



This form is 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 86778 0041 RC 0001

OEB - Copy

Corporation's name (item 12)

002

Tay Hydro Electric Distribution Company Inc.

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

011 489 Finlayson St

012 PO Box 160

City

Province, territory, or state

015 Port McNicoll

016 ON

Country (other than Canada)

Postal code/Zip code

017

018 LOK 1R0

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

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

022 489 Finlayson St

023 PO Box 160

City

Province, territory, or state

025 Port McNicoll

026 ON

Country (other than Canada)

Postal code/Zip code

027

028 LOK 1R0

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

Location of books and records (item 15)

031 489 Finlayson St

032 PO Box 160

City

Province, territory, or state

035 Port McNicoll

036 ON

Country (other than Canada)

Postal code/Zip code

037

038 LOK 1R0

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

1 ☒ Canadian controlled private corporation (CCPC)4 ☐ Corporation controlled by a public corporation2 ☐ Other private corporation5 ☐ 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 corporation a resident of Canada? (item 24)

080 ☒ Yes ☐ No

If no, give the country of residence.

081

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					

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Attachments

		Yes	Schedule
	oration related to any other corporations?	150 <input checked="" type="checkbox"/>	9
	corporation have any non-resident shareholders?	151 <input type="checkbox"/>	19
	corporation an associated Canadian-controlled private corporation (CCPC)?	160 <input checked="" type="checkbox"/>	23
	corporation an associated CCPC that is claiming the expenditure limit?	161 <input type="checkbox"/>	49
	corporation had any transactions, including section 85 transfers, with its shareholders, officers, or ees, other than transactions in the ordinary course of business? Exclude non-arm's length actions 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 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 checked="" 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 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 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
126 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 it is wholesale or retail (item 51)	283	1 Wholesale <input type="checkbox"/>	2 Retail <input checked="" 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 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 GIF (item 77)	300	269,049	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		
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			B
Subtotal (amount A minus amount B) (if negative, enter "0")		269,049	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	269,049	
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)

400 269,049 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)

405 269,049 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)

410 206,361 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 206,361 X 415 *** D = 11,250 E

Reduced business limit (amount C minus amount E) (if negative, enter "0") 425 206,361 F

Small business deduction - 16% of the least of amounts A, B, C, and F 430 33,018 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) 206,361 x 300,000 = 275,148 A

225,000

Net active business income (amount from line 400)* 269,049 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)

269,049 C

Deduct:

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

Amount C minus amount D (if negative, enter "0") 269,049 E

Amount A, B, or E above, whichever is less 269,049 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 206,361 K

Total of amounts G, H, I, J, and K 206,361 L

Amount F minus amount L (if negative, enter "0") 62,688 M

Accelerated tax reduction - 7% of amount M 4,388 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	x	Number of days in the taxation year in 2003	365		
		Number of days in the taxation year	365	x 1% =	B
Amount A	x	Number of days in the taxation year in 2004			
		Number of days in the taxation year	365	x 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				269,049	A
Amount Z from Part 9 of Schedule 27	x 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			206,361		F
Aggregate investment income from line 440 of page 6					G
Amount used to calculate the accelerated tax reduction (amount M of page 4)			62,688		H
Total of amounts B, C, D, E, F, G, and H			269,049		I
Amount A minus amount I (if negative, enter "0")					J
Amount J	x	Number of days in the taxation year in 2001			
		Number of days in the taxation year	365	x 1% =	K
Amount J	x	Number of days in the taxation year in 2002			
		Number of days in the taxation year	365	x 3% =	L
Amount J	x	Number of days in the taxation year in 2003			
		Number of days in the taxation year	365	x 5% =	M
Amount J	x	Number of days in the taxation year after 2003			
		Number of days in the taxation year	365	x 7% =	N
General tax reduction for Canadian-controlled private corporations - total of amounts K, L, M and N					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	x 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	x	Number of days in the taxation year in 2001			
		Number of days in the taxation year		x 1% =	H
Amount G	x	Number of days in the taxation year in 2002			
		Number of days in the taxation year		x 3% =	I
Amount G	x	Number of days in the taxation year in 2003			
		Number of days in the taxation year		x 5% =	J
Amount G	x	Number of days in the taxation year after 2003			
		Number of days in the taxation year		x 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 % = (Amount O from Part 1 of Schedule 7) (if negative, enter "0") **B**Amount A minus amount B (if negative, enter "0") **C**Taxable income from line 360 on page 3 269,049**Deduct:**

Least of amounts on lines 400, 405, 410, and 425

on page 4 206,361

Foreign 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 = 206,361 ▶206,36162,688 X 26 2/3 % =16,717 **D**

Part I tax payable minus investment tax credit refund

(line 700 minus line 780 on page 8) 40,941**Deduct** corporate surtax from line 600 on page 7 3,013Net amount 37,928 ▶37,928 **E****Refundable portion of Part I tax - the least of amounts C, D, and E** 4500 **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 ▶ **A****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 ▶ **B****Refundable dividend tax on hand at the end of the taxation year - amount A plus amount B** 4850**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)

550 102,239 A

Corporate surtax calculation (item 107)

Base amount from line A above 102,239 1

Deduct:

10% of taxable income (line 360 or amount Z, whichever applies) from page 3 26,905 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) 37,928 c

Total of lines 2 to 6 26,905 7

Net amount (line 1 minus line 7) 75,334 8

Corporate surtax - 4% of the amount on line 8 600 3,013 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 4 269,049

Deduct:

The least of amounts on lines 400, 405, 410, and 425 on page 4

206,361

Net amount 62,688 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) 105,252 E

Deduct:

Small business deduction from line 430 on page 4 33,018 9

Federal tax abatement (item 110) 608 26,905

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 4,388

Resource deduction from line 438 of page 5 10

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

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 64,311 F

Part I tax payable - Line E minus line F (enter amount G on line 700 on page 8) (item 122) 40,941 G

Summary of tax and credits**Federal tax**

Part I tax payable from page 7 (item 123)	700	40,941
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		40,941

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 **40,941** 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	57,236
Total credits 890	57,236	57,236 B

Refund Code **894** 2 Overpayment **16,295** Balance (line A minus line B) **(16,295)** I
(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 **918**
Institution number 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 King Surname **951** Lillian First name **954** Vice president Position, office or rank
955 2004/04/26 Date **956** (705) 534-7281 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 ☐

**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 182,263

Add:

Provision for income taxes - current	101	N	50,000	
Interest and penalties on taxes	103	N	890	
Amortization of tangible assets	104	✓	248,287	
Amortization of intangible assets	106	✓	4,857	
Income/loss for tax purposes - joint ventures/partnerships	109	✓	2,686	
Loss on disposal of assets	111	N	215	
Non-deductible meals and entertainment expenses	472 X 50%	121	N	236
Total of fields 101 to 199	500		307,171	▶ 307,171 ✓

Deduct:

Capital cost allowance - Schedule 8	403		211,471	✓
Cumulative eligible capital deduction - Schedule 10	405		8,914	✓
Total of fields 401 to 499	510		220,385	▶ 220,385 ✓

Net income (loss) for income tax purposes (enter on line 300 of the T2 return) 269,049

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**CAPITAL COST ALLOWANCE****Schedule 8**Is the corporation electing under regulation 1101(5q)? 101 ☒ 1 Yes ☐ 2 No ☐

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	4,503,492	71,135			35,568	4,539,059	4	181,562			4,393,065
8	43,534	1,236			618	44,152	20	8,830			35,940
10	64,393	9,364			4,682	69,075	30	20,723			53,034
12		712			356	356	100	356			356
Totals	4,611,419	82,447			41,224	4,652,642		211,471			4,482,395

Canada Customs
and Revenue AgencyAgence des douanes
et du revenu du Canada**RELATED AND ASSOCIATED CORPORATIONS****Schedule 9**

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
Tay Utility Contracting Inc.	86777 9449 RC 0001	3						
Tay Hydro Inc.	86863 4528 RC 0001	1		1,000	100.000			1,742,821
Township of Tay	RC	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								



- For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
- A separate cumulative eligible capital account must be kept for each business.

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

Cumulative eligible capital - balance at beginning of taxation year (if negative, enter nil) 200 127,260 A

Add:

Cost of eligible capital property acquired during the taxation year 222 115 B
 Transfer from predecessor or subsidiary corporation 224 C
 Other adjustments 226 D
 (add amounts B, C, and D) 115 x 3/4 = 86 E
Subtotal (amount A plus amount E) 230 127,346 F

Deduct:

Proceeds of sale (less outlays and expenses) from the disposition
 of all eligible capital property during the taxation year 242 G
 The gross amount of a reduction in respect of a forgiven debt
 obligation as provided for in subsection 80(7) 244 H
 Other adjustments 246 I
 (add amounts G, H, and I) 248 J

Cumulative eligible capital balance (amount F minus amount J) 127,346 K
 (if amount K is negative, enter "0" at line M and proceed to Part 2)

Current year deduction amount K 127,346 x 7% = 250 8,914 L
 (Deduct amount L on line 405 of Schedule 1)

Cumulative eligible capital balance at the end of the taxation year 300 118,432 M

Note: The maximum current year deduction is 7%. You can claim any amount up to the maximum. If your fiscal period starts after December 21, 2000, and is less than 365 days, prorate the calculation for line 250 by multiplying by the number of days in the year divided by 365.

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

(complete this part only if line K is negative)

Amount from line K above (show as a positive amount) N

Total of cumulative eligible capital deductions from income for
 taxation years beginning after June 30, 1988 400 1

Total of all amounts which reduced cumulative eligible capital
 in the current or prior years under subsection 80 (7) 401 2

Total of cumulative eligible capital deductions claimed
 for taxation years beginning before July 1, 1988 402 3

Negative balances in the cumulative eligible
 capital account that were included in income for taxation
 years beginning before July 1, 1988 408 4

Line 3 minus line 4 409 5

Total of lines 1, 2, and 5 6

Line T from schedule 10 of previous taxation years ending after February 27, 2000 7

Line 6 minus line 7 O

Line N minus line O (cannot be negative) P

Amount on line 5 X 1/2 Q

Line P minus line Q R

Amount on line R X 66.6667 * S

Lessor of line N or line O T

Amount to be included in income on line 108 of schedule 1, line S plus line T 410

* For taxation years ending after February 27, and before October 18, 2000, use the fraction 8/9 to calculate line S

* For taxation years ending after October 17, 2000 use the fraction 2/3 to calculate line S

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	Tay Hydro Electric Distribution Company Inc.	86778 0041 RC 0001	1
2	Tay Utility Contracting Inc.	86777 9449 RC 0001	1
3	Tay Hydro Inc.	86863 4528 RC 0001	1
4	Township of Tay	RC	4
		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 500
				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					
1	2003/01/01	2003/12/31	225,000	91.716	206,361	183,432	
2	2003/01/01	2003/12/31	225,000				
3	2003/01/01	2003/12/31	225,000	8.284	18,639	16,568	
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. \$ 206,361

	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	118,861	118,861			206,361
2					
3	17,840	17,840			18,639
4					
TOTALS	136,701	136,701			225,000



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
Tay Hydro Inc.	86863 4528 RC 0001 RC		100.000	

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

**BALANCE SHEET INFORMATION****Schedule 100**

Assets	Code	Amount
Cash and deposits	1000	972,704
Accounts Receivable	1060	739,473
Inventories	1120	86,678
Prepaid expenses	1484	19,081
Machinery, equipment, furniture and fixtures	1740	6,676,889
Accumulated amortization of machinery, equipment, furniture and fixtures	1741	(3,660,860)
Other tangible capital assets	1900	113,340
Due from / investment in related parties	2240	44,345
Other long term assets	2420	481,654
Total assets	2599	5,473,304

Liabilities	Code	Amount
Bank overdraft	2600	
Amounts payable and accrued liabilities	2620	653,852
Taxes payable	2680	824
Current portion of long term liability	2920	175,000
Other current liabilities	2960	113,340
Long term debt	3140	2,758,821
Total liabilities	3499	3,701,837

Equity	Code	Amount
Common shares	3500	1,742,829
Retained earnings / deficit	3600	28,638
Total equity	3620	1,771,467
Total liabilities and equity	3640	5,473,304

Retained earnings	Code	Amount
Retained earnings/deficit-start	3660	(153,625)
Net income / loss	3680	182,263
Total retained earnings	3849	28,638

**Details**

Operating name, if different from the corporations' legal name

0001

Description of operation, if filing multiple Schedules 125

0002

Revenue	Code	Amount
Trade sales of goods and services	8000	3,919,042
Total sales of goods and services	8089	3,919,042
Investment revenue	8090	49,041
Other revenue	8230	105,608
Total revenue	8299	4,073,691

Cost of sales	Code	Amount
Opening inventory	8300	
Purchases / cost of materials	8320	2,687,803
Cost of sales	8518	2,687,803
Gross profit / loss (item 8089 - item 8518)	8519	1,231,239

Operating expenses	Code	Amount
Amortization of tangible assets	8670	253,144
Interest on long term debt	8714	201,725
Collection and credit costs	8717	202,847
Repairs and maintenance	8960	34,741
Other repairs and maintenance	9010	134,862
Selling expenses	9273	326,306
Total operating expenses	9367	1,153,625
Total expenses	9368	3,841,428
Net non-farming income	9369	232,263

Farming revenue	Code	Amount
Grains and oilseeds	9370	
Total farm revenue	9659	

Farming expenses	Code	Amount
Crop expenses	9660	
Total farm expenses	9898	
Net farm income	9899	
Net income / loss before taxes and extraordinary items	9970	232,263

Summary

Complete this section if only one Schedule 125 is filed, Schedule 140 is used to summarize the information from multiple Schedules 125.

Extraordinary items	9975-	
Legal settlements	9976-	
Unrealized gains / losses	9980+	
Unusual items	9985-	
Current income taxes	9990-	50,000
Deferred income tax provision	9995-	
Net income / loss after taxes and extraordinary items	9999=	182,263



NOTES CHECKLIST

Schedule 141

Involvement of accountant

0100 Who reported on/prepared the corporation's financial statements?

- 1 an independent auditor with a report that expressed no reservation ☒
- 2 an independent auditor with a report that expressed a reservation ☐
- 3 an independent accountant with a review engagement report that expressed no reservation ☐
- 4 an independent accountant with a review engagement report that expressed a reservation ☐
- 5 an independent accountant who conducted a compilation engagement with no review ☐
- 6 an independent accountant with a compilation engagement and review engagement resulting in no reservation ☐
- 7 an independent accountant with a compilation engagement and review engagement resulting in a reservation ☐
- 8 prepared by an employee/associate/management of the company, or a person on behalf of the company, without the involvement of an independent accountant ☐

Other informationWere any notes to the financial statements prepared? 101 ☒ Yes ☐ No

If yes, complete the following:

Are any values presented at other than cost? 102 ☐ Yes ☒ NoHas there been a change in accounting policies since the last return? 103 ☐ Yes ☒ NoAre subsequent events mentioned in the notes? 104 ☐ Yes ☒ NoIs re-evaluation of asset information mentioned in the notes? 105 ☐ Yes ☒ NoIs contingent liability mentioned in the notes? 106 ☐ Yes ☒ NoIs information regarding commitments mentioned in the notes? 107 ☒ Yes ☐ NoDoes the corporation have investments in joint venture(s) or partnerships? 108 ☒ Yes ☐ NoIf yes, are you filing financial statements of the joint venture(s) or partnership(s)? 109 ☒ Yes ☐ No

TaxPaid

Tax instalments paid

Jurisdiction	Description	Date	Amount
Federal	Installment	2003/12/31	40,941
Ontario	installment	2003/12/31	8,209
Ontario	Outstanding 2002 Refund	2002/12/31	26,417
Federal			16,295
Ontario			(16,295)
Federal			
Total			75,567

* Enter Québec instalments paid on form CO-1027.VE

Summary by jurisdiction

Federal	57,236	Manitoba	
British Columbia		Ontario	18,331
Alberta			
Saskatchewan			

Instalments

Federal tax instalments

Instalment base

Year-end	Estimate for current year 2004/12/31	First instalment base 2003/12/31	Second instalment base 2002/12/31
Taxable income		269,049	118,861
Base amount of Part I tax		102,239	45,167
Corporate surtax		3,013	1,331
Refundable tax on CCPC's investment income			
Small business deduction		33,018	19,018
Federal tax abatement		26,905	11,886
Manufacturing and processing profits deduction			
Foreign tax credits			
Tax reductions		4,388	
Political contribution tax credit			
Investment tax credit			
Other credits			
Part I tax payable		40,941	15,594
Part I.3 tax payable			
Part VI tax payable			
Part VI.1 tax payable			
Net provincial or territorial tax payable			
Total tax payable		40,941	15,594
Days in taxation year	365	365	365
Tax payable adjusted for short taxation years		40,941	15,594
Estimated credits for the current year:			
Investment tax credit refund			
Dividend refund			
Other			
Total estimated credits			
Instalment base		40,941	15,594
Monthly payment		3,412	1,300

Instalment payment options

☐ 1. based on estimated taxes for the current year☐ 2. based on the first instalment base☒ 3. based on the first and second instalment base☐ 4. instalments are not required

Instalment payments

Date	Instalments required	Instalments paid	Instalments payable
2004/01/31	1,300		
2004/02/29	1,300		
2004/03/31	3,834		
2004/04/30	3,834	16,295	
2004/05/31	3,834		
2004/06/30	3,834		1,641
2004/07/31	3,834		3,834
2004/08/31	3,834		3,834
2004/09/30	3,834		3,834
2004/10/31	3,834		3,834
2004/11/30	3,834		3,834
2004/12/31	3,834		3,834
Total	40,940	16,295	24,645

Tax Summary

Tax year ending 2003/12/31

Taxable income		Tax payable	
Net income for tax purposes	269,049	Part I tax	40,941
Charitable donations and gifts	-	Part 1.3 tax (large corporations tax)	+
Taxable dividends	-	Taxable dividends received	+
Losses of prior years	-	Part IV tax	+
Other adjustments	±	Other federal tax payable	+
Taxable income	= 269,049	Subtotal	= 40,941
Part I tax		Provincial and territorial tax (except QC,ON,AB)	+
38% of taxable income	102,239	Provincial tax on large corporations (NB,NS)	+
Surtax	+ 3,013	Tax payable	+ 40,941
Refundable tax on CCPC investment income	+	Tax instalments paid	- 57,236
Active business income	269,049	Investment tax credit refund	-
Small business deduction	- 33,018	Taxable dividends paid	-
Federal tax abatement	- 26,905	Dividend refund	-
Manufacturing and processing deduction	-	Other refundable credits	-
Foreign tax credits	-	Balance owing (refund) on federal return	= (16,295)
Political contribution tax credit	-	Provincial income tax (ON,AB,QC)	18,331
Investment tax credit	-	Capital and other provincial taxes	+
Other deductions and credits	- 4,388	Tax instalments and credits	- 18,331
Part I tax	= 40,941	Other provincial taxes	=
		Total balance owing (refund)	(16,295)

Provincial tax

	Taxable income	Income tax	Capital and other provincial taxes	Tax instalments and credits	Net provincial tax
Newfoundland					
Prince Edward Island					
Nova Scotia					
New Brunswick					
Manitoba					
Saskatchewan					
British Columbia					
Yukon Territory					
Northwest Territories					
Schedule 5 provincial tax payable					
Ontario	269,049	18,331		18,331	
Alberta					
Québec					
Totals		18,331		18,331	

Loss carryforwards

Capital	
Non-capital	
Farm	
Restricted farm	
Limited partnership	
Listed personal property	

Other carryforwards

Capital dividend account	
Refundable dividend tax on hand (net of dividend refund)	
Unused Part 1.3 tax credit	
Unused surtax credits	4,438
Foreign business tax credits	
Donations and gifts	
Investment tax credits	

CT23:353: Loans and advances

Long Term Debt	2,933,821	
Development Charges	113,340	
Customer Deposits	123,933	
	0	
Total	3,171,094	

CT23:361: Other reserves

UCC per Sch 8	4,482,395	
NBV per F/S	-3,016,031	
Appraisal Increment	-1,678,049	
Land	44,431	
CEC per Schedule 10	118,432	
Permanent portion of CEC	45,642	
CCA on Appraisal Increment	147,151	
Total	143,971	✓

Taxable income

Interest Revenue from Tay Hydro Electric Distribution	201,725	
Less: Administrative Expenses	-4,000	
Related Interest Expense	-75,371	
Total	122,354	

NBV of capital assets, beginning of year

NBV, Dec 31/02	3,186,828	
Appraisal Increment	1,678,049	
Total	4,864,877	

NBV of capital assets, end of year

NBV, Dec 31/03	3,016,031	
Appraisal Increment	1,678,049	
Total	4,694,080	

S33:108: Loans and advances

Long Term Debt	2,933,821	
Development Charges	113,340	
Customer Deposits	123,933	
Total	3,171,094	✓



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) Tay Hydro Electric Distribution Company Inc.				Ontario Corporations Tax Account No. (MOF) 1800201	
Mailing address 489 Finlayson St PO Box 160 City Port McNicoll Province ON Country Postal code LOK 1R0				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 checked="" type="checkbox"/> No Date of change				Date of Incorporation or Amalgamation 2000/04/28	
Registered/Head Office Address 489 Finlayson St PO Box 160 City Port McNicoll Province ON Country Postal code LOK 1R0				Ontario Corporation No. 1402981 (MCBS)	
Location of Books and Records 489 Finlayson St PO Box 160 City Port McNicoll Province ON Country Postal code LOK 1R0				Canada Customs and Revenue Agency Business No. 867780041RC0001	
Name of person to contact regarding this CT23 Return Lillian King		Telephone No. (705) 534-7281		Fax No. () -	
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 <input checked="" type="checkbox"/> Not Applicable	
Former Corporation Name (Extra-Provincial Corporations only) <input type="checkbox"/> Not applicable (MCBS)				Preferred Language / Langue de préférence <input checked="" type="checkbox"/> English anglais <input type="checkbox"/> French français	
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 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

Lillian King

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:

- 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.
- 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.
- 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.

Yes	No		Yes	No	
<input checked="" type="checkbox"/>	<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 _____ 100 %	<input type="checkbox"/>	<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.
<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. (Refer to guide)	<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).
<input type="checkbox"/>	<input checked="" 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.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	(f) The corporation's Ontario allocation factor is 100%.

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** ☐ **2** ☐ Other Private
- 3** ☐ **3** ☐ Public
- 4** ☐ **4** ☐ Non-share Capital
- 5** ☐ **5** ☐ Other (specify)
- 6** ☐ **6** ☐ Family Farm Corporation s.1(2)
- 7** ☐ **7** ☐ Family Fishing Corporation s.1(2)
- 8** ☐ **8** ☐ Mortgage Investment Corp s.47
- 9** ☐ **9** ☐ Credit Union s.51
- 10** ☐ **10** ☐ Bank Mortgage Subsidiary s.61(4)
- 11** ☐ **11** ☐ Bank s.1(2)
- 12** ☐ **12** ☐ Loan and Trust Corporation s.61(4)
- 13** ☐ **13** ☐ Non-resident Corp s.2(2)(a) or (b)
- 14** ☐ **14** ☐ Non-resident Corporation s.2(2)(c)
- 15** ☐ **15** ☐ Mutual Fund Corporation s.48
- 16** ☐ **16** ☐ Non-resident owned investment Corp s.49
- 17** ☐ **17** ☐ Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)
- 18** ☐ **18** ☐ Bare Trustee Corporation
- 19** ☐ **19** ☐ Branch of Non-resident s.63(1)
- 20** ☐ **20** ☐ Financial institutions prescribed by Regulation only
- 21** ☐ **21** ☐ Investment Dealer
- 22** ☐ **22** ☐ Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale
- 23** ☒ **23** ☒ Hydro successor, Municipal Electrical Utility or subsidiary of either
- 24** ☐ **24** ☐ Producer and seller of steam for uses other than for the generation of electricity
- 25** ☐ **25** ☐ Insurance Exchange s.74.4
- 26** ☐ **26** ☐ Farm Feeder Finance Co-operative Corporation
- 27** ☐ **27** ☐ Professional Corporation (incorporated professionals only)

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:

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

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:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
the Carry-back of a Loss?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
an Overpayment?	Yes <input type="checkbox"/>	No <input checked="" 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**CT23 Page 4 of 24**

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±	269,049
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	5 -	
Subtract: Prior years' losses applied - Non-capital losses	From 704-	
	From 715	
Net capital losses (page 16)	X rate	50.000000 % = 714-
Farm losses	From 724-	
Restricted farm losses	From 734-	
Limited partnership losses	From 754-	
Taxable income (Non-capital loss)	10 =	269,049
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 =	269,049

Taxable Income	Number of days in Taxation Year	
	Days after Sept 30, 2001 and before Jan 1, 2004	Total days
From 10 (or 20) 269,049 X30 100.0000 % X 12.5 % X 33 365 + 73 365 = 29+ 33,631		
Ontario Allocation	Days after Dec 31, 2003	Total days
From 10 (or 20) 269,049 X30 100.0000 % X 14.0 % X 34 365 + 73 365 = 32+		
Ontario Allocation		
Income Tax Payable (before deduction of tax credits) 29 + 32	40 =	33,631

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	269,049
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	51 +	269,049
Add: Losses of other years deducted for federal purposes (fed.s.111)	52 +	
Subtract: Losses of other years deducted for Ontario purposes (s.34)	53 -	
	=	269,049
Federal Business limit for the year before application of fed.s.125(5.1) (not exceeding \$200,000)	55 +	183,432

Add: Ontario enhancement of federal business limit

Number of days in Taxation Year	
Days after Sept. 30, 2001 and before Jan. 1, 2003	Total Days
80,000 X 28 + 73 365 X 55 183,432 +200,000 43+	
Days after Dec. 31, 2002 and before Jan. 1, 2004	Total Days
120,000 X 31 365 + 73 365 X 55 183,432 +200,000 46+ 110,059	
Days after Dec. 31, 2003	Total Days
200,000 X 34 + 73 365 X 55 183,432 +200,000 47+	
Ontario enhancement of federal business limit 43 + 46 + 47	= 110,059
Business Limit for Ontario purposes 55 + 44	= 293,491
Income eligible for the IDSBC	From 30 100.0000 % X 56 269,049 60 = 269,049
	*Ontario Allocation Least of 50, 54 or 45

*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	269,049	X From 78	7.0000 %	70 = 18,833

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 + 269,049

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

Taxable income of associated corporations (Attach schedule) 82 + 140,992

Aggregate Taxable Income 85 = 410,041

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 +	
400,000 X 34					
		113 + 115 + 116	=	320,000	▶
(If negative, enter nil)				114 -	320,000
				86 =	90,041

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	90,041	X From 94	4.6670 % =	87 =	4,202
From 87	4,202	X From 60	269,049	÷ From 114	320,000
				88 =	3,533

Surtax: Lesser of 70 or 88 100 = 3,533

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

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) From 120 + 56 - 269,049

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 3,533 + From 30 100.0000 % + From 78 7.0000 % = 121 50,471

*Ontario Allocation

Lesser of 56 or 121

122 + 50,471

120 - 56 + 122

130 =

Taxable income

From 10 + 269,049

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC)

From 56 - 269,049

Add: Adjustments for Surtax on Canadian-controlled private corporations

From 122 + 50,471

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 = 50,471

Claim**Number of Days in Taxation Year**

Days after Sept 30, 2001
and before Jan 1, 2004

Total Days

143 X From 30 100.0000 % X 1.5% X
Lesser of 130 or 142 *Ontario Allocation

33 365 + 73 365 = 154 +

Days after Dec 31, 2003

Total Days

143 X From 30 100.0000 % X 2.0% X
Lesser of 130 or 142 *Ontario Allocation

34 365 + 73 365 = 156 +

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 = 18,331

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 +**Co-operative Education Tax Credit (CETC) (s.43.4)** *Applies to employment of eligible students.*

Eligible credit from 5798 Summary Schedule F 192 +

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 +**Graduate Transitions Tax Credit (GTTC) (s.43.6)***Applies to employment of eligible unemployed post secondary graduate.*No. of Graduates from 6596
194

Eligible Credit from 6598 Summary Schedule G 195 +

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)*Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.*Eligible Credit from 6900 OBPTC Claim Form *(Attach both the original Claim Form and the Certification Form)* 196 +**Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)***Applies to labour relating to computer animation and special effects on an eligible production.*

Eligible Credit from 6700 Claim Form Certified by Ontario Media Development Corporation

(Attach the original Claim/Certification Form with the CT23 Tax Return.) 197 +**Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)***Applies to qualifying R&D expenditures under an eligible research institute contract.*Eligible Credit from 7100 OBRITC Claim Form *(Attach original Claim Form)* 198 +**Ontario Production Services Tax credit (OPSTC) (s.43.10)***Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.*

Eligible Credit from 7300 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 +**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 +**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 +

Total Specified Tax Credits: 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 220 =

Specified Tax Credits *Applied to reduce Income Tax* 225 =**Income Tax** 190 - 225 OR Enter NIL if reporting Non-Capital Loss (amount cannot be negative) 230 = 18,331To 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**.

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 +	5,473,304		
* Total Revenue of the corporation			241 +	4,073,691
If you are a member of an associated group (✓) 242 <input checked="" type="checkbox"/> (Yes)				
Total Assets of associated corporations (Attach schedule)	243 +	17,646,465		
Total Revenue of associated corporations (Attach schedule)			244 +	10,075,497
Aggregate Total Assets	249 =	23,119,769		
Aggregate Total Revenue			250 =	14,149,188

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	232,263	X From 30	100.0000 % X 4%	276 =	9,291
		If negative, enter zero		Ontario Allocation		
Subtract: Foreign Tax Credit for CMT purposes (Attach schedule)					277 -	
Subtract: Income Tax				From 190 -		18,331
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 +	18,331
		Gross CMT payable	From 276 +	9,291
		Subtract: Foreign Tax Credit for CMT purposes	From 277 -	
		If 276 - 277 is negative, enter NIL in 290	=	9,291
		Income Tax eligible for CMT Credit	290 -	9,291
			300 =	9,040
B.		Income Tax (after deduction of specified credits)	From 230 +	18,331
		Subtract: CMT credit used to reduce income taxes	310 -	
		Income Tax	320 =	18,331
				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 +	1,742,829 ✓
Retained earnings (if deficit, deduct) (Int.B. 3012)	351 ±	28,638
Capital and other surpluses, excluding appraisal surplus (Int.B. 3012)	352 +	
Loans and advances (Attach schedule) (Int.B. 3013)	353 +	3,171,094 ✓
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 +	
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 +	143,971
Share of partnership(s) or joint venture(s) paid-up capital (Attach schedule(s)) (Int.B. 3017)	362 +	5,516
Subtotal	370 =	5,092,048
Subtract: Amounts deducted for income tax purposes in excess of amounts booked (Retain calculations. Do not submit.) (Int.B. 3012)	371 -	
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 =	5,092,048
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 =	5,092,048

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 +	379,840
Eligible loans and advances to related corporations (certain restrictions apply) (Refer to Guide)	406 +	8,855
Share of partnership(s) or joint venture(s) eligible investments (Attach schedule)	407 +	756
Total Eligible Investments	410 =	389,451

Total Assets (Int.B. 3015)

Total Assets per balance sheet	420 +	5,473,304
Mortgages or other liabilities deducted from assets	421 +	
Share of partnership(s)/joint venture(s) total assets (Attach schedule)	422 +	
Subtract: Investment in partnership(s)/joint venture(s)	423 -	
Total Assets as adjusted	430 =	5,473,304
Amounts in 360 and 361 (if deducted from assets)	440 +	143,971
Subtract: Amounts in 371, 372 and 381	441 -	
Subtract: Appraisal surplus if booked	442 -	
Add or Subtract: Other adjustments (specify on an attached schedule)	443 ±	
Total Assets	450 =	5,617,275
Investment Allowance (410 ÷ 450) X 390	Not to exceed 410 460 =	353,037
Taxable Capital 390 - 460	470 =	4,739,011

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue)			
Gross Revenue of the corporation		4,073,691	
Corporation's Share of partnership(s)/joint venture(s) Gross Revenue (<i>Attach schedule</i>)			
Aggregate of Gross Revenue		4,073,691	480 4,073,691
Total Assets (as adjusted)			From 430 5,473,304

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.

$$= 471 \times \text{From } 30 \times 0.3\% \times \frac{555}{365/366} = 523 + \text{Transfer to 543 on page 12 and complete the return from that point}$$

**** 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 from 470 on page 10	From 470 +	4,739,011
--	-------------------	-----------

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 (<i>Attach schedule</i>)	531 +	58,676
Total Aggregate Taxable Capital 470 + 531	540 =	4,797,687

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	4,739,011	÷ From 540	4,797,687	X 5,000,000	541 =	4,938,850
						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.

SECTION D

This section applies if the corporation IS a member of an associated group and/or partnership whose total AGGREGATE taxable capital, 540 on page 11 exceeds \$5,000,000.

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

[illegible]

SECTION E

This section applies if a corporation is a member of an associated group and the associated group has filed a ss.69(2.1) election

+ From 470 _____ X From 30 _____ 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 555 Days in taxation year = 563 +
** (365/366) 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 =	
Subtract: Specified Tax Credits applied to reduce capital tax payable (Refer to Guide)	546 =	
Capital Tax 543 - 546 (amount cannot be negative)	550 =	
		<i>Transfer to page 17</i>

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 _____ $\frac{\text{Days in taxation year}}{365/366}$ = 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 _____ $\frac{\text{Days in taxation year}}{365/366}$ = 574 + _____
 Adjusted TPUC in accordance with Division B.1 in excess of Basic Capital Amount Capital Tax Rate (Refer to Guide) 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± 269,049

Transfer to Page 15

Add:

Federal capital cost allowance	601+	211,471
Federal cumulative eligible capital deduction	602+	8,914
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 Total days

612 X 5/12.5 X 33 365 + 73 365 = 633 +

Days after Dec. 31, 2003 Total days

612 X 5/14.0 X 34 + 73 365 = 634 +

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

▶ 613+

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

615+

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

616+

Federal allowable business investment loss

620+

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

614+

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

= 220,385 640

220,385

Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	650+	211,471
Ontario cumulative eligible capital deduction	651+	8,914
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	220,385

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 ±	269,049
Sub Total of Additions	From 640 =	220,385

Sub Total of deductions on page 14	From 681 =	220,385
------------------------------------	------------	---------

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	=	220,385	680	220,385
---	---	---------	-----	---------

Net income (loss) for Ontario purposes 600 + 640 - 680	690 =	269,049
		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)	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)	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	706 (2) To Pg 17	716 (2) To Pg 17	726 (2) To Pg 17	736 (2) To Pg 17	746	
Carried back to prior years to reduce income (5)	707	717	727	737	747	757
Subtotal						
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 Taxation Year Account No. (MOF) Ending	911	921	931	941
i) 3rd preceding 901 2000/12/31	912	922	932	942
ii) 2nd preceding 902 2001/12/31	913	923	933	943
iii) 1st preceding 903 2002/12/31	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 +	18,331
Corporate Minimum Tax	From 280 +	
Capital Tax	From 550 +	
Premium Tax	From 590 +	
Total Tax Payable	950 =	18,331
Subtract:		
Payments	960 -	18,331
Capital Gains Refund (s.48)	965 -	
Qualifying Environmental Trust Tax Credit		
(Refer to Guide)	985 -	
Specified Tax Credits		
(Refer to Guide)	955 -	
Balance	970 =	
If payment due	Enclosed * 990	
If overpayment: Refund (Refer to Guide)	975 =	
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
Lillian King

Title
Vice president

Full Residence Address
489 Finlayson St

City
Port McNicoll

Province
ON

Country

Postal Code
L0K 1R0

Signature

Date
2004/04/26

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



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

Ontario Capital Cost Allowance Schedule 8

ONTARIO CAPITAL COST ALLOWANCE

Corporation's Legal Name Tay Hydro Electric Distribution Company Inc.		Ontario Corporations Tax Account No. (MOF) 1800201		Taxation Year End 2003/12/31								
Is the corporation electing under regulation 1101(5g)? 101 1 <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No 2 <input type="checkbox"/>												
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	4,503,492	71,135			4,574,627	35,568	4,539,059	4			181,562	4,393,065
8	43,534	1,236			44,770	618	44,152	20			8,830	35,940
10	64,393	9,364			73,757	4,682	69,075	30			20,723	53,034
12		712			712	356	356	100			356	356
Totals	4,611,419	82,447				41,224	4,652,642				211,471	4,482,395
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.

Corporation's Legal Name Tay Hydro Electric Distribution Company Inc.	Ontario Corporations Tax Account No. (MOF) 1800201	Taxation Year End 2003/12/31
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- For use by a corporation that has eligible capital property.
- A separate cumulative eligible capital account must be kept for each business.

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

Ontario Cumulative eligible capital - balance at beginning of taxation year (if negative, enter zero)			127,260	A
Add: Cost of eligible capital property acquired during the taxation year	+	115	B	
Amount transferred on amalgamation or wind-up of subsidiary	+		C	
Other adjustments	+		D	
Total of B + C + D	=	115	x 3/4 =	86 E
Subtotal A + E	=			127,346 F

Deduct: Ontario proceeds of sales (less outlays and expenses not otherwise deductible) from the disposition of all eligible capital property during the taxation year	+		G	
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) of the Income Tax Act (Canada)	+		H	
Other adjustments	+		I	
Total of G + H + I	=		x 3/4 =	J
Ontario cumulative eligible capital balance F - J	=			127,346 K

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

Current year deduction	127,346 K x 7%*	=	8,914 L
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*The maximum current year deduction is 7%. However, you can claim any amount up to the maximum.

Enter amount in box 651 of the CT23

Ontario cumulative eligible capital - closing balance K - L (if negative, enter zero)	=	118,432 M
---	---	-----------

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

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

Complete this part only if the amount at line K is negative

Amount from line K above show as a positive amount				N
Total of cumulative eligible capital deductions from income for taxation years beginning after June 30, 1988			1	
Total of all amounts which reduced cumulative eligible capital in the current or prior years under subsection 80 (7)			2	
Total of cumulative eligible capital deductions claimed for taxation years beginning before July 1, 1988		3		
Negative balances in the cumulative eligible capital account that were included in income for taxation years beginning before July 1, 1988		4		
Line 3 deduct line 4			5	
Total lines 1 + 2 + 5			6	
Line T from previous Ontario Schedule 10 for taxation years ending after February 27, 2000			7	
Deduct line 7 from line 6				O
N - O (cannot be negative)				P
Amount on line 5	x 1/2			Q
P - Q				R
Amount on line R	x 66.6667			S
Lesser of line N or line O				T
Amount to be included in income S + T				

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

**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 Tay Hydro Electric Distribution Company Inc.	Ontario Corporations Tax Account No. (MOF) 1800201	Taxation Year End 2003/12/31
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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
Tay Utility Contracting Inc.	1800203		48,863
Tay Hydro Inc.	1800202		9,813
Township of Tay			
Aggregate of taxable capital			58,676

Transfer to **540** of the CT23

Corporation's Legal Name Tay Hydro Electric Distribution Company Inc.	Ontario Corporations Tax Account No. (MOF) 1800201	Taxation Year End 2003/12/31
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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)	
Township of Tay	2,933,821
Total	2,933,821

Transfer to 353 on the CT23



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

Paid-Up Capital: Partnerships/Joint Ventures

Corporation's Legal Name Tay Hydro Electric Distribution Company Inc.		Ontario Corporations Tax Account No. (MOF) 1800201	Taxation Year End 2003/12/31
Name of Partnership or Joint Venture	Share of Partnership Using Profit Sharing Ratio (%)	Partnership/Joint Venture Paid-up Capital	Corporation's Share of Partnership/Joint Venture Paid-up Capital
Enerconnect	0.4000	1,378,957	5,516
Total			5,516

Transfer to 362 on the CT23

**Ontario**

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

Eligible Investments - Partnerships/Joint Ventures

Corporation's Legal Name Tay Hydro Electric Distribution Company Inc.	Ontario Corporations Tax Account No. (MOF) 1800201	Taxation Year End 2003/12/31
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Name of Partnership or Joint Venture	Share of Partnership Using Profit Sharing Ratio (%)	Partnership/Joint Venture Investments	Corporation's Share of Partnership/Joint Venture Investments
Enerconnect	0.4000	188,889	756
		Total	756

Transfer to 407 on the CT23

OConsent

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

Tay Hydro Electric Distribution Company Inc.

Ontario Corporations Tax Account Number

1800201

2. Authorized third party identification

Authorized individuals' name

Address

Phone number

() -

Authorized firm's name

Grant Thornton LLP

Address

279 Coldwater Rd W Orillia, Ontario L3V 3M1

Phone number

(705) 326-7605

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)

Lillian King

Name

(705) 534-7281

Telephone number

2004/04/26

Date signed

Vice president

Position, office or rank

Signature of client or authorized signing officer

O Instalments

Ontario tax instalments

Instalment base

Year-end	Estimate for current year 2004/12/31	First instalment base 2003/12/31	Second instalment base 2002/12/31
Taxable income		269,049	118,861
Base amount of tax		33,631	14,858
Small business tax credit		18,833	7,726
Surtax on CCPCs		3,533	
Manufacturing and processing profits credit			
Foreign tax credit			
Specified tax credits			
Other tax credits			
Income tax payable		18,331	7,132
Corporate minimum tax payable			
Capital tax payable			
Premium tax payable			
Total tax payable		18,331	7,132
Days in taxation year	365	365	365
Tax payable adjusted for short taxation years		18,331	7,132
Estimated tax credits for the current year			
Instalment base		18,331	7,132
Monthly payment		1,528	594
Quarterly payment		4,583	1,783

Instalment payment options

- ☐ 1. based on estimated taxes for the current year
 ☒ 3. based on the first and second instalment base
- ☐ 2. based on the first instalment base
 ☐ 4. instalments are not required

Instalment payments

Date	Instalments required	Instalments paid	Instalments payable
2004/01/31	594		
2004/02/29	594		
2004/03/31	1,714		
2004/04/30	1,714		
2004/05/31	1,714		6,330
2004/06/30	1,714		1,714
2004/07/31	1,714		1,714
2004/08/31	1,714		1,714
2004/09/30	1,714		1,714
2004/10/31	1,714		1,714
2004/11/30	1,714		1,714
2004/12/31	1,714		1,714
Total	18,328		18,328