	739	749	759

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800 9th preceding taxation year 1996-12-31	817 (9)	860 (9)		850	870
801 8th preceding taxation year 1997-12-31	818 (9)	861 (9)		851	871
802 7th preceding taxation year 1998-12-31	819 (9)	862 (9)		852	872
803 6th preceding taxation year 1999-12-31	820	830	840	853	873
804 5th preceding taxation year 2000-12-31	821	831	841	854	874
805 4th preceding taxation year 2001-12-31	822	832	842	855	875
806 3rd preceding taxation year 2002-12-31	823	833	843	856	876
807 2nd preceding taxation year 2003-12-31	824	834	844	857	877
808 1st preceding taxation year 2004-12-31	825	835	845	858	878
809 Current taxation year 2005-12-31	826	836	846	859	879
Total	829	839	849	869	889

Notes:

- (1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.
- (2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.
- (3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.
- (4) To the extent of applicable gains/income/at-risk amount only.

- (5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.
- (6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.
- (7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.
- (8) Amount in 709 must equal total of 829 + 839.
- (9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

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Request for Loss Carry-Back (s.80(16))

Applies to corporations requesting a reassessment of the return of one or more previous taxation years under s.80(16) with respect to one or more types of losses carried back.

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under any Act administered by the Ministry of Finance.

- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
 - the first day of the taxation year after the loss year,
 - the day on which the corporation's return for the loss year is delivered to the Minister, or
 - the day on which the Minister receives a request in writing from the corporation to reassess the particular taxation year to take into account the deduction of the loss.
- If a loss is being carried back to a **predecessor corporation**, enter the predecessor corporation's account number and taxation year end in the spaces provided under Application of Losses below.

Application of Losses

	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss	910	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income				
Predecessor Ontario Corporation's Tax Account No. (MOF)	911	921	931	941
Taxation Year Ending year month day	912	922	932	942
i) 3 rd preceding	913	923	933	943
ii) 2 nd preceding	From 706	From 716	From 726	From 736
iii) 1 st preceding	919	929	939	949
Total loss to be carried back				
Balance of loss available for carry-forward				

Summary

Income Tax	- - - - - + From 230 or 320	140,870
Corporate Minimum Tax	- - - - - + From 280	
Capital Tax	- - - - - + From 550	78,391
Premium Tax	- - - - - + From 590	
Total Tax Payable	- - - - - = 950	219,261
Subtract: Payments	- - - - - - 960	111,436
Capital Gains Refund (s.48)	- - - - - - 965	
Qualifying Environmental Trust Tax Credit (Refer to Guide)	- - - - - - 985	
Specified Tax Credits (Refer to Guide)	- - - - - - 955	
Other, specify	- - - - - -	
Balance	- - - - - - = 970	107,825
If payment due	- - - - - Enclosed * 990	107,825
If overpayment: Refund (Refer to Guide)	- - - - - = 975	
Apply to	year month day 980	(Includes credit interest)

Keep your cheque (drawn on a Canadian financial institution) or a money order in Canadian funds, payable to the **Minister of Finance** and print your Ontario Corporation's Tax Account No. (MOF) on the back of cheque or money order. (Refer to Guide for other payment methods.)

Certification

I am an authorized signing officer of the corporation. I certify that this CT23 return, including all schedules and statements filed with or as part of this CT23 return, has been examined by me and is a true, correct and complete return and that the information is in agreement with the books and records of the corporation. I further certify that the financial statements accurately reflect the financial position and operating results of the corporation as required under section 75 of the *Corporations Tax Act*. The method of computing income for this taxation year is consistent with that of the previous year, except as specifically disclosed in a statement attached.

Name (please print)

James Keech

Title

President

Full Residence Address

ON

Signature

Date

2006-05-17

Note: Section 76 of the *Corporations Tax Act* provides penalties for making false or misleading statements or omissions.

Attached Schedule with Total

Bank loans (Int.B. 3013R)

Title Loans and Advances

Description	Amount
Retailer deposits	42,654 00
Regulatory liabilities	5,360,915 00
Note payable to City of Kingston	10,880,619 00
Deposits payable	434,926 00
Total	16,719,114 00

Attached Schedule with Total

Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012R)

Title Amts deducted for tax in excess of amounts booked

Description	Amount
2001 tax CCA	175,963 00
2002 tax CCA	2,056,032 00
2003 tax CCA	2,023,622 00
2004 tax CCA	1,773,732 00
2005 tax CCA	1,136,502 00
2001 acctg depreciation	-326,786 00
2002 acctg depreciation	-1,407,252 00
2003 acctg depreciation	-1,472,142 00
2004 acctg depreciation	-1,459,722 00
2005 acctg depreciation	-1,558,391 00
2004 recapture	-22,436 00
2005 recapture	-71,450 00
Total	847,672 00

Corporate Minimum Tax (CMT)
CT23 Schedule 101

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Corporation's Legal Name Kingston Electricity Distribution Limited	Ontario Corporations Tax Account No. (MOF) 1800263	Taxation Year End 2005-12-31
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Part 1: Calculation of CMT Base

Books – Net income/loss as per report accepted by Superintendent of Financial Institutions (SFI) under the Bank Act (Canada), adjusted so consolidation/equity methods are not used.

Life insurance corporations – Net income/loss before Special Additional Tax as determined under s.57.1(2)(c) or (d)

Net Income/Loss (unconsolidated, determined in accordance with GAAP) ± 2100 -139,400.

Subtract (to the extent reflected in net income/loss):

Provision for recovery of income taxes / benefit of current income taxes + 2101
Provision for deferred income taxes (credits) / benefit of future income taxes + 2102
Equity income from corporations + 2103
Share of partnership(s)/joint venture(s) income + 2104
Dividends received/receivable deductible under fed.s.112 + 2105
Dividends received/receivable deductible under fed.s.113 + 2106
Dividends received/receivable deductible under fed.s.83(2) + 2107
Dividends received/receivable deductible under fed.s.138(6) + 2108
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) x 3 + 2109

Subtotal = - 2110

Add (to extent reflected in net income/loss):

Provision for current taxes / cost of current income taxes + 2111 450,630.
Provision for deferred income taxes (debits) / cost of future income taxes + 2112
Equity losses from corporations + 2113
Share of partnership(s)/joint venture(s) losses + 2114
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1)) + 2115

Total = 450,630. + 2116 450,630.

Add/Subtract:

Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years

** Fed.s.85 + 2117 or - 2118
** Fed.s.85.1 + 2119 or - 2120
** Fed.s.97 + 2121 or - 2122
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years + 2123 or - 2124
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years + 2125 or - 2126
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4), 14(6) and 44 for current/prior years + 2127 or - 2128

Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income - 2150

Subtotal (Additions) = + 2129

Subtotal (Subtractions) = - 2130

** Other adjustments ± 2131

Subtotal ± 2100 - 2110 + 2116 + 2129 - 2130 ± 2131 = 2132 311,230.

** Share of partnership(s)/joint venture(s) **adjusted** net income/loss ± 2133

Adjusted net income (loss) (if loss, transfer to 2202 in **Part 2: Continuity of CMT Losses Carried Forward.**) = 2134 311,230.

Deduct: * CMT losses: pre-1994 Loss + From 2210

* CMT losses: other eligible losses + 2211

..... = - 2135

CMT losses applied cannot exceed adjusted net income or increase a loss

** Retain calculations. Do not submit with this schedule.

CMT Base = 2136 311,230.

Transfer to CMT Base on Page 8 of the CT23 or Page 6 of the CT8

CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Kingston Electricity Distribution Limited	1800263	2005-12-31

2: Continuity of CMT Losses Carried Forward

Balance at Beginning of year NOTES (1), (2) + 2201

Add: Current year's losses + 2202

Losses from predecessor corporations on amalgamation NOTE (3) + 2203

Losses from predecessor corporations on wind-up NOTE (3) ... + 2204

Amalgamation (X) 2205 ☐ Yes Wind-up (X) 2206 ☐ Yes

Subtotal = + 2207

Adjustments (attach schedule) ± 2208

CMT losses available 2201 + 2207 ± 2208 = 2209

Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income + 2210

Other eligible losses utilized during the year to reduce adjusted net income NOTE (4) + 2211

Losses expired during the year + 2212

Subtotal = - 2213

Balances at End of Year NOTE (5) 2209 - 2213 = 2214

Notes:

- (1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.
- (2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))
- (3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))
- (4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.
- (5) Amount in 2214 must equal sum of 2270 + 2290.

Part 3: Analysis of CMT Losses Year End Balance by Year of Origin

For a pre-1994 loss, use the date of the last taxation year end before your corporation's first taxation year commencing after 1993.

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 1996-12-31	2260	2280
2241	8th preceding taxation year 1997-12-31	2261	2281
2242	7th preceding taxation year 1998-12-31	2262	2282
2243	6th preceding taxation year 1999-12-31	2263	2283
2244	5th preceding taxation year 2000-12-31	2264	2284
2245	4th preceding taxation year 2001-12-31	2265	2285
2246	3rd preceding taxation year 2002-12-31	2266	2286
2247	2nd preceding taxation year 2003-12-31	2267	2287
2248	1st preceding taxation year 2004-12-31	2268	2288
2249	Current taxation year 2005-12-31	2269	2289
Totals		2270	2290

The sum of amounts 2270 + 2290
must equal amount in 2214.

Corporate Minimum Tax (CMT) CT23 Schedule 101

Page 3 of 3

Corporation's Legal Name Kingston Electricity Distribution Limited	Ontario Corporations Tax Account No. (MOF) 1800263	Taxation Year End 2005-12-31
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Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) + 2301 []

Add: Current year's CMT Credit ([280] on page 8 of the CT23
or [347] on page 6 of the CT8. If negative, enter NIL) + From [280] or [347] []

Gross Special Additional Tax NOTE (2) [312] on page 5 of CT8.
(Life Insurance corporations only.
Others enter NIL.) + From [312] []

Subtract Income Tax
([190] on page 6 of the CT23 or
page 4 of the CT8) - From [190] []

Subtotal (If negative, enter NIL) ... = [2305] []

Current year's CMT credit (If negative, enter NIL) [280] or [347] - [2305] ... = [] + 2310 []

CMT Credit Carryovers from predecessor corporations NOTE (3) + 2325 []

Amalgamation (X) [2315] ☐ Yes Wind-up (X) [2320] ☐ Yes

Subtotal [2301] + [2310] + [2325] = [2330] []

Adjustments (Attach schedule) ± [2332] []

CMT Credit Carryover available [2330] ± [2332] = [2333] []

Transfer to Page 8 of the CT23 or Page 6 of the CT8

Subtract: CMT Credit utilized during the year to reduce income tax
([310] on page 8 of the CT23 or [351] on page 6 of the CT8.) + From [310] or [351] []

CMT Credit expired during the year + [2334] []

Subtotal = [] - [2335] []

Balances at End of Year NOTE (4) [2333] - [2335] = [2336] []

Notes:

- (1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))
- (2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).
- (3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))
- (4) Amount in [2336] must equal sum of [2370] + [2390].

Part 5: Analysis of CMT Credit Carryovers Year End Balance by Year of Origin

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
[2340]	9th preceding taxation year 1996-12-31	[2360]	[2380]
[2341]	8th preceding taxation year 1997-12-31	[2361]	[2381]
[2342]	7th preceding taxation year 1998-12-31	[2362]	[2382]
[2343]	6th preceding taxation year 1999-12-31	[2363]	[2383]
[2344]	5th preceding taxation year 2000-12-31	[2364]	[2384]
[2345]	4th preceding taxation year 2001-12-31	[2365]	[2385]
[2346]	3rd preceding taxation year 2002-12-31	[2366]	[2386]
[2347]	2nd preceding taxation year 2003-12-31	[2367]	[2387]
[2348]	1st preceding taxation year 2004-12-31	[2368]	[2388]
[9]	Current taxation year 2005-12-31	[2369]	[2389]
Totals		[2370]	[2390]

The sum of amounts [2370] + [2390]
must equal amount in [2336].

**Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule**

Corporation's Legal Name Kingston Electricity Distribution Limited	Ontario Corporations Tax Account No. (MOF) 1800263	Taxation Year End 2005-12-31
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Losses Carried Forward Workchart

(i) Continuity of Pre-1994 CMT Losses

	Corporation's Pre-1994 Loss	Predecessors' Pre-1994 Loss Amalgamation	Predecessors' Pre-1994 Loss Wind-Up
Date of the last tax year end before the corp's 1st tax year commencing after 1993			
Pre-1994 Loss (per schedule)			
Less: Claimed in prior taxation years commencing after 1993			
Pre-1994 Loss available for the current year			
Less: Deducted in the current year			
(max. = adj. net income for the year)			
Expired after 10 years			
Pre-1994 Loss Carryforward			

**(ii) Continuity of Other Eligible CMT Losses – Filing Corporation
(for losses occurring in tax years commencing after 1993)**

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1995-12-31					
9th Prior Year	1996-12-31					
8th Prior Year	1997-12-31					
7th Prior Year	1998-12-31					
6th Prior Year	1999-12-31					
5th Prior Year	2000-12-31					
4th Prior Year	2001-12-31					
3rd Prior Year	2002-12-31					
2nd Prior Year	2003-12-31					
1st Prior Year	2004-12-31					
Total						

Predecessor Corporations Only – Amalgamation

Indicate the amounts of eligible CMT losses from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1995-12-31						
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

**Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule**

Corporation's Legal Name Kingston Electricity Distribution Limited	Ontario Corporations Tax Account No. (MOF) 1800263	Taxation Year End 2005-12-31
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*** Losses Carried Forward Workchart (continued)**

Predecessor Corporations Only – Wind-Up

Indicate the amounts of eligible CMT losses from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1995-12-31						
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
Total						

**Corporate Minimum Tax (CMT)
CT23 Schedule 101 – Supporting Schedule**

Corporation's Legal Name Kingston Electricity Distribution Limited	Ontario Corporations Tax Account No. (MOF) 1800263	Taxation Year End 2005-12-31
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Credit Carryovers Workchart

Filing Corporation

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1995-12-31					
9th Prior Year	1996-12-31					
8th Prior Year	1997-12-31					
7th Prior Year	1998-12-31					
6th Prior Year	1999-12-31					
5th Prior Year	2000-12-31					
4th Prior Year	2001-12-31					
3rd Prior Year	2002-12-31					
2nd Prior Year	2003-12-31					
1st Prior Year	2004-12-31					
	Total					

Predecessor Corporations Only – Amalgamation

Indicate the amounts of CMT credit carryovers from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1995-12-31						
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
	Total					

Predecessor Corporations Only – Wind-Up

Indicate the amounts of CMT credit carryovers from predecessor corporations. **Do not include** these amounts in the 'opening balance' of the Filing Corporation.

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1995-12-31						
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
	Total					



Ministry of Finance
Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa ON L1H 8E9

Ontario Capital C Allowance Schedule 8

Corporation's Legal Name Kingston Electricity Distribution Limited		Ontario Corporations Tax Account No. (MOF) 1800263		Taxation Year End 2005-12-31
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Is the corporation electing under regulation 1101(5q)? 1 ☐ Yes 2 ☒ No

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
3	410,923			0	410,923		410,923	5	0	0	20,546	390,377
1	4,096,422			0	4,096,422		4,096,422	4	0	0	163,857	3,932,565
1	2,287,875			0	2,287,875		2,287,875	4	0	0	91,515	2,196,360
1	2,644,547	235,153		0	2,879,700	117,577	2,762,123	4	0	0	110,485	2,769,215
1	7,934,710	1,053,126		0	8,987,836	526,563	8,461,273	4	0	0	338,451	8,649,385
1	2,375,063	515,289		0	2,890,352	257,645	2,632,707	4	0	0	105,308	2,785,044
10	519,837	29,067		620,354	-71,450		-71,450	30	71,450	0		
8	291,343	110,188		0	401,531	55,094	346,437	20	0	0	69,287	332,244
8	48,138			0	48,138		48,138	20	0	0	9,628	38,510
See schedule	2,608,331	259,889			2,868,220	129,945	2,738,275				227,425	2,640,795
Totals	23,217,189	2,202,712		620,354	24,799,547	1,086,824	23,712,723		71,450		1,136,502	23,734,495

Enter in boxes **650** **650** **650** on the CT23.

Note 1. Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule. See Regulation 1100(2) and (2.2) of the *Income Tax Act* (Canada).

Note 2. The net cost of acquisitions is the cost of acquisitions plus or minus certain adjustments from column 4.

Note 3. If the taxation year is shorter than 365 days, prorate the CCA claim.

Note 4. Ontario recapture should be included in net income after deducting the federal recapture and the Ontario terminal loss is deducted from net income after including the federal terminal loss.

Ontario Capital Cost Allowance Schedule 8

Corporation's Legal Name				Ontario Corporations Tax Account No. (MOF)					Taxation Year End			
Kingston Electricity Distribution Limited				1800263					2005-12-31			
1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
12	1,414	229,383		0	230,797	114,692	116,105	100	0	0	116,105	114,692
1	2,571,688			0	2,571,688		2,571,688	4	0	0	102,868	2,468,820
10	15,657			0	15,657		15,657	30	0	0	4,697	10,960
13	19,572	30,506		0	50,078	15,253	34,825	N/A	0	0	3,755	46,323
Totals	2,608,331	259,889			2,868,220	129,945	2,738,275				227,425	2,640,795



Corporation's Legal Name Kingston Electricity Distribution Limited	Ontario Corporations Tax Account No. (MOF) 1800263	Taxation Year End 2005-12-31
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- For use by a corporation that has eligible capital property.
- A separate cumulative eligible capital account must be kept for each business.

Part 1 – Calculation of current year deduction and carry-forward

Ontario Cumulative eligible capital – balance at end of preceding taxation year (if negative, enter zero) **9,970 A**

Add: Cost of eligible capital property acquired during the taxation year .. + **B**

Amount transferred on amalgamation or wind-up of subsidiary + **C**

Other adjustments + **D**

Total of B + C + D = **E** x 3 / 4 = **E**

Subtotal A + E = **9,970 F**

Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year + **G**

The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the Income Tax Act (Canada) + **H**

Other adjustments + **I**

Total of G + H + I = **J** x 3 / 4 = **J**

Ontario cumulative eligible capital balance F - J = **9,970 K**

If K is negative, enter zero at line M and proceed to Part 2

Current year deduction **9,970 K** x 7 % * = **698 L**

* The maximum current year deduction is 7%. However, you can claim any amount up to the maximum. Enter amount in box **651** of the CT23

Ontario cumulative eligible capital – closing balance K - L (if negative, enter zero) = **9,272 M**

Note: Any amount up to the maximum deduction of 7% may be claimed. Taxation years starting after December 21, 2000, the deduction may not exceed the maximum amount prorated for the number of days in the taxation year divided by 365 or 366 days.

Part 2 – Amount to be included in income arising from disposition

Only complete this part only if the amount at line K is negative

Amount from line K above show as a positive amount **N**

Total cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988 **1**

Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80(7) of the ITA **2**

Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988 **3**

Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988 **4**

Line 3 deduct line 4 **5**

Total lines 1 + 2 + 5 **6**

Line T from previous Ontario Schedule 10 for taxation years ending after February 27, 2000 **7**

Deduct line 7 from line 6 **O**

N - O (cannot be negative) **P**

Amount on line 5 x 1 / 2 **Q**

P - Q **R**

Amount on line R x 2 / 3 **S**

or of line N or line O **T**

Amount to be included in income S + T **S + T**

Note: For taxation years ending after February 27, 2000 and before October 18, 2000 use 8/9 to calculate S

Corporation's Legal Name Kingston Electricity Distribution Limited	Ontario Corporations Tax Account No. (MOF) 1800263	Taxation Year End 2005-12-31
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For use by a corporation to provide a continuity of all reserves claimed which are allowed for tax purposes.

Part 1 – Capital gains reserves

Description of property	Ontario balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Add	Deduct	Ontario balance at the end of the year \$
1					
Totals	A	B			C

The total capital gains reserve at the beginning of the taxation year **A** plus the total capital gains reserve transfer on amalgamation or wind-up of subsidiary **B**, should be entered on Schedule 6; and the total capital gains reserve at the end of the taxation year **C**, should also be entered on Schedule 6.

Part 2 – Other reserves

Description	Ontario balance at the beginning of the year \$	Transfer on amalgamation or wind-up of subsidiary \$	Add	Deduct	Ontario balance at the end of the year \$
Reserve for doubtful debts					
Reserve for undelivered goods and services not rendered					
Reserve for prepaid rent					
Reserve for December 31, 1995 income					
Reserve for refundable containers					
Reserve for unpaid amounts					
Other tax reserves					
Totals	D	E			F

The amount from **D** plus the amount from **E** should be entered in **607** of the CT23.

The amount from **F** should be entered in **654** of the CT23.

Part 3 – Continuity of non-deductible reserves

Reserve	Ontario opening balance	Transfers	Ontario additions	Ontario deductions	Other adjustments	Ontario closing balance
Acc'd benefit - ext health	890,190			12,406		877,784
Acc'd benefit - pension plan	185,217			3,539		181,678
Totals	1,075,407			15,945		1,059,462

Enter in box **653** of the CT23

Enter in box **606** of the CT23