

Determination of Applicability

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

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.

* Total Assets of the corporation	240 +	14,984,226	
* Total Revenue of the corporation	241 +	23,377,973	

If you are a member of an associated group (✓) 242 ☐ (Yes)

Total Assets of associated corporations (<i>Attach schedule</i>)	243 + _____	244 + _____
Total Revenue of associated corporations (<i>Attach schedule</i>)	249 = <u>14,984,226</u>	
Aggregate Total Assets		250 = <u>23,377,973</u>
Aggregate Total Revenue		

Contributions: CMT below and Corporate Minimum Tax Schedules A

Aggregate Total Revenue _____

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E** on pages 19, 20 and 21 of CT23.

Calculation: CMT (Attach Schedule A: Calculation of CMT Base on page 19.)

Gross CMT Payable CMT Base From 2135 100.0000 X From 30 100.0000 % X 4% 276 = 4.0000
If negative, enter zero Ontario Allocation

Subtract: Foreign Tax Credit for CMT purposes (Attach schedule)	From 190-	6,434
Subtract: Income Tax	280=	

Net CMT Payable (if negative, enter Nil on page 18.)

Net CMT Payable (if negative, enter Nil on page 10.) _____
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 18.
_____ If you have a CMT credit carryover, complete A & B below.

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

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

If **280** is greater than or equal to zero, transfer **230** to **Page 18** and transfer **280** to **Page 18, and to Schedule D: Continuity of CMT Credit Carryovers, on Page 21.**

Form 2207

CMT Credit Carryover available _____

Application of CMT Credit Carryovers

A.	Income Tax (before deduction of specified credits)	From 190 +	6,434
	Gross CMT payable	From 276 +	
	Subtract: Foreign Tax Credit for CMT purposes	From 277 -	
	If 276 - 277 is negative, enter NIL in 290	=	290 -
	Income Tax eligible for CMT Credit		300 = 6,434

		From 230 +	0,434
B.	Income Tax (after deduction of specified credits)	310	
	Subtract: CMT credit used to reduce income taxes	320	6,434
	Income Tax		Transfer to Page 18

If A & B apply, 310 cannot exceed the lesser of 230, 300 and your CMT credit carryover available 2307.

If only B applies, 310 cannot exceed the lesser of 230 and your CMT credit carryover available 2307.

Capital Tax (Refer to Guide)

If your corporation is a Financial Institution (s.58(2)), proceed to page 14.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,000,000 or less and the taxation year ends on or after January 1, 2000, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, it is exempt from Capital Tax for the taxation year. 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 13 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. 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 (Inf.B.15-79, Int.B.L-12 and Int.B.L-16).

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).

Paid-up Capital

Paid-up capital stock	350 +	4,684,456
Retained earnings (if deficit, deduct)	351 ±	526,848
Capital and other surpluses, excluding appraisal surplus (Inf.B.30-83)	352 +	
Loans and advances (Attach schedule)	353 +	652,473
Bank loans	354 +	
Bankers acceptances	355 +	
Bonds and debentures payable	356 +	
Mortgages payable	357 +	
Lien notes payable	358 +	7,000,000
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 corporation tax)	359 +	
Contingent, investment, inventory and similar reserves	360 +	
Other reserves not allowed as deductions for income tax purposes (Attach schedule)	361 +	
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s))	362 +	
Subtotal	370 =	12,863,777
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.)	371 -	(110,804)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes	372 -	
Total Paid-up Capital	380 =	12,974,581
Subtract: Deferred mining exploration and development expenses (s.62(1)(d))	381 -	
Net Paid-up Capital	390 =	12,974,581

Eligible Investments (Refer to Guide)

Attach computations and list of corporations' names and investment amounts. Short-term investments (bankers acceptances, commercial paper, term deposits, 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.

Term deposits and investment certificates in foreign financial institutions for taxation years ending prior to December 15, 1999 (Refer to Guide)	400 +	
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 +	
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 =	

Total Assets

Total Assets per balance sheet	420 +	14,984,226
Mortgages or other liabilities deducted from assets	421 +	
Share of partnership(s)/joint venture(s) total assets (<i>Attach schedule</i>)	422 +	
Subtract: Investment in partnership(s)/joint venture(s)	423 -	
Total Assets as adjusted	430 =	14,984,226
Amounts in 360 and 361 (if deducted from assets)	440 +	
Subtract: Amounts in 371, 372 and 381	441 -	(110,804)
Subtract: Appraisal surplus if booked	442 -	
Add or Subtract: Other adjustments (specify on an attached schedule)	443 ±	
Total Assets	450 =	15,095,030

Investment Allowance (410 + 450) X 390

Not to exceed 410 460 =

Taxable Capital 390 - 460

470 = 12,974,581

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)

Gross Revenue of the corporation 23,377,973

Corporation's Share of partnership(s)/joint venture(s) Gross Revenue (*Attach schedule*)

Aggregate of Gross Revenue 23,377,973 480 23,377,973

Total Assets (as adjusted) From 430 14,984,226**Calculation of Capital Tax for all corporations except Financial Institutions***Note: This version (2001) of the CT23 may only be used for a taxation year that commenced on or after May 5, 1999.**(Financial Institutions use calculations on page 14.)*

- Important:** 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, review only the capital tax calculations in *Section B* on pages 10 to 11 and select and complete the one specific subsection (e.g. B4) that applies to the corporation.
- OR** If the corporation **IS** a member of an associated group and/or partnership, complete Section C on page 12. Next review, and if applicable, complete Section D on page 12. If Section D is not applicable review Section E on page 13 and complete the applicable subsection: either E1 or E2. **Note:** if the corporation is a member of a connected partnership, please refer to the 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.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION BThis section applies if the corporation is **NOT** a member of an associated group and/or partnership**B1.** If the taxation year ends before January 1, 2001 and 430 and 480 are both \$1,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.**B2.** If the taxation year end is after December 31, 2000 and 430 and 480 are both \$1,500,000 or less, enter NIL in 550 on page 13 and complete the return from that point.**B3.** If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 of the 2001 CT23 are both \$3,000,000 or less, enter NIL in 550 on page 13 of the 2001 CT23 and complete the return from that point.**B4.** If taxable capital, 470 on page 10, is \$2,000,000 or less, enter NIL in 550 on page 13 and complete the return from that point.

B5. If taxable capital, 470 on page 10, exceeds \$2,000,000 but is \$5,000,000 or less, complete the following calculations and transfer the total from 508 to 543 on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(a) From 470 _____ x 0.3% = 490 + _____

Deduct:

From 470 _____
 (\$2,800,000 - _____) x 0.75% = 493 - _____ (NIL if negative)

Days in taxation year
 after Dec 31, 1999
 and before Jan 1, 2001

(506 = 490 - 493) 506 = _____ x From 30 _____ % x 553 _____ = 507 + _____
 Ontario Allocation **365/366

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(b) From 470 _____ x 0.3% = 490 + _____

Deduct:

From 470 _____
 (\$3,200,000 - _____) x 0.5% = 495 - _____ (NIL if negative)

Days in taxation year
 after Dec 31, 2000
 and before Oct 1, 2001

(509 = 490 - 495) 509 = _____ x From 30 _____ % x 558 _____ = 522 + _____
 Ontario Allocation ** 365/366

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(c) Capital Tax for that portion of a taxation year after September 30, 2001 for a corporation
 whose taxable capital is \$5,000,000 or less and that is not associated, is NIL.

+ 0

Total Capital Tax for the taxation year 507 + 522

508 =

Transfer to 543 on Page 13 and complete the return from that point.

B6. If taxable capital, 470 on page 10 exceeds \$5,000,000, complete the following calculation and transfer the amount from 508 to 543 on page 13 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 12,974,581 x From 30 100.0000 x 0.3% x 559 _____ = 502 + _____
 Days in taxation year before October 1, 2001
 Ontario Allocation **365/366

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) + From 470 12,974,581
 - 5,000,000
 = 471 7,974,581 x From 30 100.0000 x 0.3% x 560 365 = 523 + 23,924
 Days in taxation year after September 30, 2001
 Ontario Allocation **365/366

Total Capital Tax for the taxation year 502 + 523

508 = 23,924

Transfer to 543 and complete the return from that point

** If floating taxation year, refer to Guide

SECTION C

If the corporation is a member of an associated group and/or partnership, complete the following, and (✓) 510 ☐ (Yes)

Note: Calculation #2 is not required if the taxation year commences after September 30, 2001.

Taxable Capital of the corporation _____ From 470 + 12,974,581

Calculation 1

Determine aggregate taxable capital of an associated group and/or partnership having a permanent establishment in Canada

Taxable Capital of associated corporations (Attach schedule) _____ 531 +
Aggregate Taxable Capital 470 + 531 _____ 540 = 12,974,581

If 540 above is \$5,000,000 or less, the corporation's Capital Tax for the portion of the taxation year after September 30, 2001, is NIL. Enter NIL in 523 in E1(c) or E2(b) as applicable.

If 540 above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the portion of the taxation year after September 30, 2001.

From 470 12,974,581 + From 540 12,974,581 X 5,000,000 _____ 541 = 5,000,000
Transfer to Section E2(b)

Calculation 2

Determine aggregate taxable capital of an associated group and/or partnership that does NOT have a permanent establishment in Canada

Taxable Capital of associated corporations (Attach schedule) _____ 514 +
Total Aggregate Taxable Capital 540 + 514 _____ 520 = 12,974,581

If 520 above is greater than \$2,000,000, and less than \$3,200,000 and a portion of the taxation year is before October 1, 2001, the corporation must compute the following ratio.

From 470 _____ + From 520 _____ 521 = _____
Transfer to section E1(a) and/or (b) as applicable
Note: 521 cannot exceed 1.00000

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital, 520 is \$2,000,000 or less.

Enter NIL in 550 on page 13 and complete the return from that point.

SECTION E

This section applies if the corporation IS a member of an associated group and/or partnership whose AGGREGATE taxable capital, 520 on page 12, exceeds \$2,000,000.

E1. If aggregate taxable capital 520 exceeds \$2,000,000 but is \$3,200,000 or less, complete the following calculations and transfer the total from 508 to 543 and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 1999 and before January 1, 2001

(a) From 470 _____ x 0.3% _____ = 490 + _____

Deduct:

From 520 _____ From 521 _____
 (\$2,800,000 - _____) x 0.75% x _____ = 493 - _____

(506 = 490 - 493)

506 = _____

x 30 _____ % x
 Ontario Allocation

Days in taxation year
 after Dec 31, 1999
 and before Jan 1, 2001

553

**365/366

= 507 + _____

Calculation: Portion of Capital Tax relating to the days in the taxation year after December 31, 2000 and before October 1, 2001

(b) From 470 _____ x 0.3% _____ = 490 + _____

Deduct:

From 520 _____ From 521 _____
 (\$3,200,000 - _____) x 0.5% x _____ = 495 - _____

(509 = 490 - 495)

509 = _____

x 30 _____ % x
 Ontario Allocation

Days in taxation year
 after Dec 31, 2000
 and before Oct 1, 2001

557

**365/366

= 522 + _____

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(c) Capital tax for that portion of a taxation year that is after September 30, 2001 for a corporation whose total aggregate taxable capital at 540 is \$5,000,000 or less, is NIL.

523 + _____

0

Total Capital Tax for the taxation year 507 + 522 + 523

508 = _____

Transfer to 543 and complete the return from that point

E2. If the aggregate taxable capital 520 on page 12, exceeds \$3,200,000 complete the following calculation and transfer the amount from 508 to 543 on this page, and complete the return from that point.

Calculation: Portion of Capital Tax relating to the days in the taxation year before October 1, 2001

(a) From 470 _____ x _____ From 30 _____ x 0.3% x 555 _____ = 502 + _____
 Ontario Allocation 365/366

Calculation: Portion of Capital Tax relating to the days in the taxation year after September 30, 2001

(b) + From 470 _____
 - From 541 _____
 471 _____ x _____ From 30 _____ x 0.3% x 560 _____ = 523 + _____
 Ontario Allocation 365/366

Total Capital Tax for the taxation year 502 + 523

508 = _____

Transfer to 543 and complete the return from that point

** If floating taxation year, refer to Guide

Capital Tax before application of specified credits

543 = 23,924

Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide)

546 = _____

Capital Tax: 543 - 546

550 = 23,924

Transfer to Page 18

Calculation of Capital Tax for Financial Institutions**I.1. Credit Unions Only**

For taxation years commencing after May 4, 1999 enter NIL in 550 on page 13, and complete the return from that point.

I.2 Other than Credit Unions

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

565 x 0.6% x From 30 100.0000 % x 555 365 + **365/366 = 569 +
 Lesser of adjusted TPUC
 and Basic Capital Amount
 in accordance with
 Division B.1

570 x 571 x From 30 100.0000 % x 555 365 + **365/366 = 574 +
 Adjusted TPUC Capital Tax Rate
 in accordance with (Refer to Guide)
 Division B.1 in excess
 of Basic Capital Amount

Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574 575 =

** If floating taxation year, refer to Guide

II. Small Business Investment Tax Credit

(Retain details of eligible investment calculations 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.)

Allowable Credit for Eligible Investments 585 =

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

Capital Tax - Financial Institutions 575 - 585 586 =
 Transfer to 543 on Page 13

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

(1) Uninsured Benefits Arrangements 587 x 2% 588 =
Applies to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in 588 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.

Deduct: Specified Tax Credits applied to reduce premium tax (Refer to guide) 589 =

Premium Tax 588 - 589 590 =
 Transfer to Page 18

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 SCH 1**600 ± 395,242
Transfer to Page 16**Add:**

Federal capital cost allowance	601 +	567,799
Federal cumulative eligible capital deduction	602 +	
Ontario taxable capital gain	603 +	
Federal non-allowable reserves. Balance beginning of year	604 +	
Federal allowable reserves. Balance end of year	605 +	
Ontario non-allowable reserves. Balance end of year	606 +	
Ontario allowable reserves. Balance beginning of year	607 +	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	608 +	
Federal resource allowance	609 +	
Federal depletion allowance	610 +	
Federal foreign exploration and development expenses	611 +	
Management fees, rents, royalties and similar payments to non-arms' length non-residents		

Number of days in Taxation YearDays after
May 1, 2000 and
before Jan 1, 2001

612 X 5/14.5 X 24 + 73 365 = + 631

Days after Dec 31, 2000
and before Oct. 1, 2001

612 X 5/14.0 X 26 + 73 365 = + 632

Days after Sept. 30, 2001
and before Jan. 1, 2003

612 X 5/12.5 X 28 365 + 73 365 = + 633

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

612 X 5/11.0 X 31 + 73 365 = + 634

Total add-back amount for Management fees, etc. 631 + 632 + 633 + 634 = 613 +

Federal Scientific Research Expenses claimed in year from fed form T661 615 +

Federal allowable business investment loss 620 +

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

Sub Total of Additions 601 to 615 + 620 = 567,799 640 567,799
Transfer to Page 16

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 SCH 1	From 600±	395,242
Sub Total of Additions	From 640=	567,799

Deduct:

Ontario capital cost allowance	650+	567,799
Ontario cumulative eligible capital deduction	651+	
Federal taxable capital gain	652+	
Ontario non-allowable reserves. Balance beginning of year	653+	
Ontario allowable reserves. Balance end of year	654+	
Federal non-allowable reserves. Balance end of year	655+	
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	659+	
Ontario research and development super allowance (Attach schedule)	660+	
Government Assistance relating to provincial deductions for scientific research and experimental development added back for federal income tax purposes as a result of the Federal 2000 Budget	674+	
Ontario current cost adjustment (Attach schedule)	661+	
Ontario Scientific Research Expenses claimed in year from Ont form CT161	679+	

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:

From	Gross-up of CCA			
662	x 100/ 30	100.0000	- From 662	663=
Ontario allocation				

Workplace Child Care Tax Incentive: (Applies to qualifying expenditures incurred after May 5, 1998)

Qualifying expenditures 665	x 30% x 100/ 30	100.0000	666=
Ontario Allocation			

Workplace Accessibility Tax Incentive: (Applies to qualifying expenditures incurred after July 1, 1998)

Qualifying expenditures: 667	x 100% x 100/ 30	100.0000	668=
Ontario Allocation			

Number of Employees accommodated 669

Ontario School Bus Safety Tax Incentive (OSBSTI): (Applies to the eligible acquisition of school buses made within the 3 year period commencing after May 4, 1999.) (Refer to Guide)

Qualifying expenditures 670	x 30% x 100/ 30	100.0000	671=
Ontario Allocation			

Educational Technology Tax Incentive (Applies to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures 672	x 15% x 100/ 30	100.0000	673=
Ontario Allocation			

Ontario allowable business investment loss 678+

Total of other deductions allowed by Ontario (Attach schedule) 664+

Sub Total of Deductions 650 to 660 + 674 + 661 + 679 + 663 + 666 + 668 + 671 + 673 + 678 + 664	=	567,799	680	567,799
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Net income (loss) for Ontario purposes 600 + 640 - 680	690=	395,242
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Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 877,883	710 (2)	720 (2)	730	740	750
Add:	701	711	721	731	741	751
Current year's losses (7)						
Losses from predecessor corporations (3)	702	712	722	732		752
	703	713	723	733	743	753
Subtotal						
Subtract:	704	715 (4)	724	734 (4)	744 (4)	754 (4)
Utilized during the year to reduce taxable income	288,000					
Expired during the year	705		725	735	745	
Carried back to prior years to reduce income (5)	706 (2) To Pg 18	716 (2) To Pg 18	726 (2) To Pg 18	736 (2) To Pg 18	746	
	707	717	727	737	747	757
Subtotal	288,000					
Balance at End of Year	709 589,883	719	729	739	749	759

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) Include 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 amounts 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) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.
- (10) In the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800				850	870
801				851	871
802				852	872
803	820	830	840	853	873
804	821	831	841	854	874
805	822	832	842	855	875
806	823	833	843	856	876
807 2000/12/31	824	834	844	857	877
808 2001/12/31	825 589,883	835	845	858	878
809 2002/12/31	826	836	846	859	879
Total	829 589,883	839	849	869	889

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 carryback adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Minister 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 Corporation's Account No. (MOF)	Taxation Year Ending	911	921	931	941
i) 3rd preceding	901		912	922	932	942
ii) 2nd preceding	902	2000/12/31	913	923	933	943
iii) 1st preceding	903	2001/12/31	From 706	From 716	From 726	From 736
Total loss to be carried back			919	929	939	949
Balance of loss available for carryforward						

Summary

Income Tax	From 230 or 320 +	6,434
Corporate Minimum Tax	From 280 +	
Capital Tax	From 550 +	23,924
Premium Tax	From 590 +	
Total Tax Payable	950 =	30,358
Subtract:		
Payments	960 -	104,000
Capital Gains Refund (s.48)	965 -	
Qualifying Environmental Trust		
Tax Credit (Refer to Guide)	985 -	
Specified Tax Credits (Refer to Guide)	955 -	
Balance	970 =	(73,642)
If payment due	Enclosed * 990	
If overpayment: Refund	975 =	73,642
Apply to	980	
(Includes credit interest)		

* Make 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 the cheque or money order.

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
STEWART CUNNINGHAM
Title
TREASURER
Full Residence Address

City
Province Country Postal Code
Signature Date

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

**Corporate Minimum Tax - Schedule A:
Calculation of CMT Base**

CT23 Schedule A

Page 19 of 24

**Banks** - 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.Net income/(loss) (unconsolidated, determined in accordance with GAAP) 2100± 262,096**Subtract (to the extent reflected in net income/loss):**

Provision for recovery of income taxes	2101+	
Provision for deferred income taxes (credits)	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+	
Federal Part VI.1 tax on dividends declared and paid after May 5, 1997, under fed.s.191.1(1)	x 9/4 = 2108+	

Subtotal = 2109-**Add (to extent reflected in net income/loss):**

Provision for current taxes	2110+	62,703
Provision for deferred income taxes (debits)	2111+	
Equity losses from corporations	2112+	
Share of partnership(s)/joint venture(s) losses	2113+	
Dividends that have been deducted to arrive at net income per Financial Statements. Applies to dividends that have been declared and paid after May 5, 1997.s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	2114+	

Subtotal = 62,703 2115+ 62,703**Add/Subtract:**

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

** Fed.s.85	2116+	or 2117-
** Fed.s.85.1	2118+	or 2119-
** Fed.s.97	2120+	or 2121-
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	2122+	or 2123-
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	2124+	or 2125-
** Amounts relating to s.57.10 election/regulations for replacement re fed.s.13(4) and 44 for current/prior years	2126+	or 2127-

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) = 2128+Subtotal (Subtractions) = 2129-** Other adjustments 2130±Subtotal ± 2100 - 2109 + 2115 + 2128 - 2129 ± 2130 2131= 324,799** Share of partnership(s)/joint venture(s) adjusted net income/loss (Attach schedule) 2132±Adjusted net income (loss) (if loss, transfer to 2202 in Schedule B) 2133= 324,799Deduct: CMT losses: pre-1994 Loss * From 2210+CMT losses: other eligible losses * 2211+ 324,799= 324,799 2134- 324,799

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

** Retain calculations. Do not submit with this tax return.

CMT Base

2135=

Transfer to CMT Base on page 8



Schedule D: Continuity of CMT Credit Carryovers

CMT credit continuity by year

Year of origin	Beginning balance	Transfers on amalgamation or wind-up	Adjustments	Current year credit	Applied	Expired	Ending balance
2001/12/31							
2002/12/31							
Totals							

Balance at Beginning of year (1) **2301**

Add: Current year's CMT Credit (280 on page 8. If negative, enter NIL) From 280+
CMT Credit Carryovers from predecessor corporations (2) 2302+
Amalgamation (✓) 2303 Yes Wind-up (✓) 2304 Yes

Subtotal	=	▶ 2305+
-----------------	---	---------

Adjustments (Attach schedule) 2306

CMT credit carryover available 2301 + 2305 ± 2306 2307 =

Transfer to Page 8

Subtract: CMT credit utilized during the year to reduce income tax (Page 8)	From	310 +
CMT credit expired during the year		2308 +

Subtotal = **2309.-**

Balance at End of Year (3) 2307 - 2309 2310 =

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) 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))
- (3) Amount in 2310 must equal the sum of 2370 + 2390.

Schedule E: Analysis of CMT Credit Carryovers Year-End Balance by Year of Origin

Year of Origin (oldest year first)	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporations
2340	2360	2380
2341	2361	2281
2342	2362	2382
2343	2363	2383
2344	2364	2384
2345	2365	2385
2346	2366	2386
2347	2367	2387
2348 2001/12/31	2368	2388
2349 2002/12/31	2369	2389
Totals	2370	2390

The sum of amounts 2370 and 2390 must equal the amount in 2310.

OS4N
Schedule 4

Ontario non-capital loss continuity

Part 1: Non-capital loss**Non-capital loss continuity by year**

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
2000/12/31							
2001/12/31	877,883					288,000	589,883
2002/12/31							
Totals	877,883					288,000	589,883

Current year non-capital loss

Net income (loss) for Ontario tax purposes	395,242
Deduct:	
Net capital losses deducted in the year	
Taxable dividends deductible under sections 112, 113 or subsection 138(6)	
Amount of Part VI.1 tax deductible	
Subtotal - if positive, enter "0"	
Deduct: Section 110.5 - addition for foreign tax credits	
Add: Current year farm loss	
Current year non-capital loss (if positive, enter "0")	

Non-capital loss continuity and carry-back request

Non-capital losses at end of preceding taxation year	877,883	
Losses expired after 7 years	-	
Non-capital losses - beginning balance	= 877,883	877,883
Transfers from wind-up of wholly-owned subsidiary and amalgamation		+
Current year non-capital loss from above		
Deduct - Non-capital loss carry back to:		
1st preceding taxation year against taxable income		
2nd preceding taxation year against taxable income		
3rd preceding taxation year against taxable income		
Current year non-capital loss net of carryback		+
Subtotal	=	877,883
Deduct:		
Amount applied against taxable income (enter on line 704 of the CT23)	288,000	
Section 80 adjustments		
Other adjustments		
	288,000	- 288,000
Non-capital losses - ending balance		= 589,883

Part 2 - Farm loss

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
2000/12/31							
2001/12/31							
2002/12/31							
Totals							

Farm loss continuity and carry-back request		
Farm losses at end of preceding taxation year		
Losses expired after 10 years	-	
Farm losses - beginning balance	=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		+
Current year farm loss		
Deduct - Farm loss carry back to:		
1st preceding taxation year against taxable income		
2nd preceding taxation year against taxable income		
3rd preceding taxation year against taxable income		
Subtotal		
Current year farm loss net of carry-back		+
Subtotal		=
Deduct:		
Amount applied against taxable income (enter on line 724 of the CT23)		
Section 80 adjustments		
Other adjustments		
Farm losses - ending balance		=

Ontario non-capital loss continuity

Restricted farm loss continuity by year

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
2000/12/31							
2001/12/31							
2002/12/31							
Totals							

Net loss from farming business		
Deductible farm loss:		
Net loss from above	A	
\$2,500 plus 1/2 (A - \$2,500)	B	2,500
Maximum deduction	C	8,750
Deductible farm loss (lesser of A, B, and C)		-
Current year restricted farm loss		

Restricted farm losses at end of preceding taxation year		
Losses expired after 10 years	-	
Restricted farm losses - beginning balance	=	
Transfers from wind-up of wholly-owned subsidiary and amalgamation		+
Current year restricted farm loss		
Deduct - Restricted farm loss carry back to:		
1st preceding taxation year against farming income		
2nd preceding taxation year against farming income		
3rd preceding taxation year against farming income		
Current year restricted farm loss net of carry-back		+
Deduct:		
Amount applied against taxable income (enter on line 734 of the CT23)		
Section 80 adjustments		
Other adjustments		
Restricted farm losses - ending balance	=	

ONTARIO CAPITAL COST ALLOWANCE

Corporation's Legal Name Lakefront Utilities Inc.	Ontario Corporations Tax Account No. (MOF) 1800124	Taxation Year End 2002/12/31
-------------------------------------------------------------	--------------------------------------------------------------	----------------------------------------

Is the corporation electing under regulation 1101(5q)? 101 ☐ 1 Yes 2 ☐ No

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year	3 Cost of acquisitions during the year See note 1 below	4 Net adjustments	5 Proceeds of dispositions during the year	6 Ontario undepreciated capital cost (col 2 + 3 or col 2 - 4 - 5)	7 50% rule See note 2 below	8 Reduced undepreciated capital cost (col 6 - 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (col 8 x 9 or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (col 6 - 12)
1	181,302				181,302		181,302	4			7,252	174,050
1	9,890,058	257,721			10,147,779		10,147,779	4			405,911	9,741,868
10	30,707	9,287			39,994		39,994	30			11,998	27,996
12	27,114	1,283			28,397		28,397	100			28,397	
10	123,855				123,855		123,855	30			37,157	86,698
12	459,785		(382,701)		77,084		77,084	100			77,084	
Totals	10,712,821	268,291	(382,701)				10,598,411				567,799	10,030,612

Enter in box 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.



Ministry of Finance

Corporations Tax Branch
PO Box 620
33 King Street West
Oshawa, ON L1H 8E9**Taxable Capital of Associated Corporations**(Applicable to an associated group that
has a permanent establishment in Canada)**Schedule CT21**

Corporation's Legal Name Lakefront Utilities Inc.	Ontario Corporations Tax Account No. (MOF) 1800124	Taxation Year End 2002/12/31
------------------------------------------------------	-------------------------------------------------------	---------------------------------

This schedule must be completed in determining the aggregate taxable capital of an associated group and/or partnership that has a permanent establishment (PE) in Canada.

Name of Associated Corporation (Must have a PE in Canada)	Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
Town of Cobourg Holdings			
Lakefront Utility Services Inc			
Cobourg Networks Inc.			
Aggregate of taxable capital			

Transfer to **540** of the CT23

**Ontario**

Ministry of Finance

Corporations Tax Branch

PO Box 620

33 King Street West

Oshawa ON L1H 8E9

Paid-Up Capital: Loans and Advances

Corporation's Legal Name Lakefront Utilities Inc.	Ontario Corporations Tax Account No. (MOF) 1800124	Taxation Year End 2002/12/31
------------------------------------------------------	-------------------------------------------------------	---------------------------------

Loans or Advances Credited or Advanced to Corporation (includes accounts payable to related parties outstanding at the taxation year end for 120 days or more and accounts payable to non-related parties outstanding for 365 days or more at the taxation year end)	
Due to shareholder and related parties	239,135
Customer deposits	413,338
Total	652,473

Transfer to 353 on the CT23

Ontario Consent Form

This form authorizes the Ontario Ministry of Finance to release confidential client information to a designated third party representative in matters pertaining to applicable legislation. **Note: This authorization is valid until the client or authorized signing person cancels it in writing. Please complete a separate form for each representative.**

The purpose of this form is:

☒ To **authorize** a third party representative or ☐ To **cancel** a third party representative

1. Client identification

Name

Lakefront Utilities Inc.

Ontario Corporations Tax Account Number

1800124

2. Authorized third party identification

Authorized individuals' name

Address

Phone number

() -

Authorized firm's name

BDO DUNWOODY LLP

Address

60 COLUMBIA WAY, SUITE 400 MARKHAM, ONTARIO L3R 0C9

Phone number

(905) 946-1066

3. Details of authorization

Indicate the period for which authorization or cancellation applies:

All years



OR

Specific years

OR

All years prior to

4. Authorized signature (client or authorized signing officer)

STEWART CUNNINGHAM

Name

(905) 372-2193

Telephone number

Date signed

Signature of client or authorized signing officer

TREASURER

Position, office or rank

Appendix 22

2002 Notice of Assessments

ITAS_CT_AssessmentSummary

LegalName	: LAKEFRONT UTILITIES INC.
ClientNumber	: 1510194611
AccountNumber	: 001
StatuteAccountNo	: 1800124
RegionalOfficeId	: 35
DecodeOfRegionalOfficeId	
DecodeResolvedStatuteId	: HYDRO PIL
DecodeOfStatuteId	
DecodeOfStatusId	
NetAccountBalance	: -565,155.00
NotepadInd	: Y
WorkStackCount	: 0
NumberObjection	: 0
PHONE_NO	: 905-372-2193
PhoneExtensionNumber	
OrigAtpStartDate	: 2002-01-01
OrigAtpEndDate	: 2002-12-31
ReturnReceiptDate	: 2003-07-30
ReturnDueDate	: 2003-06-30
AssessmentTransactionId	: 19
AssessmentIssueDate	: 2004-02-16
DecodeAssessmentReason	: ASSESSMENT
PrevAssessmentTranId	: 0
TaxAssessed	: 49,670.00
CapitalGainsRefund	: 0.00
MrtCreditRefund	: 0.00
SpecifiedCrDeemedPymt	: 0.00
FraudPenalty	: 0.00
PenaltyLateFiling	: 0.00
AssessmentInterest	: -2,887.71
TotalAssessmentLiab	: 46,782.29
H_subtotal	: 46,782.29
PaymentsTransfers	: -104,000.00
TotAssessmentRefund	: 0.00
NonAssessmentPenalty	: 0.00
SmallBalanceAdj	: 0.00
Waivers	: 0.00
Subtotal	: -104,000.00
Total	: -57,217.71

Appendix 23

2003 T2 Federal Tax Return



This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporate return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the corresponding items in the *T2 Corporation - Income Tax Guide (T4012)*.

Send one completed copy of this return, including schedules and the *General Index of Financial Information (GIFI)*, to your tax services office or tax centre. You have to file the return within six months after the end of the corporation's taxation year. For more information on when and how to file T2 returns, see items 1 to 5 in the guide.

055 Do not use this area

Identification

Business number (BN) (item 11) 001 NR

Corporation's name (item 12)

002

Lakefront Utilities Inc.

COPY
FOR YOUR FILES

Has the corporation changed its name since the last time we were notified? 003 ☐ Yes ☒ No

If yes, do you have a copy of the articles of amendment? 004 ☐ Yes ☐ No

Address of head office (item 13)

Has the address changed since the last time we were notified? 010 ☐ Yes ☒ No

011 207 Division Street

012 P.O.Box 577

City Province, territory, or state

015 Cobourg 016 ON

Country (other than Canada) Postal code/Zip code

017 018 K9A 4L3

To which taxation year does this return apply? (item 17)

From 060 2003/01/01 to 061 2003/12/31

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? 063 ☐ Yes ☒ No

If yes, provide date control was acquired 065

Is the corporation a professional corporation that is a member of a partnership? (item 18) 067 ☐ Yes ☒ No

Mailing address (if different from head office address) (item 14)

Has the address changed since the last time we were notified?

020 Yes ☐ No ☒

021 C/o

022 207 Division Street

023 P.O.Box 577

City Province, territory, or state

025 Cobourg 026 ON

Country (other than Canada) Postal code/Zip code

027 028 K9A 4L3

Is this the first year of filing after:

Incorporation? (item 19) 070 ☐ Yes ☒ No

Amalgamation? (item 20) 071 ☐ Yes ☒ No

If yes, complete Schedule 24

Has there been a wind-up of a subsidiary under section 88 during the current taxation year? (item 21)

If yes, complete Schedule 24 072 ☐ Yes ☒ No

Is this the final taxation year before amalgamation? (item 22) 076 ☐ Yes ☒ No

Is this the final return up to dissolution? (item 23) 078 ☐ Yes ☒ No

Is the corporation a resident of Canada? (item 24) 080 ☒ Yes ☐ No

If no, give the country of residence. 081

Location of books and records (item 15)

031 207 Division Street

032 P.O.Box 577

City Province, territory, or state

035 Cobourg 036 ON

Country (other than Canada) Postal code/Zip code

037 038 K9A 4L3

040 Type of corporation at end of taxation year (item 16)

1 ☒ Canadian controlled private corporation (CCPC) 4 ☐ Corporation controlled by a public corporation

2 ☐ Other private corporation 5 ☐ Other corporation (please specify, below)

3 ☐ Public corporation

If the type of corporation changed during the taxation year, provide the effective date of the change 043

Is the non-resident corporation claiming an exemption under an income tax treaty? (item 24) 082 ☐ Yes ☒ No

If yes, complete Schedule 91

If the corporation is exempt from tax under section 149, tick one of the following boxes: (item 25)

085 1 ☐ Exempt under 149(1)(e) or (l)

2 ☐ Exempt under 149(1)(j)

3 ☐ Exempt under 149(1)(t)

4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091	092	093	094	095	096
097					

Guide Item		Attachments	Yes	Schedule
27	Is the corporation related to any other corporations?	150	<input checked="" type="checkbox"/>	9
28	Does the corporation have any non-resident shareholders?	151	<input type="checkbox"/>	19
29	Is the corporation an associated Canadian-controlled private corporation (CCPC)?	160	<input checked="" type="checkbox"/>	23
30	Is the corporation an associated CCPC that is claiming the expenditure limit?	161	<input type="checkbox"/>	49
32	Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162	<input type="checkbox"/>	11
33	If you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	163	<input type="checkbox"/>	44
34	Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164	<input type="checkbox"/>	14
35	Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165	<input type="checkbox"/>	15
37	Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166	<input type="checkbox"/>	T5004
38	Is the corporation a member of a partnership for which an identification number has been assigned?	167	<input type="checkbox"/>	T5013
40	Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust?	168	<input type="checkbox"/>	22
41	Did the corporation have any foreign affiliates during the year?	169	<input type="checkbox"/>	25
42	Has the corporation made any payments to non-residents of Canada under subsections 202(1) and 105(1) of the federal <i>Income Tax Regulations</i> ?	170	<input type="checkbox"/>	29
43	Has the corporation had any non-arm's length transactions with a non-resident?	171	<input type="checkbox"/>	T106
47	Has the corporation made payments to, or received amounts from a retirement compensation arrangement?	172	<input type="checkbox"/>	-----
46	Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	<input checked="" type="checkbox"/>	50
55	Is the net income/loss shown on financial statements different from the net income for income tax purposes?	201	<input checked="" type="checkbox"/>	1
78-81	Has the corporation made any charitable donations, gifts to Canada, a province, or a territory, or gifts of cultural or ecological property?	202	<input type="checkbox"/>	2
82,104	Has the corporation received dividends or paid taxable dividends for purposes of the dividend refund?	203	<input type="checkbox"/>	3
69-76	Is the corporation claiming any type of losses?	204	<input checked="" type="checkbox"/>	4
132	Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205	<input type="checkbox"/>	5
56	Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206	<input type="checkbox"/>	6
103	(i) Is the corporation claiming the small business deduction and reporting income from : (a) property (other than dividends), (b) a partnership, (c) a foreign business, or (d) a personal services business; or (ii) is the corporation claiming the refundable portion of Part I tax?	207	<input type="checkbox"/>	7
57	Does the corporation have any property that is eligible for capital cost allowance?	208	<input checked="" type="checkbox"/>	8
58	Does the corporation have any property that is eligible capital property?	210	<input type="checkbox"/>	10
59	Does the corporation have any resource-related deductions?	212	<input type="checkbox"/>	12
60	Is the corporation claiming reserves of any kind?	213	<input type="checkbox"/>	13
61	Is the corporation claiming a patronage dividend deduction?	216	<input type="checkbox"/>	16
62	Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217	<input type="checkbox"/>	17
150	Is the corporation an investment corporation or a mutual fund corporation?	218	<input type="checkbox"/>	18
131	Was the corporation carrying on business in Canada as a non-resident corporation?	220	<input type="checkbox"/>	20
118	Is the corporation claiming any federal or provincial foreign tax credits, or logging tax credits?	221	<input type="checkbox"/>	21
155	Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226	<input type="checkbox"/>	26 *
111	Does the corporation have any Canadian manufacturing and processing profits?	227	<input type="checkbox"/>	27
121	Is the corporation claiming an investment tax credit?	231	<input type="checkbox"/>	31
63	Is the corporation claiming any scientific research and experimental development expenditures?	232	<input type="checkbox"/>	T661/T665
124	Is the corporation subject to Part 1.3 tax?	233	<input checked="" type="checkbox"/>	33/34/35
124	Is the corporation a member of a related group with one or more members subject to gross Part 1.3 tax?	236	<input checked="" type="checkbox"/>	36
124	Is the corporation claiming a surtax credit?	237	<input type="checkbox"/>	37
128	Is the corporation subject to gross Part VI tax on capital of financial institutions?	238	<input type="checkbox"/>	38
128	Is the corporation claiming a Part I tax credit?	242	<input type="checkbox"/>	42
129	Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	243	<input type="checkbox"/>	43
129	Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244	<input type="checkbox"/>	45
125	Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249	<input type="checkbox"/>	46
128	For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	250	<input type="checkbox"/>	39
128	For life insurance corporations: Is the corporation a member of a related group of insurance corporations with one or more members subject to the additional gross Part VI tax?	251	<input type="checkbox"/>	40

Attachments - Continued from page 2

Guide item	Yes	Schedule
128 For deposit-taking institutions: Is the corporation a member of a related group of financial institutions (other than life insurance corporations) with one or more members subject to the additional Part VI tax?	252 <input type="checkbox"/>	41
152 Is the corporation claiming a Canadian film or video production tax credit refund?	253 <input type="checkbox"/>	T1131
130 Is the corporation subject to Part XIII.1 tax?	<input type="checkbox"/>	92 *
153 Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	T1177
44 Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	<input type="checkbox"/>	T1134-A
44 Did the corporation have any controlled foreign affiliates?	<input type="checkbox"/>	T1134-B
44 Did the corporation own specified foreign property in the year with a cost amount over \$100,000?	<input type="checkbox"/>	T1135
44 Did the corporation transfer or loan property to a non-resident trust?	<input type="checkbox"/>	T1141
44 Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	<input type="checkbox"/>	T1142
- Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	<input type="checkbox"/>	T1145
- Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	<input type="checkbox"/>	T1146
- Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	<input type="checkbox"/>	T1174

Additional information

Is the corporation inactive? (item 48)	280	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Has the major business activity changed since the last return was filed? (enter yes for first time filers) (item 49)	281	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
What is the corporation's major business activity? (item 50) (Only complete if yes was entered at line 281.)	282		
If the major activity involves the resale of goods, indicate whether is is wholesale or retail (item 51)	283	1 Wholesale <input type="checkbox"/>	2 Retail <input type="checkbox"/>
Specify the principal product(s) mined, manufactured, sold, constructed, or service provided, giving the approximate percentage of the total revenue that each product or service represents. (item 52)	284	Dist. Electricity	285 100.000 %
	286		287 %
	288		289 %
Did the corporation immigrate to Canada during the taxation year? (item 53)	291	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>
Did the corporation emigrate from Canada during the taxation year? (item 54)	292	1 Yes <input type="checkbox"/>	2 No <input checked="" type="checkbox"/>

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements or GIFL (item 77)	300	1,730,893	A
Deduct:			
Charitable donations from Schedule 2 (item 78)	311		
Gifts to Canada or a province, or a territory from Schedule 2 (item 79)	312		
Cultural gifts from Schedule 2 (item 80)	313		
Ecological gifts from Schedule 2 (item 81)	314		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 (item 82)	320		
Part VI.1 tax deduction from Schedule 43 (item 83)*	325		
Non-capital losses of preceding taxation years from Schedule 4 (item 84)	331	589,883	
Net capital losses of preceding taxation years from Schedule 4 (item 85)	332		
Restricted farm losses of prior taxation years from Schedule 4 (item 86)	333		
Farm losses of prior taxation years from Schedule 4 (item 87)	334		
Limited partnership losses of prior years from Schedule 4 (item 88)	335		
Taxable capital gains or taxable dividends allocated from a central credit union (item 89)	340		
Prospector's and grubstaker's shares (item 90)	350		
Subtotal	589,883	589,883	B
Subtotal (amount A minus amount B) (if negative, enter "0")		1,141,010	C
Add:			
Section 110.5 additions and/or subparagraph 115(1)(a)(vii) additions (item 91)	355		D
Taxable income (amount C plus amount D) (item 92)	360	1,141,010	
Income exempt under paragraph 149(1)(t) (item 93)	370		
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 minus line 370) (item 94)			Z

* If the taxation year ends after December 31, 2002, use "3" instead of "9/4" in the calculation of the Part VI.1 tax deduction indicated in item 83 of the *T2 Corporation Income Tax Guide*.

Small business deduction

Canadian-controlled private corporations throughout the taxation year

Income from active business carried on in Canada from Schedule 7 (item 95)	400	1,730,893	A
Taxable income from line 360 on page 3, minus 10/3 the amount at line 632* on page 7, minus 3 times the amount at line 636** on page 7, and minus any amount that, because of federal law, is exempt from Part I tax (item 96)	405	1,141,010	B

Calculation of the business limit: (item 97)

for all CCPCs, calculate the amount at line 4 below

\$200,000 x	Number of days in the taxation year before 2003	=	1
	Number of days in the taxation year	365	
\$225,000 x	Number of days in the taxation year in 2003	=	225,000 2
	Number of days in the taxation year	365	
\$250,000 x	Number of days in the taxation year in 2004	=	3
	Number of days in the taxation year	365	
	Add amounts at line 1, 2, and 3	225,000	4

Business limit (see notes 1 and 2 below)	410	225,000	C
------------------------------------------	-----	---------	---

Notes: 1. For CCPCs that are not associated, enter the amount from line 4 at line 410. However, if the corporation's taxation year is less than 51 weeks, prorate the amount from line 4 by the number of days in the taxation year divided by 365, and enter the result on line 410.

2. For associated CCPCs, use Schedule 23 to calculate the amount to be entered at line 410

Business limit reduction: (item 98)

Amount C	225,000	X	415 ***	6,443	D	=	11,250	
----------	---------	---	---------	-------	---	---	--------	--

Reduced business limit (amount C minus amount E) (if negative, enter "0")	425	96,140	F
---------------------------------------------------------------------------	-----	--------	---

Small business deduction - 16% of the least of amounts A, B, C, and F	430	15,382	G
------------------------------------------------------------------------------	-----	--------	---

(enter amount G of line 9 on page 7)

Accelerated tax reduction (item 99)

Canadian-controlled private corporations throughout the taxation year that claimed the small business deduction

Reduced business limit (amount from line 425)	96,140	x	300,000	=	128,187	A
			225,000			

Net active business income (amount from line 400)*					1,730,893	B
----------------------------------------------------	--	--	--	--	-----------	---

Taxable income from line 360 on page 3 **minus** 3 times the amount at line 636** on page 7, and **minus** any amount that, because of federal law, is exempt from Part I tax (item 96)

1,141,010 C

Deduct:

Aggregate investment income (amount from line 440 of page 6)

D

Amount C minus amount D (if negative, enter "0")

1,141,010

1,141,010 E

Amount A, B, or E above, whichever is less

128,187 F

Amount Z from Part 9 of Schedule 27 x 100 / 7 =

G

Amount QQ from Part 13 of Schedule 27

H

Taxable resource income from line 435 on page 5

I

Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)

J

Amount on line 400, 405, 410 or 425, whichever is less

96,140 K

Total of amounts G, H, I, J, and K

96,140

96,140 L

Amount F minus amount L (if negative, enter "0")

32,047 M

Accelerated tax reduction - 7% of amount M

2,243 N

(Enter amount N on line 637 of page 7)

* If the amount at line 450 of Schedule 7 is positive, members of partnerships need to use Schedule 70 to calculate net active business income.

** Calculate the amount of foreign business income tax credit deductible at line 636 without reference to the corporate tax reductions under section 123.4.

Resource deduction (item 100)

Taxable resource income		435	A
Amount A	$\times \frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}}$	$\frac{365}{365} \times 1\% =$	B
Amount A	$\times \frac{\text{Number of days in the taxation year in 2004}}{\text{Number of days in the taxation year}}$	$\frac{365}{365} \times 2\% =$	C
Resource deduction - amount B plus amount C		438	D

(enter amount D on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations (item 101)**Canadian-controlled private corporations throughout taxation year**

Taxable income from line 360 page 3		1,141,010	A
Amount Z from Part 9 of Schedule 27	$\times 100 / 7 =$		B
Amount QQ from Part 13 of Schedule 27			C
Taxable resource income from line 435 above			D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			E
Amounts on lines 400, 405, 410, and 425 on page 4, whichever is less		96,140	F
Aggregate investment income from line 440 of page 6			G
Amount used to calculate the accelerated tax reduction (amount M of page 4)		32,047	H
Total of amounts B, C, D, E, F, G, and H		128,187	I
Amount A minus amount I (if negative, enter "0")		1,012,823	J
Amount J	$\times \frac{\text{Number of days in the taxation year in 2001}}{\text{Number of days in the taxation year}}$	$\frac{365}{365} \times 1\% =$	K
Amount J	$\times \frac{\text{Number of days in the taxation year in 2002}}{\text{Number of days in the taxation year}}$	$\frac{365}{365} \times 3\% =$	L
Amount J	$\times \frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}}$	$\frac{365}{365} \times 5\% =$	50,641 M
Amount J	$\times \frac{\text{Number of days in the taxation year after 2003}}{\text{Number of days in the taxation year}}$	$\frac{365}{365} \times 7\% =$	N
General tax reduction for Canadian-controlled private corporations - total of amounts K, L, M and N			50,641 O

(enter amount O on line 638 of page 7)

General tax reduction (item 102)**Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or a non-resident-owned investment corporation**

Taxable income from line 360 on page 3			A
Amount Z from Part 9 of Schedule 27	$\times 100 / 7 =$		B
Amount QQ from Part 13 of Schedule 27			C
Taxable resource income from line 435 above			D
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17)			E
Total of amounts B, C, D and E			F
Amount A minus amount F (if negative, enter "0")			G
Amount G	$\times \frac{\text{Number of days in the taxation year in 2001}}{\text{Number of days in the taxation year}}$	$\times 1\% =$	H
Amount G	$\times \frac{\text{Number of days in the taxation year in 2002}}{\text{Number of days in the taxation year}}$	$\times 3\% =$	I
Amount G	$\times \frac{\text{Number of days in the taxation year in 2003}}{\text{Number of days in the taxation year}}$	$\times 5\% =$	J
Amount G	$\times \frac{\text{Number of days in the taxation year after 2003}}{\text{Number of days in the taxation year}}$	$\times 7\% =$	K
General tax reduction - total of amounts H, I, J and K			L

(enter amount L on line 639 of page 7)

Refundable portion of Part I tax (item 103)**Canadian-controlled private corporations throughout the taxation year**Aggregate investment income 440 X 26 2/3 % = _____ A

(Amount P from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 on page 7 _____

Deduct:Foreign investment income 445 X 9 1/3 % = _____ B

(Amount O from Part 1 of Schedule 7) (if negative, enter "0") _____ C

Amount A minus amount B (if negative, enter "0") _____

Taxable income from line 360 on page 3 1,141,010**Deduct:**Least of amounts on lines 400, 405, 410, and 425
on page 4 96,140Foreign non-business income tax credit
from line 632 on page 7 x 25/9 = _____Foreign business income tax credit from
line 636 on page 7 x 3 = 96,14096,1401,044,870 X 26 2/3% = 278,632 DPart I tax payable minus investment tax credit refund
(line 700 minus line 780 on page 8) 263,996**Deduct** corporate surtax from line 600 on page 7 12,779Net amount 251,217 251,217 E**Refundable portion of Part I tax - the least of amounts C, D, and E** 450 0 F**Refundable dividend tax on hand (item 104)**Refundable dividend tax on hand at the end of the preceding tax year 460**Deduct** dividend refund for the previous taxation year 465**Add the total of:**

Refundable portion of Part I tax from line 450 above _____

Total Part IV tax payable from line 360 on page 2 of Schedule 3 _____

Net refundable dividend tax on hand transferred from a predecessor
corporation on amalgamation, or from a wound-up subsidiary
corporation 480**Refundable dividend tax on hand at the end of the taxation year - amount A plus amount B** 485 0**Dividend refund (item 105)****Private and subject corporations at the time taxable dividends were paid in the taxation year**Taxable dividends paid in the taxation year from line 460 on page 2 of
Schedule 3 _____ X 1/3 _____ A

Refundable dividend tax on hand at the end of the taxation year from line 485 above _____ B

Dividend refund - Lesser of amounts A and B (enter this amount on line 784 on page 8) _____ 0

Part I tax**Base amount of Part I tax** - 38% of taxable income (line 360 or amount Z, whichever applies) from page 3 (item 106)

550 433,584 A

Corporate surtax calculation (item 107)

Base amount from line A above 433,584 1

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 114,101 2

Investment corporation deduction from line 620 below 3

Federal logging tax credit from line 640 below 4

Federal qualifying environment trust tax credit from line 648 below 5

For a mutual fund corporation or an investment corporation throughout the taxation year, enter the least of a, b and c below on line 6:

28% of taxable income from line 360 on page 3 a

28% of taxed capital gains b 6

Part I tax otherwise payable

(line A plus line C and D minus line F) 251,217 c

Total of lines 2 to 6 114,101 7

Net amount (line 1 minus line 7) 319,483 8

Corporate surtax - 4% of the amount on line 8 600 12,779 B

Recapture of investment tax credit from line PPP in Part 21 on page 8 of Schedule 31 (item 108) 602 C

Calculation for the refundable tax on Canadian-controlled private corporation's investment income (for a CCPC throughout the taxation year) (item 109)

Aggregate investment income from line 440 on page 6 i

Taxable income from line 360 on page 3 1,141,010

Deduct:

The least of amounts on lines 400, 405, 410, and

425 on page 4 96,140

Net amount 1,044,870 ▶ 1,044,870 ii

Refundable tax on CCPC's investment income - 6 2/3 % of the lesser of amounts i or ii 604 D

Subtotal (add lines A, B, C, and D) 446,363 E

Deduct:

Small business deduction from line 430 on page 4 15,382 9

Federal tax abatement (item 110) 608 114,101

Manufacturing and processing profits deduction from amount BB of Schedule 27 (item 111) 616

Investment corporation deduction (item 112) 620

(Taxed capital gains 624)

Additional deduction - credit unions from Schedule 17 (item 113) 628

Federal foreign non-business income tax credit from Schedule 21 (item 114) 632

Federal foreign business income tax credit from Schedule 21 (item 115) 636

Accelerated tax reduction from amount N of page 4 (item 116) 637 2,243

Resource deduction from line 438 of page 5 10

General tax reduction for CCPC's from amount O of page 5 (item 117) 638 50,641

General tax reduction from amount L of page 5 (item 117) 639

Federal logging tax credit from Schedule 21 (item 118) 640

Federal political contribution tax credit (item 119) 644

Federal political contributions 646

Federal qualifying environmental trust tax credit (item 120) 648

Investment tax credit from Schedule 31 (item 121) 652

Subtotal 182,367 ▶ 182,367 F

Part I tax payable - Line E minus line F (enter amount G on line 700 on page 8) (item 122) 263,996 G

Summary of tax and credits**Federal tax**

Part I tax payable from page 7 (item 123)	700	263,996
Part I.3 tax payable from Schedule 33, 34, or 35 (item 124)	704	
Part II surtax tax payable from Schedule 46 (item 125)	708	
Part IV tax payable from Schedule 3 (item 126)	712	
Part IV.1 tax payable from Schedule 43 (item 127)	716	
Part VI tax payable from Schedule 38 (item 128)	720	
Part VI.1 tax payable from Schedule 43 (item 129)	724	
Part XIII.1 tax payable from Schedule 92 (item 130)	727	
Part XIV tax payable from Schedule 20 (item 131)	728	
Total federal tax		263,996

Add provincial and territorial tax

Provincial or territorial jurisdiction (item 132)	750	ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)		
Net provincial and territorial tax payable (except Quebec, Ontario and Alberta) (item 133)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia) (item 147)	765	
Total tax payable	770	263,996 A

Deduct other credits

Investment tax credit refund from Schedule 31 (items 148)	780	
Dividend refund from Page 4 (items 149)	784	
Federal capital gains refund from Schedule 18 (item 150)	788	
Federal qualifying environmental trust tax credit refund (item 151)	792	
Canadian film or video production tax credit refund from Form T1131 (item 152)	796	
Film or video production services tax credit refund from Form T1177 (item 153)	797	
Tax withheld at source (item 154)	800	
Total payments on which tax has been withheld (item 154)	801	
Allowable refund for non-resident-owned investment corporations - Schedule 26 (item 155)	804	
Provincial and territorial capital gains refund from Schedule 18 (item 156)	808	
Provincial and territorial refundable tax credits from Schedule 5 (item 157)	812	
Royalties deductible under Syncrude Remission Order	815	
Tax remitted under Syncrude Remission Order (item 158)	816	
Tax instalments paid (item 159)	840	263,996
Total credits	890	263,996
Balance (line A minus line B)		0 I

Refund Code **894** ☐ Overpayment (item 160) ☐ (item 163)

Direct Deposit Request (item 164)

To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below.

☐ Start ☐ Change information **910** Branch number
914 Institution number **918** Account number

If the result is negative, you have an **overpayment**.
 If the result is positive, you have a **balance unpaid**.
 Enter the amount on whichever line applies.
 We do not charge or refund a difference of less than \$2.
 Balance unpaid (item 163) _____
 Enclosed payment (item 162) **898** _____

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance is due? (item 161)

896 1 Yes ☒ 2 No ☐ NA ☐

Certification (item 165)

950 CUNNINGHAM Surname **951** STEWART First name **954** TREASURER Position, office or rank
955 2004/11/02 Date **956** (905) 372-2193 Telephone number
 Is the contact person the same as the authorized signing officer? If no, complete the information below. **957** 1 Yes ☒ 2 No ☐
958 _____ Name **959** () - Telephone number

Language of correspondence - Langue de correspondance (item 166)

990 Language of choice/Langue de choix **1** English / Anglais ☒ **2** Français / French ☐

Canada Customs and Revenue Agency
Agence des douanes et du revenu du Canada**NET INCOME (LOSS) FOR INCOME TAX PURPOSES****Schedule 1**

- The purpose of this schedule is to provide a reconciliation between the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.

Net income (loss) after taxes and extraordinary items per financial statements **A** 1,126,612

Add:

Provision for income taxes - current	101	<u>425,670</u>	
Amortization of tangible assets	104	<u>685,742</u>	
Total of fields 101 to 199	500	<u>1,111,412</u>	▶ 1,111,412

Deduct:

Capital cost allowance - Schedule 8	403	<u>484,888</u>	
Total of fields 300 to 394	499	<u>22,243</u>	
Total of fields 401 to 499	510	<u>507,131</u>	▶ 507,131

Net income (loss) for income tax purposes (enter on line 300 of the T2 return) 1,730,893

Deduct:**Other deductions:**

700 Provincial capital tax			390 <u>22,243</u>
Total of fields 300 to 394 (Enter this amount at line 499)			<u><u>22,243</u></u>

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**NON-CAPITAL LOSS CONTINUITY AND CARRY BACK****Schedule 4****Part 1 - Non-capital loss****Non-capital loss continuity by year**

Year of origin	Balance at end of prior year	Transfers on amalgamation or wind-up	Section 80 adjustments	Other adjustments	Current year loss net of carry-back	Applied	Ending balance
		Expired					
2000/12/31						589,883	
2001/12/31	589,883						
2002/12/31							
2003/12/31						589,883	
Totals	589,883						

Current year non-capital loss

Net income (loss) for income tax purposes

1,730,893

Deduct:

Net capital losses deducted in the year

Taxable dividends deductible under sections 112, 113 or subsection 138(6)

Amount of Part VI.1 tax deductible

Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2)

Subtotal - if positive, enter "0"

Deduct: Section 110.5 - addition for foreign tax credits**Add:** Current year farm loss**Current year non-capital loss** (if positive, enter "0")**Non-capital loss continuity and carry-back request**

Non-capital losses at end of preceding taxation year

589,883

Losses expired after 7 years

100-

Non-capital losses - beginning balance

102=

589,883

589,883

Transfers from wind-up of wholly-owned subsidiary and amalgamation

105+

Current year non-capital loss from above

110

Deduct - Non-capital loss carry back to:

901

1st preceding taxation year against taxable income

902

2nd preceding taxation year against taxable income

903

3rd preceding taxation year against taxable income

911

1st preceding taxation year against taxable dividends subject to Part IV tax

912

2nd preceding taxation year against taxable dividends subject to Part IV tax

913

3rd preceding taxation year against taxable dividends subject to Part IV tax

Current year non-capital loss net of carryback

Subtotal

+

589,883

Deduct:

Amount applied against taxable income (enter on line 331 of T2 return)

130

589,883

Amount applied against dividends subject to Part IV tax

135

Section 80 adjustments

140

Other adjustments

150

589,883

-

589,883

Non-capital losses - ending balance

180=

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator

190 ☐ Yes

Loss from a wholly-owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.

Farm loss continuity by year

Farm loss continuity and carry-back request

Page 2 of 3

Restricted farm loss continuity by year

Current year restricted farm loss

Restricted farm loss continuity and carry-back request

Page 3 of 3

Capital loss continuity and carry-back request

Listed personal property loss continuity and carry-back request

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**LIMITED PARTNERSHIP LOSSES****Schedule 4**

Current year limited partnership losses						
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Corporation's share of limited partnership loss	Corporation's at risk amount	Corp's share of partnership ITC, farming losses and resource expenses	Column 4 - 5 if negative, enter "0"	Current year limited partnership losses Column 3 - 6
600	602	604	606	608		620
Total (enter this amount on Schedule 1)						

Limited partnership losses from prior taxation years that may applied in the current year						
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Limited partnership losses at end of preceding taxation year	Corporation's at risk amount	Corp's share of partnership ITC, business/property losses & resource expenses	Column 4 - 5 if negative, enter "0"	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6
630	632	634	636	638		650

Continuity of limited partnership losses that can be carried forward to future taxation years					
Partnership identifier	Losses at end of preceding taxation year	Losses transferred from amalgamation or wind-up of subsidiary	Current year limited partnership loss (from column 620)	Limited partnership losses applied (cannot exceed 650)	Limited partnership losses closing balance
660	662	664	670	675	680
Total (enter this amount on line 335 of the T2 return)					

Canada Customs
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1 Class	2 UCC at start of year	3 Cost of additions in the year	4 Net adjustments	5 Proceeds of dispositions in the year	7 Adjustment for additions (1/2 x (col 3 - 5))	8 Base amount for CCA	9 Rate %	10 CCA for the year (col 8 x 9 or a lower amount)	11 Recapture of CCA	12 Terminal loss	13 UCC at the end of the year
200	201	203	205	207	211		212	217	213	215	220
1	174,050	23,235			11,618	185,667	4	7,427			189,858
1	9,741,868	566,426			283,213	10,025,081	4	401,003			9,907,291
10	27,996	126,885			63,443	91,438	30	27,431			127,450
10	86,698					86,698	30	26,009			60,689
12		46,036			23,018	23,018	100	23,018			23,018
Totals	10,030,612	762,582			381,292	10,411,902		484,888			10,308,306

S8Supp

Reconciliation of NBV and UCC

NBV of capital assets, beginning of year	10,150,455		
Less: Land	219,284		
NBV of depreciable capital assets, beginning of year	9,931,171	9,931,171	
UCC beginning of year		10,030,612	
Timing difference, beginning of year		(99,441)	A
CCA and amortization			
CCA claimed	+ 484,888		
Terminal loss	+		
Recapture	-		
Amortization per financial statements	- 685,742		
Class 10.1			
Difference on purchase (cost less ceiling)	+		
Beginning UCC less CCA in year of disposal	+		
NBV of class 10.1 asset prior to sale (proceeds, if financial statement gain)	-		
Gains and losses			
Gain on disposal of capital assets per financial statements	+		
Capital loss portion of total loss	+		
Loss on disposal of capital assets per financial statements	-		
Capital gain portion of total gain	-		
Other			
Operating leases capitalized for financial statement purposes			
Deductible items capitalized for financial statement purposes			
Section 85 difference			
Pre-valuation day depreciation			
Transition costs recovered during the year	(102,592)		
Timing difference, current year	(303,446)	+ (303,446)	B
Timing difference, end of year (A + B)		(402,887)	C
Proof			
NBV of capital assets, end of year	10,124,703		
Less: Land	219,284		
NBV of depreciable capital assets, end of year	9,905,419	9,905,419	
UCC end of year	10,308,306		
Less: Ending Class 14 balance	-		
Adjusted UCC	= 10,308,306	= 10,308,306	
Timing difference as at 2003/12/31 (amount D should equal amount C)		(402,887)	D

Notes

Canada Customs
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This form is to be completed by a corporation having one or more of the following:

- related corporation(s)
- associated corporation(s)

Name	Country (if not Canada)	Business # (Canadian corporation only)	Code note 1	Common shares		Preferred shares		Book value of capital stock
				# owned	% owned	# owned	% owned	
100	200	300	400	500	550	600	650	700
Town of Cobourg Holdings	NR		1					
Lakefront Utility Services Inc.	NR		3					
Cobourg Networks Inc.	NR		3					
		RC	0					
Note 1 : Enter the code number of the relationship that applies: 1- Parent 2 - Subsidiary 3 - Associated 4 - Related, but not associated								

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**AGREEMENT AMONG ASSOCIATED CCPCs
TO ALLOCATE THE BUSINESS LIMIT
(2003 and later taxation years)****Schedule 23****Allocation of the business limit**Date filed (for departmental use only) **025**Enter the calendar year to which the agreement applies **050** **2003**Is this an amended agreement for the above-noted calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? **075** ☐ 1 Yes ☒ 2 No

1 Names of associated corporations		2 Business Number	3 Association code
100		200	300
1	Lakefront Utilities Inc.	NR	1
2	Town of Cobourg Holdings	NR	1
3	Lakefront Utility Services Inc.	NR	1
4	Cobourg Networks Inc.	NR	1
		RC	0

Allocate business limit using: ☒ % ☐ \$

Taxation year		4 Business limit for the year (before allocation) \$	Allocating business limit			7 Year end to which this agreement applies if more than one taxation year end in a calendar year
			5 Percentage of the business limit (%) 350	6 Allocation of business limit * \$ 400	Provincial allocation for Alberta and Ontario (based on \$200,000)	
Start	End					500
1	2003/01/01	2003/12/31	225,000	100.000	225,000	200,000
2	2003/01/01	2003/12/31	225,000			
3	2003/01/01	2003/12/31	225,000			
4	2003/01/01	2003/12/31	225,000			
TOTALS			100.000	A 225,000	200,000	

If the taxation year of the corporation filing this form is less than 51 weeks, enter the prorated business limit in this box.

\$ **225,000**

	Last taxation year ending in the preceding calendar year				Current year
	Taxable income	Grossed-up taxable income	Reduced business limit	Gross Part 1.3 tax for business limit reduction	Grossed-up reduced business limit
1	107,242	107,242	107,733	6,443	96,140
2					
3					
4					
TOTALS	107,242	107,242	107,733	6,443	96,140



Canada Customs
and Revenue Agency

Agence des douanes
et du revenu du Canada

PART 1.3 TAX ON LARGE CORPORATIONS

Schedule 33

- This schedule is for use by corporations (other than financial institutions and insurance corporations) that have Part 1.3 tax payable before deducting surtax credits (line 820 in Part 5). You should also use and file this schedule if you calculate a **gross Part 1.3 tax for the purposes of unused surtax credit** (line 821 in Part 6) and a **current-year unused surtax credit** (line 850 in Part 8).
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms "financial institution", "long-term debt" and "reserves".
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part 1.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- No Part 1.3 tax is payable for a taxation year by a corporation that was:
 - 1) a non-resident-owned investment corporation throughout the year;
 - 2) bankrupt [as defined by subsection 128(3)] at the end of the year;
 - 3) a deposit insurance corporation throughout the year, as defined by subsection 137.1(5), or deemed to be a deposit insurance corporation by subsection 137.1(5.1);
 - 4) exempt from tax under section 149 throughout the year on all of its taxable income;
 - 5) neither resident in Canada nor carrying on a business through a permanent establishment in Canada at any time in the year; or
 - 6) a corporation described in subsection 136(2) throughout the year, the principal business of which was marketing (including any related processing) natural products belonging to or acquired from its members or customers.
- File the completed Schedule 33 with the *T2 Corporation Income Tax Return* no later than six months from the end of the taxation year.
- This schedule may contain changes that had not yet become law at the time of printing.

Complete the following areas to determine the amounts needed to calculate Part 1.3 tax. If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, "Taxable capital employed in Canada."

Part 1 - Capital

Add the following amounts at the end of the year:

Reserves that have not been deducted in computing income for the year under Part I

Capital stock (or members' contributions if incorporated without share capital)	101	
Retained earnings	103	4,684,456
Contributed surplus	104	1,653,460
Any other surpluses	105	
Deferred unrealized foreign exchange gains	106	
All loans and advances to the corporation	107	
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	108	1,817,894
Any dividends declared but not paid by the corporation before the end of the year	109	7,000,000
All other indebtedness of the corporation (other than any indebtedness in respect of a lease) that has been outstanding for more than 365 days before the end of the year	110	
Proportion of the amount, if any, by which the total of all amounts (see note below) for the partnership of which the corporation is a member at the end of the year exceeds the amount of the partnership's deferred unrealized foreign exchange losses	111	
	112	
Subtotal		15,155,810

15,155,810 A

Deduct the following amounts:

Deferred tax debit balance at the end of the year	121	
Any deficit deducted in computing its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122	
Any amount deducted under subsection 135(1) in computing income under Part I for the year, to the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above	123	
The amount of deferred unrealized foreign exchange losses at the end of the year	124	
Subtotal		

B

Capital for the year (amount A minus amount B) (if negative, enter "0")

190 15,155,810

PART 1.3 TAX ON LARGE CORPORATIONS**Part 2 - Investment allowance**

Add the carrying value at the end of the year of the following assets of the corporation:

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	3,717,521
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend receivable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim, or similar obligation of, a partnership all of the members of which, throughout the year, were other corporations (other than financial institutions) that were not exempt from tax under Part 1.3 (other than by reason of paragraph 181.1(3)(d))	406	
An interest in a partnership (see note 1 below)	407	
Investment allowance for the year	490	3,717,521

Part 3 - Taxable capital

Capital for the year (line 190)		15,155,810	C
Deduct: Investment allowance for the year (line 490)		3,717,521	D
Taxable capital for the year (amount C minus amount D) (if negative, enter "0")	500	11,438,289	

Part 4 - Taxable capital employed in Canada

To be completed by a corporation that was resident in Canada at any time in the year

Taxable capital for the year (line 500)		Taxable income earned in Canada			Taxable capital employed in Canada
11,438,289	x	610	1,141,010	=	690 11,438,289
			1,141,010		

- Notes:**
1. Regulation 8601 gives details on calculating the amount of taxable income earned in Canada.
 2. Where a corporation's taxable income for a taxation year is "0" it shall, for the purposes of the above calculation, be deemed to have a taxable income for that year of \$1,000.
 3. In the case of an airline corporation, Regulation 8601 should be considered when completing the above calculation.

To be completed by a corporation that was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada **701**

Deduct the following amounts:

Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada **711**

Total of all amounts each of which is the carrying value at the end of the year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business it carried on during the year through a permanent establishment in Canada **712**

Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below) **713**

Total deductions (add lines 711, 712, and 713) **E**

Taxable capital employed in Canada (line 701 minus amount E) (if negative, enter "0") **790**

Note: Complete line 713 only if the country in which the corporation is resident did not impose a capital tax for the year on similar assets, or a tax for the year on the income from the operation of a ship or aircraft in international traffic, of any corporation resident in Canada during the year.

PART I.3 TAX ON LARGE CORPORATIONS**Part 5 - Calculation of gross Part I.3 tax**

Taxable capital employed in Canada (line 690 or 790, whichever applies)		11,438,289
Deduct: Capital deduction claimed for the year (enter \$10,000,000 or, for related corporations, the amount allocated on Schedule 36)	801	10,000,000
Excess of taxable capital employed in Canada over capital deduction	811	1,438,289
Line 811 <u>1,438,289</u> x $\frac{\text{Number of days in the taxation year before 2004}}{\text{Number of days in the taxation year}}$	<u>365</u>	x 0.00225 = <u>3,236</u> F
Line 811 <u>1,438,289</u> x $\frac{\text{Number of days in the taxation year in 2004}}{\text{Number of days in the taxation year}}$	<u>365</u>	x 0.002 = _____ G
Note: The Part I.3 tax rate is reduced to 0% for the days in the taxation year that are after 2007.		
Subtotal (add amounts F and G)		<u>3,236</u> K
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax as follows:		
Amount K _____ X $\frac{\text{Number of days in the year (_____)}}{365}$		_____ L
Gross Part I.3 tax (amount K or L, whichever applies)	820	<u>3,236</u>

Part 6 - Calculation of gross Part I.3 tax for purposes of the unused surtax credit

Taxable capital employed in Canada (line 690 or 790, whichever applies)		11,438,289 M
Deduct: Line 801 above	10,000,000	10,000,000 N
Excess (amount M minus amount N) (if negative, enter "0")		1,438,289 O
Amount O <u>1,438,289</u> x 0.00225 =		<u>3,236</u> P
Where the taxation year of a corporation is less than 51 weeks, calculate the amount of gross Part I.3 tax for purposes of the unused surtax credit as follows:		
Amount P _____ x $\frac{\text{Number of days in the year (_____)}}{365}$		_____ Q
Gross Part I.3 tax for purposes of the unused surtax credit (amount P or Q, whichever applies)	821	<u>3,236</u>

PART I.3 TAX ON LARGE CORPORATIONS**Part 7 - Calculation of current year surtax credit available**

- Corporations can claim a credit against their Part I.3 tax for the amount of Canadian surtax payable for the year. This is called the surtax credit.
- Any unused surtax credit can be carried back three years or carried forward seven years. Unused surtax credits must be applied in order of the oldest first.
- Refer to subsection 181.1(7) of the Act when calculating the amount deductible for a corporation's unused surtax credits where control of the corporation has been acquired between the year in which the credits arose and the year in which you want to claim them.

For a corporation that was a non-resident of Canada throughout the year, enter amount **a** or **b** at line R, whichever is less:

a) line 600 from the T2 return	_____	a	
b) line 700 from the T2 return	_____	b	R

In any other case, enter amount **c** or **d** at line S, whichever is less:

c) line 600 from your T2 return	12,779	x (line 690 ÷ line 500)	=	12,779	c	
d) line 700 from the T2 return				263,996	d	12,779 S

Current year surtax credit available (amount R or S, whichever applies)		830	12,779
--------------------------------------------------------------------------------	--	------------	---------------

Part 8 - Calculation of current-year unused surtax credit

Current-year surtax credit available (line 830)		12,779
-------------------------------------------------	--	--------

Less: Gross Part I.3 tax for purposes of the unused surtax credit (line 821)		3,236
-------------------------------------------------------------------------------------	--	-------

Current-year unused surtax credit (if negative, enter "0")	850	9,543
-------------------------------------------------------------------	------------	--------------

Enter this amount at line 600 on Schedule 37.

Part 9 - Calculation of net Part I.3 tax payable

Gross Part I.3 tax (line 820)		3,236	T
-------------------------------	--	-------	----------

Deduct:			
Current-year surtax credit applied (line 820 or 830, whichever is less)	861	3,236	
Unused surtax credit from previous years applied (amount from line 320 on Schedule 37)	862		
Subtotal (cannot be more than amount on line 820)		3,236	3,236 U

Net Part I.3 tax payable (amount T minus amount U)	870	
-----------------------------------------------------------	------------	--

Enter this amount at line 704 of the T2 return.

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**AGREEMENT AMONG RELATED CORPORATIONS -
PART 1.3 TAX****Schedule 36**

- Members of a related group of corporations should use this schedule to allocate the capital deduction among the members of the related group. **Do not file this agreement if no members of the related group have to pay Part 1.3 tax.**
- In cases where a related corporation has more than one taxation year ending in a calendar year, it has to file an agreement for each of those taxation years.
- A corporation that is related to any other corporation at any time in a taxation year of the corporation that ends in a calendar year may file such an agreement.
- In accordance with subsection 181.5(7) of the federal *Income Tax Act*, a Canadian-controlled private corporation is not considered to be related to another corporation for purposes of the capital deduction unless it is also associated with that corporation.

Agreement

Date filed (for departmental use only) **010** _____

Is this an amended agreement? **020** ☐ 1 Yes ☒ 2 No

Calendar year to which the agreement applies **030** 2003

Note: This agreement must include all the information indicated below for all members of the related group, including members to which no amount of capital deduction is allocated for the year. However, any member that is exempt from Part 1.3 tax under subsection 181.1(3) does not have to be included.

Names of all corporations which are members of the related group 200	Business number (if a corporation is not registered, enter "NR") 300	Allocation of capital deduction for the year \$ 400	Taxation year end to which this agreement applies * 500
Lakefront Utilities Inc.	NR	10,000,000	yyyy/mm/dd
Town of Cobourg Holdings	NR	0	yyyy/mm/dd
Lakefront Utility Services Inc.	NR	0	yyyy/mm/dd
Cobourg Networks Inc.	NR	0	yyyy/mm/dd
	RC	0	yyyy/mm/dd
Total		10,000,000	

- * Entries are only required in this column for a corporation that has more than one taxation year ending in the same calendar year and is related in two or more of those taxation years to another corporation that has a taxation year ending in that calendar year. The capital deduction of the first corporation for each such taxation year at the end of which it is related to the other corporation is an amount equal to its capital deduction for the first such taxation year. Enter the taxation year end to which this agreement applies.

**SHAREHOLDER INFORMATION****Schedule 50**

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

Name of shareholder 100	Business Number * 200	Social Insurance Number * 300	Percentage common shares 400	Percentage preferred shares 500
Town of Cobourg Holding Inc	NR		100.000	
	RC			

* If the shareholder is a trust, enter NR at field 200 or NA at field 300.



BUSINESS CONSENT FORM

Use this form to consent to the release of confidential information about your Business Number (BN) account(s) to the representative named below, or to cancel consent for an existing representative.

- Complete Parts 1, 2, and 5 to name a representative.
- Complete Parts 3, 4, and 5 to cancel consent for an existing representative.
- Complete all parts of this form if you want to both name a new representative and cancel consent for an existing representative.

If you have questions, such as where to send this form, call us at 1-800-959-5525.

Part 1 – Consent to release of information to a representative

Client's name: Lakefront Utilities Inc.

Business Number: NR

I consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

BDO DUNWOODY LLP

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to specify a particular individual of that firm, enter that individual's first and last name.

(905) 946-1066

Representative's telephone number

(905) 946-9524

Representative's fax number

Part 2 – Details of consent

A. Which accounts?

I request that this consent apply to all accounts. ☒ OR

I request that this consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to authorize access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 <input type="checkbox"/>	RC	_____
GST/HST	RT0001 <input type="checkbox"/>	RT	_____
Payroll deductions	RP0001 <input type="checkbox"/>	RP	_____
Import/Export	RM0001 <input type="checkbox"/>	RM	_____

B. Which years?

I request that this consent apply to all years. ☒ OR

I request that this consent apply only to the following years:

1. All year-ends up to: _____
2. All year-ends beginning in: _____ and all years after that.
3. The following year-ends only: _____

BUSINESS CONSENT FORM**Part 3 – Cancellation of consent to release of information to a representative**Client's name: Lakefront Utilities Inc.Business Number: NRI cancel all previous consents for all representatives. ☐ OR

I cancel my consent to the release of confidential information about my BN account(s) by the Canada Customs and Revenue Agency to the representative named below.

Representative's name (If a firm, enter the name of the firm. If an individual, enter the first and last name of the individual.)

If you named a firm as your representative, and you want to cancel the consent for a particular individual of that firm, enter that individual's first and last name.

() -
Representative's telephone number() -
Representative's fax number**Part 4 – Details of cancellation of consent****A. Which accounts?**I request that this cancellation of consent apply to all accounts. ☐ OR

I request that this cancellation of consent apply only to the following accounts.

(Check the appropriate box or boxes. If you wish to cancel access to more than one account of the same type, for example RP0002 and RP0003, please print the account numbers in the spaces provided.)

Corporate income tax	RC0001 <input type="checkbox"/>	RC	_____	RC	_____
GST/HST	RT0001 <input type="checkbox"/>	RT	_____	RT	_____
Payroll deductions	RP0001 <input type="checkbox"/>	RP	_____	RP	_____
Import/Export	RM0001 <input type="checkbox"/>	RM	_____	RM	_____

B. Which years?I request that this consent apply to all years. ☐ OR

I request that this consent apply only to the following years:

- All year-ends up to:
- All year-ends beginning in: and all years after that.
- The following year-ends only:

Part 5 – SignaturePrint your name STEWART CUNNINGHAMTitle TREASURER

This form must be signed by an owner, partner, director, trustee, or officer.

Sign here ▶ Date

Appendix 24

2003 CT23 Provincial Tax Return



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

2003

CT23 Corporations Tax and Annual Return

For taxation years commencing
after September 30, 2001

Corporations Tax Act - Ministry of Finance (MOF)

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

This return 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, together with the applicable schedules on pages 18-21. **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 22 and 23, and Schedule K on page 24) 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 **Page 1 of 24**

Corporation's Legal Name (including punctuation) Lakefront Utilities Inc.				Ontario Corporations Tax Account No. (MOF) 1800124	
Mailing address 207 Division Street P.O.Box 577 City Province Country Postal code Cobourg ON K9A 4L3				This CT23 Return covers the Taxation Year Start 2003/01/01 End 2003/12/31	
Has the mailing address changed since last filed CT23 Return? <input type="checkbox"/> Yes <input type="checkbox"/> No Date of change				Date of Incorporation or Amalgamation 2000/05/01	
Registered/Head Office Address 207 Division Street P.O.Box 577 City Province Country Postal code Cobourg ON K9A 4L3				Ontario Corporation No. 1412420 (MCBS)	
Location of Books and Records 207 Division Street P.O.Box 577 City Province Country Postal code Cobourg ON K9A 4L3				Canada Customs and Revenue Agency Business No. NR RC	
Name of person to contact regarding this CT23 Return STEWART CUNNINGHAM		Telephone No. (905) 372-2193	Fax No. (905) 372-2581	Jurisdiction Incorporated ONTARIO	
Address of Principal Office in Ontario (Extra-Provincial Corporations only) (MCBS) City Province Country Postal code				If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased: Commenced Ceased	
Former Corporation Name (Extra-Provincial Corporations only) <input 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) 0				Preferred Language / Langue de préférence <input checked="" type="checkbox"/> English anglais <input type="checkbox"/> French français	
If there is no change to the Directors/Officers/Administrators' information previously submitted to MCBS, please check <input checked="" type="checkbox"/> 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
STEWART CUNNINGHAM

Title: ☐ Director ☐ Officer ☐ Other individual having knowledge of the affairs of the Corporation

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

Taxation Year End



Exempt From Filing (EFF) Corporations Tax Return Declaration

Page 2 of 24

Corporation's Legal Name

Ontario Corporations Tax Account No. (MOF)

I, _____ declare that:

The above corporation satisfies **all** of the exempt from filing criteria (a) through (f) below for the taxation year and therefore qualifies under the *Corporations Tax Act* as exempt from filing an Ontario Corporations Tax Return.

Criteria for exempt from filing status:

- | | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>a) has filed a federal income tax return (T2) with Canada Customs and Revenue Agency for the taxation year;</p> <p>b) had no Ontario taxable income for the taxation year (subject to the provisions in NOTE 2 below);</p> <p>c) had no Ontario Corporations Tax payable for the taxation year;</p> | <p>d) was a Canadian-controlled private corporation throughout the taxation year (i.e. generally a private corporation with 50% or more shares owned by Canadian residents as defined by the <i>Income Tax Act</i> (Canada));</p> <p>e) had provided its Canada Customs and Revenue Agency business number to the Ministry of Finance, Corporations Tax Branch; and</p> <p>f) is NOT subject to the Corporate Minimum Tax (i.e. alone or as part of an associated group whose total assets exceed \$5 million or whose total revenues exceed \$10 million for the taxation year).</p> |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Signature

Title/Relationship to Corporation

Telephone number

Date

() -

Please note that making a false statement to avoid compliance with the *Corporations Tax Act* is an offence which can result in a penalty and/or fine.

NOTE 1: Filing of this declaration and the Annual Return does not constitute the filing of a Corporations Tax Return under section 75 of the *Corporations Tax Act*.

NOTE 2: The following loss situations will require otherwise EFF corporations to file a CT23 tax return complete with all related schedules and financial statements:

1. If a corporation has a loss in the current taxation year that is to be carried back and applied to a previous taxation year(s), regardless of whether the loss is the same as for federal purposes or not, a CT23 tax return is required for the current taxation year. The corporation must also provide information indicating that the loss is to be carried back and specify the year and the amount of loss to be carried back to each taxation year.

2. If a corporation has a prior year loss, that is not the same for both federal and Ontario purposes and the corporation is applying a loss carryforward from the prior year to the current year, a CT23 tax return is required for the current taxation year, and if not previously filed, a CT23 tax return for the prior taxation year in which the loss was incurred is also required. Although a tax return for the loss year is not required where the loss is not being applied, the Corporations Tax Branch will accept the filing of a tax return for a loss year at the time the loss is incurred.
3. If a corporation has a prior year loss, that is the same for both federal and Ontario purposes, but in the current taxation year the corporation is applying a different amount of loss for Ontario than the loss amount being applied for federal income tax purposes, the corporation is required to file a CT23 tax return for the current taxation year only.

The following 3 items **MUST** be completed if the EFF declaration only is being submitted at this time. In cases where the annual return, which includes page 1, is **also** being filed, completion of these fields is **NOT** necessary.

1. Corporation's Mailing Address

City Province Country Postal code

2. Ontario Corporation No. (MCBS)

3. Canada Customs and Revenue Agency Business No.

RC

A corporation **must** file an **Exempt From Filing Corporations Tax Return Declaration** form for each taxation year that the corporation is exempt from filing, **within 6 months** after the end of its taxation year, to the address shown at the top of Page 1.

If you check "Yes" to ALL of the following criteria, you are eligible to file the CT23 Short-Form Corporation Tax Return.
To obtain a copy, contact the Ministry Information Centre at the numbers listed on page 2 of the Guide.

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> (a) The corporation is a Canadian-controlled private corporation (CCPC) throughout the taxation year.
(nearest whole percentage)
Indicate Share Capital with full voting rights owned by Canadian Residents <u>100</u> %</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> (b) The corporation's taxable income for the taxation year is \$200,000 or less. For a taxation year with less than 51 weeks, taxable income must be grossed-up. (<i>Refer to guide</i>)</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> (c) The corporation is NOT a member of a partnership/joint venture or a member of an associated group of corporations during the taxation year.</p> | <p>Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> (d) The corporation's taxation year ends on or after January 1, 2001, and its gross revenue and total assets are each \$1,500,000 or less and the corporation is not a financial institution; OR
The corporation's taxation year commences after September 30, 2001, and its gross revenue and total assets are each \$3,000,000 or less and the corporation is not a financial institution.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> (e) The corporation is NOT claiming a tax credit other than the Incentive Deduction for Small Business Corporations (IDSBC), Co-operative Education Tax Credit (CETC) or Graduate Transitions Tax Credit (GTC).</p> <p><input checked="" type="checkbox"/> <input type="checkbox"/> (f) The corporation's Ontario allocation factor is 100%.</p> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

NOTE: Family Farm or Fishing corporations that have a taxation year ending on or after January 1, 2000 and that are NOT subject to the Corporate Minimum Tax, may also use the **CT23 Short-Form Corporations Tax Return** if the corporation checks "Yes" to (a), (b), (c), (e) and (f) above.

CT23 Corporations Tax Return**CT23 Page 3 of 24***Identification continued (for CT23 filers only)***Type of Corporation - Please check (✓) box(es) if applicable in sections 1 & 2**

- 1** ☒ 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 %) 100 %

- 2** ☐ 1 ☐ Family Farm Corporation s.1(2) **14** ☐ Bare Trustee Corporation
- 2** ☐ Family Fishing Corporation s.1(2) **15** ☐ Branch of Non-resident s.63(1)
- 3** ☐ Mortgage Investment Corp s.47 **16** ☐ Financial institutions prescribed by Regulation only
- 4** ☐ Credit Union s.51 **17** ☐ Investment Dealer
- 5** ☐ Bank Mortgage Subsidiary s.61(4) **18** ☐ Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
- 6** ☐ Bank s.1(2) **19** ☒ Hydro successor, Municipal Electrical Utility or subsidiary of either
- 7** ☐ Loan and Trust Corporation s.61(4) **20** ☐ Producer and seller of steam for uses other than for the generation of electricity
- 8** ☐ Non-resident Corp s.2(2)(a) or (b) **21** ☐ Insurance Exchange s.74.4
- 9** ☐ Non-resident Corporation s.2(2)(c) **22** ☐ Farm Feeder Finance Co-operative Corporation
- 10** ☐ Mutual Fund Corporation s.48 **23** ☐ Professional Corporation (incorporated professionals only)
- 11** ☐ Non-resident owned investment Corp s.49
- 12** ☐ Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)

Ontario Retail Sales Tax Vendor Permit No.
(Use Head Office No.)Ontario Employer Health Tax Account No.
(Use Head Office No.)

Specify major business activity

Please check (✓) box(es) if applicable:

- ☐ First Year of Filing ☐ Final Taxation Year up to Dissolution(wind-up) (Note: For discontinued businesses, see Guide.) ☐ Transfer or Receipt of Asset(s) involving a corporation having a Canadian permanent establishment outside Ontario
- ☐ Amended Return ☐ Final Taxation Year before Amalgamation ☐ Acquisition of Control fed s.249(4)
Date control was acquired: _____
- ☐ Taxation Year End has changed - Canada Customs and Revenue Agency approval required ☐ Floating Fiscal Year End

Was the corporation inactive throughout the taxation year?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Has the corporation's Federal T2 Return been filed with the Canada Customs and Revenue Agency (CCRA)?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Are you requesting a refund due to: the Carry-back of a Loss?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
an Overpayment?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
a Specified Refundable Tax Credit?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Are you a Member of a Partnership or a Joint Venture?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Income Tax

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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).

Net income (loss) for Ontario purposes (per reconciliation schedule, page 15)	From 690±	1,730,893
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 T2 SCH 3	3 -	
Subtract: Ontario political contributions (Attach schedule 2A) (Int.B. 3002)	4 -	
Subtract: Federal Part VI.1 tax X 9/3	5 -	
Subtract: Prior years' losses applied - Non-capital losses	From 704-	589,883
	From 715	inclusion
Net capital losses (page 16) X rate 50.000000 % =	714-	
Farm losses	From 724-	
Restricted farm losses	From 734-	
Limited partnership losses	From 754-	
	10 =	1,141,010
Taxable income (Non-capital loss)		
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 =	1,141,010

Taxable Income	Number of days in Taxation Year					
	Days after Sept 30, 2001 and before Jan 1, 2004	Total days				
From 10 (or 20) 1,141,010 X 30 100.0000 % X 12.5 % X 33 365 ÷ 73 365 =			29+		142,626	
Ontario Allocation	Days after Dec 31, 2003	Total days				
From 10 (or 20) 1,141,010 X 30 100.0000 % X 14.0 % X 34 365 ÷ 73 365 =			32+			
Ontario Allocation						
Income Tax Payable (before deduction of tax credits) 29 + 32			40 =		142,626	

Incentive Deduction for Small Business Corporations (IDSBC)(s.41) (If this section 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 year? (✓) ☒ Yes ☐ No

* Income from active business carried on in Canada

for federal purposes (fed.s.125(1)(a))	50	1,730,893
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	51 +	1,141,010
Add: Losses of other years deducted for federal purposes (fed.s.111)	52 +	589,883
Subtract: Losses of other years deducted for Ontario purposes (s.34)	53 -	589,883
	=	1,141,010
	54	1,141,010

Federal Business limit (line 410 of the T2 return) for the year before application of fed.s.125(5.1) 55+ 225,000

Ontario Business Limit Calculation

Days after Sept. 30, 2001 and before Jan. 1, 2003					
280,000 X 28 365 ÷ **		365	=+ 43		
Days after Dec. 31, 2002 and before Jan. 1, 2004					
320,000 X 31 365 ÷ **		365	=+ 46	320,000	
Days after Dec. 31, 2003					
400,000 X 34 365 ÷ **		365	=+ 47		
*** Percentage of Federal Business limit (from T2 Sch. 23). Enter 100% If not associated					
Business limit for Ontario purposes 43 + 46 + 47 = 44	320,000 X 48	100.0000 % =	45	320,000	

Income eligible for the IDSBC From 30 100.0000 % X 56 320,000 60 = 320,000
****Ontario Allocation Least of 50, 54 or 45

* **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:** For a taxation year ending before Jan 1, 2003, use your proportion of the associated group business limit.

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

Income Tax *continued from Page 4***Number of Days in Taxation**

Year

Calculation of IDSBC Rate	6.5 % X 28	Days after Sept 30, 2001 and before Jan 1, 2003	÷ 73	Total Days	365 = 79 +	
	7.0 % X 31	Days after Dec 31, 2002 and before Jan 1, 2004	÷ 73	Total Days	365 = 89 +	7.0000
	8.5 % X 34	Days after Dec 31, 2003	÷ 73	Total Days	365 = 90 +	
IDSBC Rate for Taxation Year 79 + 89 + 90						78 = 7.0000
Claim	From 60	320,000	X From 78	7.0000 %	70 =	22,400

Corporations claiming the IDSBC must complete the Surtax section below if the corporation's taxable income (or if associated, the associated group's taxable income) is greater than the amount in 114 below.

Surtax on Canadian-controlled private corporations (s.41.1)

Applies if you have claimed the Incentive Deduction for Small Business Corporations.

**** Short Taxation Years** - Special rules apply where the taxation year is less than 51 weeks for the corporation and/or any corporation associated with it.

Associated corporation - The taxable income of associated corporations is the taxable income for the taxation year ending on or before the date of this corporation's taxation year end.

**** Taxable Income of the corporation** From 10 (or 20 if applicable) 80 + 1,141,010

If you are a member of an associated group (✓) 81 ☐ (Yes)

Taxable income of associated corporations (Attach schedule) 82 +
Aggregate Taxable Income 85 = 1,141,010

Number of days in Taxation Year

Subtract: 280,000 X 28	Days after Sept 30, 2001 and before Jan 1, 2003	÷ 73	Total Days	365 = 113 +	
	Days after Dec 31, 2002 and before Jan 1, 2004	÷ 73	Total Days	365 = 115 +	320,000
	Days after Dec 31, 2003	÷ 73	Total Days	365 = 116 +	
320,000 X 31					
400,000 X 34					
				113 + 115 + 116	= 320,000 ▶
				114 -	320,000
(If negative, enter nil)				86 =	821,010

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax	4.333% X 28	Days after Sept 30, 2001 and before Jan 1, 2003	÷ 73	Total Days	365 = 95 +	
	4.667% X 31	Days after Dec 31, 2002 and before Jan 1, 2004	÷ 73	Total Days	365 = 96 +	4.6670
	4.667% X 34	Days after Dec 31, 2003	÷ 73	Total Days	365 = 97 +	
Specified rate of surtax for Taxation Year 95 + 96 + 97						94 = 4.6670
From 86 821,010 X From 94 4.6670 % =						87 = 38,317
From 87 38,317 X From 60 320,000 ÷ From 114 320,000						88 = 38,317
Surtax: Lesser of 70 or 88						100 = 22,400

Income Tax continued from Page 5

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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	-	320,000
Add: Adjustment for Surtax on Canadian-controlled private corporations			
From 100 $\frac{22,400}{100.0000} \div$ From 30 $\frac{100.0000}{100.0000} \% \div$ From 78 $\frac{7.0000}{100.0000} \% =$ 121			320,000
*Ontario Allocation			

Lesser of 56 or 121	122	+	320,000
120 - 56 + 122	130	=	

Taxable income	From 10	+	1,141,010
Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)	From 56	-	320,000
Add: Adjustments for Surtax on Canadian-controlled private corporations	From 122	+	320,000
Subtract: Taxable income 10 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	=	1,141,010

Claim**Number of Days in Taxation Year**Days after Sept 30, 2001
and before Jan 1, 2004

Total Days

143	X From	30	$\frac{100.0000}{100.0000} \% \times 1.5\% \times$	33	$\frac{365}{365} \div$	73	$\frac{365}{365} =$	154	+	
Lesser of 130 or 142		*Ontario Allocation								

Days after Dec 31, 2003

Total Days

143	X From	30	$\frac{100.0000}{100.0000} \% \times 2.0\% \times$	34	$\frac{365}{365} \div$	73	$\frac{365}{365} =$	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. 3001) (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

142,626

Income Tax *continued from Page 6***Specified Tax Credits** *(Refer to Guide)***Ontario Innovation Tax Credit (OITC) (s.43.3)** *Applies* to research and development in Ontario.
Eligible credit from **5620** OITC claim form *(Attach original Claim Form)*

191 + [REDACTED]

Co-operative Education Tax Credit (CETC) (s.43.4) *Applies* to employment of eligible students.
Eligible credit from **5798** Summary Schedule F

192 + [REDACTED]

Ontario Film and Television Tax Credit (OFTTC) (s.43.5)*Applies* to qualifying Ontario labour expenditures for eligible Canadian content film and television productions.
Eligible credit from **5899** either Claim Form from Ontario Media Development Corporation (OMDC)
or Ministry of Finance (MFO) CT Schedule 193/199, as applicable.
(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)

193 + [REDACTED]

Graduate Transitions Tax Credit (GTTC) (s.43.6)*Applies* to employment of eligible unemployed post secondary graduate.

194 + [REDACTED] No. of Graduates from 6596

Eligible Credit from **6598** Summary Schedule G

195 + [REDACTED]

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 Certification Form)*

196 + [REDACTED]

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** Claim Form Certified by Ontario Media Development Corporation*(Attach the original Claim/Certification Form with the CT23 Tax Return.)*

197 + [REDACTED]

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 + [REDACTED]

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** either Claim Form from Ontario Media Development Corporation (OMDC)

or Ministry of Finance (MFO) CT Schedule 193/199, as applicable

(Attach the original Certification/Claim Form received from the OMDC or the original Certification Form received from the OMDC along with a completed MOF CT Schedule 193/199, as applicable.)

199 + [REDACTED]

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** Claim Form certified by Ontario Media Development Corporation*(Attach original Claim/Certification Form.)*

200 + [REDACTED]

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 Certification Form)*

201 + [REDACTED]

Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201

220 = [REDACTED]

Specified Tax Credits Applied to reduce Income Tax

225 = [REDACTED]

Income Tax 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative)

230 = 142,626

To 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**.

Corporate Minimum Tax (CMT)

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

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

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.

* Total Assets of the corporation	240 +	17,925,250	
* Total Revenue of the corporation			241 + 21,505,909

If you are a member of an associated group (✓) 242 ☐ (Yes)

Total Assets of associated corporations (Attach schedule)	243 +		
Total Revenue of associated corporations (Attach schedule)			244 +
Aggregate Total Assets	249 =	17,925,250	
Aggregate Total Revenue			250 = 21,505,909

If CMT is applicable to current taxation year, complete section **Calculation: CMT** below and **Corporate Minimum Tax Schedules A through E on pages 18, 19 and 20 of CT23.****Calculation: CMT** (Attach Schedule A: Calculation of CMT Base on page 18.)

Gross CMT Payable	CMT Base From 2135	982,411	X	From 30	100.0000 % X 4%	276 =	39,296
		If negative, enter zero			Ontario Allocation		
Subtract: Foreign Tax Credit for CMT purposes (Attach schedule)						277	
Subtract: Income Tax					From 190 -		142,626
Net CMT Payable (If negative, enter Nil on page 17.)						280 =	

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, complete 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 Schedule D: Continuity of CMT Credit Carryovers, on Page 20.**

CMT Credit Carryover available From 2307

Application of CMT Credit Carryovers

A.	Income Tax (before deduction of specified credits)		From 190 +	142,626
	Gross CMT payable	From 276 +	39,296	
	Subtract: Foreign Tax Credit for CMT purposes	From 277 -		
	If 276 - 277 is negative, enter NIL in 290	=	39,296	
	Income Tax eligible for CMT Credit		290 -	39,296
			300 =	103,330

B.	Income Tax (after deduction of specified credits)		From 230 +	142,626
	Subtract: CMT credit used to reduce income taxes		310	
	Income Tax		320 =	142,626

Transfer to Page 17

If A & B apply, 310 cannot exceed the lesser of 230, 300 and your CMT credit carryover available 2307.

If only B applies, 310 cannot exceed the lesser of 230 and your CMT credit carryover available 2307.

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

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If your corporation is a Financial Institution (s.58(2)), complete lines 480 and 430 on page 10 then proceed to page 13.

If your corporation is not a member of an associated group and/or partnership and (1) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$1,500,000 or less and the taxation year ends on or after January 1, 2001, or (2) the Gross Revenue and Total Assets as calculated on Page 10 in 480 and 430 are both \$3,000,000 or less and the taxation year commences after September 30, 2001, your corporation is exempt from Capital Tax for the taxation year. 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. 3017).

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. 3012 and 3015)	350 +	4,684,456
Retained earnings (if deficit, deduct) (Int.B. 3012)	351 ±	1,653,460
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	352 +	
Loans and advances (Attach schedule) (Int.B. 3013)	353 +	1,817,894
Bank loans (Int.B. 3013)	354 +	
Bankers acceptances (Int.B. 3013)	355 +	
Bonds and debentures payable (Int.B. 3013)	356 +	
Mortgages payable (Int.B. 3013)	357 +	
Lien notes payable (Int.B. 3013)	358 +	7,000,000
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. 3013)	359 +	
Contingent, investment, inventory and similar reserves (Int.B. 3012)	360 +	
Other reserves not allowed as deductions for income tax purposes (Attach schedule) (Int.B. 3012)	361 +	
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017)	362 +	
Subtotal	370 =	15,155,810
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012)	371 -	(414,250)
Deductible R&D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015)	372 -	
Total Paid-up Capital	380 =	15,570,060
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015)	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 =	15,570,060

Eligible Investments (Refer to Guide and Int.B. 3015)

Attach computations and list of corporations' 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 +	
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	406 +	3,717,521
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	407 +	
Total Eligible Investments	410 =	3,717,521

Capital Tax continued from Page 9

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Total Assets (Int.B. 3015)

Total Assets per balance sheet	420+	17,925,250
Mortgages or other liabilities deducted from assets	421+	
Share of partnership(s)/joint venture(s) total assets (<i>Attach schedule</i>)	422+	
Subtract: Investment in partnership(s)/joint venture(s)	423-	
Total Assets as adjusted	430=	17,925,250
Amounts in 360 and 361 (if deducted from assets)	440+	
Subtract: Amounts in 371, 372 and 381	441-	(414,250)
Subtract: Appraisal surplus if booked	442-	
Add or Subtract: Other adjustments (specify on an attached schedule)	443±	
Total Assets	450=	18,339,500

Investment Allowance (410 ÷ 450) X 390

Not to exceed 410 460= 3,156,140

Taxable Capital 390 - 460

470= 12,413,920

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)

Gross Revenue of the corporation	21,505,909	
Corporation's Share of partnership(s)/joint venture(s) Gross Revenue (<i>Attach schedule</i>)		
Aggregate of Gross Revenue	21,505,909	480 21,505,909
Total Assets (as adjusted)	From 430	17,925,250

Calculation of Capital Tax for all corporations except Financial Institutions*Note: This version (2003) of the CT23 may only be used for a taxation year that commenced after September 30, 2001.**(Financial Institutions use calculations on page 13.)*

- Important:** 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, review only the capital tax calculations in Section B below and select and complete the one specific subsection (e.g. B3) that applies to the corporation.
- OR** If the corporation IS a member of an associated group and/or partnership, complete Section C on page 11, and if applicable, complete Section D or Section E on page 12. Note: If the corporation is a member of a connected partnership, please refer to the 2003 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**This section applies if the corporation is NOT a member of an associated group and/or partnership**

- B1.** If the taxation year commences after September 30, 2001 and 430 and 480 on page 10 are both \$3,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.
- B2.** If taxable capital, 470 on page 10, is \$5,000,000 or less, enter NIL in 550 on page 12 and complete the return from that point.
- B3.** If taxable capital, 470 on page 10 exceeds \$5,000,000, complete the following calculation and transfer the amount from 523 to 543 on page 12, and complete the return from that point.

+ From 470	12,413,920				Days in taxation year		
-	5,000,000						
=	471	7,413,920	x From 30	100.0000	x 0.3% x 555	365	= 523+ 22,242
			Ontario Allocation		**365/366		Transfer to 543 on page 12 and complete the return from that point

**** If floating taxation year, refer to Guide.**

continued on Page 11

Capital Tax Calculation *continued from page 10*

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SECTION C

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 D or Section E.

C1. ☐ **509** (✓ 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 \$5,000,000 or less, enter NIL in **550** on page 12 and complete the return from that point.
 If taxable capital **470** on page 10 exceeds \$5,000,000 proceed to **Section D**, enter \$5,000,000 in **542** Section D, and complete Section D and the return from that point

C2. ☐ **524** (✓ if applicable) **One or more of the corporations that you are associated with maintains a permanent establishment in Canada**
 If the taxation year **ends before January 1, 2003**, you must complete the *Calculation* below.
 If the taxation year **ends after December 31, 2002**, you and your associated group may continue to allocate the \$5,000,000 taxable capital exemption 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 taxable capital exemption 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 \$15,000 capital tax effect, relating to the \$5,000,000 taxable capital exemption, 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 filed

Taxable Capital form **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

Taxable Capital of associated corporations (*Attach schedule*) **531** +
 Total Aggregate Taxable Capital **470** + **531** **540** =

If **540** above is \$5,000,000 or less, the corporation's Capital Tax for the taxation year, is NIL.

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

If **540** above is greater than \$5,000,000, the corporation must compute its share of the \$5,000,000 exemption below in order to calculate its Capital Tax for the taxation year under Section D on page 12.

From **470** _____ ÷ From **540** _____ X 5,000,000

541 = _____
Transfer to Section 542 in D on page 12

Ss.69(2.1) Election Filed

☐ **591** (✓ if applicable)

Election filed. Attach a copy of the election with this CT23 Return.
 Proceed to **Section E** on page 12.

Capital Tax Calculation *continued from page 11*

SECTION D

Complete the following calculation and transfer the amount From **523** to **543**, and complete the return from that point.

+ From 470 - 542 = 471	x	From 30	<div style="border: 1px solid black; padding: 2px; display: inline-block;">100.0000</div> % x 0.3% x	Days in the taxation year 555	x	365 ** (365/366)	= 523 +	Total Capital Tax for the taxation year <i>Transfer to 543 and complete the return from that point</i>
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SECTION E

+ From 470 _____ X From 30 100.0000 x 0.3% = 561 + _____

- Capital tax deduction relating to your corporation's capital tax deduction, on ss.69(2.1) election form From 995 _____

562 = _____

Capital Tax 562 X $\frac{\text{Days in taxation year}}{365} = 563 + \frac{555}{365}$ *Transfer to 543 and complete the return from that point*

**** If floating taxation year, refer to Guide**

Capital Tax before application of specified credits	543	22,242
Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide)	546	
Capital Tax 543 - 546 (amount cannot be negative)	550	22,242

Transfer to page 17

Capital Tax continued from page 12

CT23 Page 13 of 24

Calculation of Capital Tax for Financial Institutions**I.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.

I.2 Other than Credit Unions

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

565 x 0.6% x From 30 % x 555 \div ^{Days in taxation year} **365/366 = 569 +
 Lesser of adjusted TPUC
 and Basic Capital Amount
 in accordance with
 Division B.1
 Ontario Allocation

570 x 571 x From 30 % x 555 \div ^{Days in taxation year} **365/366 = 574 +
 Adjusted TPUC Capital Tax Rate
 in accordance with (Refer to Guide)
 Division B.1 in excess
 of Basic Capital Amount
 Ontario Allocation

Capital Tax for Financial Institutions - other than Credit Unions (before Section II) 569 + 574**575 =** **** If floating taxation year, refer to Guide.****II. 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.)

Allowable Credit for Eligible Investments **585 =** Financial Institutions: Claiming a tax credit for investment in Community Small Business Investment Fund (CSBIF)? ☒ Yes ☐ No**Capital Tax - Financial Institutions 575 - 585****586 =**

Transfer to 543 on Page 12

Premium Tax (s.74.2 & 74.3) (refer to Guide)(1) Uninsured Benefits Arrangements **587** x 2% **588 =** **Applies** to Ontario-related uninsured benefits arrangements.

(2) Unlicensed Insurance (enter premium tax payable in 588 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.**Deduct: Specified Tax Credits applied to reduce premium tax (Refer to guide)****589 =****Premium Tax 588 - 589****590 =**

Transfer to Page 17

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 SCH 1**

600± 1,730,893

Transfer to Page 15

Add:

Federal capital cost allowance	601+	484,888
Federal cumulative eligible capital deduction	602+	
Ontario taxable capital gain	603+	
Federal non-allowable reserves. Balance beginning of year	604+	
Federal allowable reserves. Balance end of year	605+	
Ontario non-allowable reserves. Balance end of year	606+	
Ontario allowable reserves. Balance beginning of year	607+	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	608+	
Federal resource allowance	609+	
Federal depletion allowance	610+	
Federal foreign exploration and development expenses	611+	
Management fees, rents, royalties and similar payments to non-arm's length non-residents		

Number of days in Taxation YearDays after Sept. 30, 2001
and before Jan. 1, 2004

612 X 5/12.5 X 33 365 ÷ 73 = 633+

Days after Dec. 31, 2003

612 X 5/14.0 X 34 ÷ 73 = 634+

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

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

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

Federal allowable business investment loss

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

Sub Total of Additions 601 to 611 + 613 + 615 + 616 + 620 + 614

613+	
615+	
616+	
620+	
614+	
=	484,888

640 484,888

Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	650+	484,888
Ontario cumulative eligible capital deduction	651+	
Federal taxable capital gain	652+	
Ontario non-allowable reserves. Balance beginning of year	653+	
Ontario allowable reserves. Balance end of year	654+	
Federal non-allowable reserves. Balance end of year	655+	
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	659+	
Ontario current cost adjustment (Attach schedule)	661+	
Incentive for new electricity supply (section 13.6 deduction from income)		
(Applies only to electrical generating corporations.)	674+	
CCA for investments in qualifying energy-efficient equipment and for assets used to generate electricity from natural gas, alternative or renewable resources.	675+	
Subtotal of deductions for this page 650 to 659 + 661 + 674 + 675	681	484,888

Transfer to Page 15

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 T2 SCH 1	From 600±	1,730,893
Sub Total of Additions	From 640=	484,888

Sub Total of deductions on page 14	From 681=	484,888
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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:

From Gross-up of CCA

662 x 100/ 30 100.0000 - From 662 663=

Ontario allocation

Workplace Child Care Tax Incentive

Qualifying expenditures: 665 x 30% x 100/ 30 100.0000 666=

Ontario Allocation

Workplace Accessibility Tax Incentive

Qualifying expenditures: 667 x 100% x 100/ 30 100.0000 668=

Ontario Allocation

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)

Qualifying expenditures 670 x 30% x 100/ 30 100.0000 671=

Ontario Allocation

Educational Technology Tax Incentive (Applies to qualifying amounts incurred after May 2, 2000.)

Qualifying expenditures 672 x 15% x 100/ 30 100.0000 673=

Ontario Allocation

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	=	484,888	680	484,888
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Net income (loss) for Ontario purposes 600 + 640 - 680	690=	1,730,893
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Transfer to Page 4

Continuity of Losses Carried Forward

	Non-Capital Losses (1)	Total Capital Losses (9) (10)	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 589,883	710 (2)	720 (2)	730	740	750
Add:	701	711	721	731	741	751
Current year's losses (7)						
Losses from predecessor corporations (3)	702	712	722	732		752
	703	713	723	733	743	753
Subtotal						
Subtract:	704 (2) 589,883	715 (2)(4)	724 (2)	734 (2)(4)	744 (4)	754 (4)
Utilized during the year to reduce taxable income	705		725	735	745	
Expired during the year						
Carried back to prior years to reduce income (5)	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
	707	717	727	737	747	757
Subtotal	589,883					
Balance at End of Year	709 (8)	719	729	739	749	759

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) Include 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 amounts 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) Total Capital Losses for a year is the excess of 100% of the Capital Losses in the taxation year minus 100% of the Capital Gains (less any reserves) in the taxation year. Total Capital Losses is before the inclusion rate has been applied.
- (10) Commencing in the 2001 CT23 this column now refers to Total Capital Losses (100% of loss), whereas previously the column referred to Net Capital Losses (75% of loss or after the inclusion rate has been applied). Loss amounts that are not carried at 100% of the loss must be grossed back up to 100% by multiplying the balance by 1.333333. No adjustment is required where losses are carried at 100% of the loss amount.

Analysis of Balance by Year of Origin

Year of Origin (oldest year first)	Non Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only (9) (10)	Farm Losses	Restricted Farm Losses
800				850	870
801				851	871
802				852	872
803	820	830	840	853	873
804	821	831	841	854	874
805	822	832	842	855	875
806 2000/12/31	823	833	843	856	876
807 2001/12/31	824	834	844	857	877
808 2002/12/31	825	835	845	858	878
809 2003/12/31	826	836	846	859	879
Total	829	839	849	869	889

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 carryback adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Minister 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 Corporation's Account No. (MOF) Taxation Year Ending	911	921	931	941
i) 3rd preceding	901 2000/12/31				
ii) 2nd preceding	902 2001/12/31				
iii) 1st preceding	903 2002/12/31				
Total loss to be carried back		From 706	From 716	From 726	From 736
Balance of loss available for carryforward		919	929	939	949

Summary

Income Tax	From 230 or 320 +	142,626
Corporate Minimum Tax	From 280 +	
Capital Tax	From 550 +	22,242
Premium Tax	From 590 +	
Total Tax Payable	950 =	164,868
Subtract: Payments	960	411,004
Capital Gains Refund (s.48)	965	
Qualifying Environmental Trust Tax Credit (Refer to Guide)	985	
Specified Tax Credits (Refer to Guide)	955	
Balance	970 =	(246,136)
If payment due	Enclosed * 990	
If overpayment: Refund (Refer to Guide)	975 =	246,136
Apply to	980	

(Includes credit interest)

* Make 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 the 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
STEWART CUNNINGHAM
Title
TREASURER
Full Residence Address

City

Province	Country	Postal Code
Signature		Date 2004/11/02

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