APPENDIX A – NWTC TAX RETURNS 2005 TO 2008

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

CLAIM FOR SCIENTIFIC RESEARCH AND EXPERIMENTAL DEVELOPMENT (SR&ED) CARRIED OUT IN CANADA

- Use this form to claim SR&ED carried out in Canada during the year. File it with your return of income.
- If you are filing a T2 corporation return of income, place this form on top of the return so that we can identify your SR&ED claim quickly.
- Use a separate form to support SR&ED expenditures incurred by each partnership of which you are a partner.
- Use Guide T4088, *Claiming Scientific Research and Experimental Development Expenditures*, to help you fill out this form. You can also consult our Web site at **www.cra.gc.ca/sred/** for an online help guide.
- If the SR&ED was performed in the province of Newfoundland and Labrador, Nova Scotia, New Brunswick, Québec, Ontario, Manitoba, Saskatchewan, or British Columbia, or in the Yukon Territory, you may be entitled to a provincial or territorial tax credit.
- Complete schedules A, B, C, D, E and F, if they apply to your situation.
- Prepare and retain schedules to support the breakdown for each expenditure claimed in this form and on the required attachments.
- On this form, references to the Act are to the *Income Tax Act*. References to the Regulations are to the *Income Tax Regulations*.
- All the information requested in this form including the attachments, schedules and any other document supporting your expenditures is prescribed information. You have to file the information that applies to your claim, along with Schedule T2 SCH 31 or Form T2038(IND), within 12 months of the filing-due date of your return of income for the year you incurred the expenditures. If you do not meet this reporting deadline, we may reject your claim.

Part 1 – General Information

Name of claimant
Niagara West Transformation Corporation

Claimant's business address and postal code
4548 Ontario Street
Beamsville L0R 1B5
Claimant's Web site (if available)
http://www.

Business Number, social insurance number, or partnership identification number
87681 9301 RC0001

Return for tax year from: 2005-01-01 (Year Month Day) to: 2005-12-31 (Year Month Day)

100 Name of contact person
KAREN BUBISH

105 Telephone number/extension
(905) 563-5550

110 Fax number

130 Is this the first time you are claiming for SR&ED?
1 Yes ☐ 2 No ☒

132 If not, when was the last claim? Year 2004

142 Is the claim filed for a partnership? 1 Yes ☐ 2 No ☒

145 If *yes*, what is the name of the partnership?

150 Percentage of SR&ED investment tax credits allocated from the partnership %

155 Name of the person or firm who prepared this claim
KPMG LLP

Certification and Election

I certify that I have examined the information provided on this form, and on the related schedules and attachments and it is true, correct, and complete.

I elect (choose) to use the following method to calculate my SR&ED expenditures and related investment tax credits (ITC) for the year. I understand that my election (choice) is irrevocable for this year.

160 I elect to use the proxy method under clause 37(8)(a)(ii)(B) 1 Yes ☐

162 I choose to use the traditional method 1 Yes ☐

165 KAREN BUBISH
Name of authorized signing officer of the corporation, authorized partner, or individual

Signature

170 Date

For Canada Revenue Agency use only

490 **491** **492**

T661 E (06)

Canada

Part 2 – Scientific or Technological Project Information

Provide the information requested in Step 1 on separate sheets of paper for each project, and attach them to this form. If you have more than 20 projects, you only need to provide project descriptions for the 20 that are largest in term of dollar value. For step 2, provide the information requested on this form and complete Schedule E. For more information, see Guide T4088, *Claiming Scientific Research and Experimental Development.*

Step 1 – Detailed project description

Identify each of the projects you are claiming and use questions A to E below to help you provide the information we need to process your claim. If the project is continuing from last year and the objective has not changed or been achieved, you can use the same information that you provided last year for questions A, B and C. Include sufficient information to show how your project work meets the requirements of the SR&ED Program.

We recommend that you read Guide T4088 before you answer questions A to E. This will help you understand the type of information the Canada Revenue Agency needs to process your claim and will reduce or eliminate the need for you to submit more information. It will also help you avoid preparing unnecessary information. Most projects can be described in four pages or less. It would be helpful to take into account whether your project involved experimental development work or scientific research work, because the eligibility requirements for these are different. In general, **experimental development** work is done either in or outside a laboratory in order to achieve a technological advancement for creating new, or improving existing materials, devices, products, or processes. Scientific research work is done mostly in a laboratory setting to obtain new scientific knowledge.

A. **Scientific or technological objectives** – What is the scientific or technological objective of your project? Does this project involve scientific research or experimental development?

B. **Technology or knowledge base or level** – If your project work is mostly experimental development, what were the technological limitations of the products or processes before you started your project? If your project work is mostly scientific research, what was the extent of existing scientific knowledge in this area?

C. **Scientific or technological advancement** – What advancement in technology is being sought? What were the problems or challenges that could not be solved using commonly available techniques requiring you to seek an advance in the underlying technology to achieve the objective in A above? or what was the new scientific knowledge sought in your work? To what field of science or technology would the advance contribute?

D. **Description of work in the tax year** – Describe the work, including experiments and analyses, that you did in this tax year to achieve the technological or scientific objectives above. If all or part of the work that you are claiming was performed by contractors, include a description of the work performed on your behalf by the contactors or a copy of the statement of work from the contract.

E. **Supporting information** – What technical records or documents generated over the course of the work, such as records of trials, test results, progress and final reports, minutes of meetings, employee activity records, prototypes, and new products, are available to support your claim?

Step 2 – Project summary information

Total number of projects you are claiming in this tax year. . . . . **200** _____

If you received an amount under the Industrial Research Assistance Program (IRAP) for SR&ED type work, please indicate the amount you received. . . . . **206** _____

Complete Schedule E to provide a list of all SR&ED projects for which you are claiming expenditures this year.

Part 3 – Summary of SR&ED Expenditures (nearest dollar)

Step 1 – Allowable SR&ED expenditures for SR&ED carried out in Canada

SR&ED portion of salary or wages of employees directly engaged in SR&ED:			
• employees other than specified employees	300	+	
• specified employees (do not include bonuses or remuneration based on profits) (see guide)	305	+	
Amounts deemed incurred in the year under subsection 78(4) (salary or wages)	310	+	
Unpaid amounts deemed not incurred in the year under subsection 78(4) 315			
Cost of materials consumed in the prosecution of SR&ED	320	+	
Cost of materials transformed in the prosecution of SR&ED	325	+	
SR&ED contracts performed on your behalf (complete Schedule F):			
• arm's length contracts	340	+	
• non-arm's length contracts	345	+	
Lease costs of equipment used:			
• all or substantially all (90% of the time or more) for SR&ED	350	+	
• primarily (more than 50% but less than 90% of the time) for SR&ED. Enter only 50% of the lease costs if you use the proxy method. If you use the traditional method, enter "0".	355	+	
Overhead or other expenditures (enter "0" if you use the proxy method)	360	+	
Subtotal (add lines 300 to 360; do not add line 315)	365	=	
Third-party payments (complete Schedule A)	370	+	
Total current SR&ED expenditures (add lines 365 and 370)	380	=	
Capital expenditures (for ASA equipment, see guide)	390	+	
Total allowable SR&ED expenditures (add lines 380 and 390)	400	=	

Step 2 – Pool of deductible SR&ED expenditures

Amount from line 400			
less			
• government and non-government assistance for expenditures included on line 400	430	−	
• SR&ED ITC claimed last year (other than ITC on shared-use equipment)	435	−	124,748
• sale of SR&ED capital assets (see guide) and other deductions	440	−	
add			
• previous year's ending balance in the pool of deductible SR&ED expenditures	450	+	1,208,225
• amount of ITC recaptured in the preceding tax year	453	+	
• adjustments to the pool of deductible expenditures (complete Schedule B, Section 1)	454	+	
Amount available for deduction (If the amount is negative, enter "0" and add to income in the year)	455	=	1,083,477
Deduction claimed in the year	460	−	
Current year's balance of deductible SR&ED expenditures applicable to future years (line 455 minus line 460)	470	=	1,083,477

Step 3 – Qualified SR&ED expenditures for ITC purposes
Enter the breakdown between current and capital expenditures for ITC purposes.

		Current Expenditures		Capital Expenditures
Total expenditures for SR&ED (from lines 380 and 390)	492		496	
add				
• unpaid amounts (other than salaries or wages) from previous years that were paid in the year under subsection 127(26)	500 +			
• prescribed proxy amount (complete Schedule D); enter "0" if you use the traditional method	502 +			
• expenditures on shared-use-equipment (See Note 1)			504 +	
• qualified expenditures transferred to you (from Form T1146)	508 +		510 +	
less				
• government and non-government assistance, and contract payments	534 −		536 −	
• amounts from lines 552 and 554 of Schedule B, Section 2	552 −		554 −	
• amounts from lines 555 and 556 of Schedule C	555 −		556 −	
Subtotal	557 =		558 =	
SR&ED qualified expenditure pool (add lines 557 and 558)			559 =	
add				
• Repayments of assistance and contract payments made in the year			560 +	
Total SR&ED expenditures that qualify for ITC purposes (add lines 559 and 560)*			570 =	

*To claim an ITC on this amount, you must complete Schedule T2 SCH 31 – *Investment Tax Credit – Corporation*, or Form T2038(IND), *Investment Tax Credit (Individuals)*, whichever applies.

Note 1
The expenditure is deemed to be 1/4 of the capital cost of the equipment. Certain adjustments may be required if the equipment was purchased from a non-arm's length supplier (see the explanations for lines 522 and 524 in the guide).

Part 4 – Background Information

This information is used to administer the SR&ED program.

Expenditures for SR&ED performed by you (line 400 minus lines 340, 345, and 370) 605

A. Sources of funds for SR&ED
From the total you entered on line 605, estimate the percentage of distribution of the sources of funds for SR&ED performed within your organization

		Canadian (%)		Foreign (%)
Internal	600			
Parent companies, subsidiaries, and affiliated companies	602		604	
Federal grants (do not include funds or tax credits from SR&ED tax incentives)	606			
Federal contracts	608			
Provincial funding	610			
SR&ED contract work performed for other companies on their behalf	612		614	
Other funding (e.g., universities, foreign governments)	616		618	

B. Business personnel
Total number of employees 630

SR&ED personnel (full-time SR&ED staff, plus full-time equivalent for staff engaged part-time in this activity):

Scientists and engineers	632		Technologists and tehnicians	634	
Managers and administrators	636		Other technical supporting staff	638	

C. Nature of SR&ED work
From the total you entered on line 605, estimate the approximate distribution of your SR&ED effort:

Basic research (no specific application in view)	650		Applied research (specific practical application in view)			652	
Development of new: product	654		process	656		technical services	658	
Improvement to existing: product	660		process	662		technical services	664	

D. Specialized field of research
Indicate, if applicable, the percentage of the amount on line 605 attributed to the following fields of research:

Software development	670		Biotechnology	672		Environmental protection	674	

Complete Claim Checklist

To speed up the processing of your claim, make sure you have:

1. Used the current version of Form T661 if you are filing a current-year claim . . . . . [X]
2. Signed the "Certification and Election" section in Part 1 of Form T661 . . . . . [ ]
3. Indicated the method you have chosen for reporting your SR&ED expenditures in fields 160 or 162 of Part 1 . . . . . [ ]
4. Provided a summary of information for each project, with a breakdown of expenditures (labour, materials and contracts) as per Schedule E . . . . . [ ]
5. Submitted a detailed project description of your 20 largest projects in terms of their dollar value . . . . . [ ]
6. Retained documents prepared to support the SR&ED expenditures claimed in Part 3. If you forget to claim an expenditure, you have up to 12 months after the filing-due date of your tax return for the year to submit an amended Form T661 . . . . . [ ]
7. Completed Part 4 - Background Information . . . . . [ ]
8. Completed schedule A, B, C, D, E and F, if they apply to your situation, and attached to form T661 . . . . . [ ]
9. Filed a completed Schedule T2 SCH 31, *Investment Tax Credit – Corporations*, or Form T2038 (IND), *Investment Tax Credit (Individuals)*, to claim ITCs on your qualified SR&ED expenditures . . . . . [ ]

All the information requested in this form including the attachments, schedules and any other document to support your expenditures is prescribed information. You have to file the information that applies to your claim, along with Schedule T2 SCH 31 or Form T2038(IND), within 12 months of the filing-due date of your Income tax return for the year you incurred the expenditures. If you do not meet this reporting deadline, your claim may be rejected.

Schedule A – Third-Party Payments for SR&ED

You must complete a Schedule A for each third-party payment for SR&ED (attach to Form T661)

Schedule B – Special Situations (attach to Form T661).

Section 1 – Adjustments to the pool of deductible SR&ED expenditures incurred in Canada

• Repayments of government and non-government assistance (include only the repayments of assistance that previously reduced the deductible SR&ED expenditure pool)	445	+	
• SR&ED expenditure pool transfer from amalgamation or wind-up	452	+	
Total (add lines 445 and 452)	454	=	

Report on line 454 in Part 3, Step 2 of Form T661

Section 2 – Adjustments to the qualified SR&ED expenditures for ITC purposes

			Current Expenditures			Capital Expenditures
• Unpaid amounts (other than salary or wages on line 315) deemed not to be incurred in the year under subsection 127(26)	520	–				
• Current expenditures for SR&ED contract paid or payable to, or for the benefit of a person or partnership that is not a taxable supplier in respect of the expenditures	528	–				
• Prescribed expenditures (Section 2902 of the *Regulations*)	530	–		532	–	
• Other deductions (see guide)	548	–		550	–	
Total (add lines 520, 528, 530, and 548, also add lines 532 and 550)	552	=		554	=	

Report on lines 552 and 554 respectively in Part 3, Step 3 of Form T661

Schedule C – Non-Arm's Length Transactions (attach to Form T661).

Adjustments to the qualified SR&ED expenditures for ITC purposes

			Current Expenditures			Capital Expenditures
• Purchases of goods and services from non-arm's length suppliers (except for shared-use-equipment) (see note 1)	522	–		524	–	
• Expenditures for non-arm's length SR&ED contracts (from line 345)	526	–				
• Assistance allocated to you (from Form T1145)	538	–		540	–	
• Qualified expenditures you transferred (from Form T1146)	544	–		546	–	
Total (add lines 522, 526, 538, and 544, also add lines 524, 540, 546)	555	=		556	=	

Report on line 555 and 556 respectively in Part 3, Step 3 of Form T661

Note 1

Subsections 127(11.6) to (11.8) provide rules for determining a taxpayer's expenditures to services rendered by, or property acquired from, a non-arm's length supplier. On line 522, enter the difference, if any, between the amount included in your SR&ED expenditure pool for the purchases of goods and services from non-arm's length suppliers and the expenditure's deemed amount under subsection 127(11.6) (read the Guide).

Schedule D – Calculation of Salary Base and Prescribed Proxy Amount

You must complete a Schedule D if you are using the proxy method (attach to Form T661).

Schedule E – List of all SR&ED projects claimed in the year

You must complete a Schedule E for each project you are claiming (attach to Form T661).

Schedule F – Arm's Length and Non-Arm's Length SR&ED Contracts

You must complete a Schedule F if you have made expenditures for SR&ED contracts performed on your behalf (attach to Form T661).

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

For agency use
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Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

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Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

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Name: **Niagara West Transformation Corporation**

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Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

Certification

I, KAREN BUBISH am an authorized signing officer of the corporation. I certify that the following amounts are, to the best of my knowledge, correct and complete, and fully disclose the corporation's income tax payable. These amounts also reflect the information given on the corporation's income tax return for the taxation year noted above.

Net income (or loss) for income tax purposes from Schedule 001, or GIFI [line 200300]	-344 575
Part I tax payable [line 200700]	0
Part I.3 tax payable [line 200704]	0
Part II surtax payable [line 200708]	0
Part IV tax payable [line 200712]	0
Part IV.1 tax payable [line 200716]	0
Part VI tax payable [line 200720]	0
Part VI.1 tax payable [line 200724]	0
Part XIV tax payable [line 200728]	0
Net provincial and territoral tax payable [line 200760]	0
Provincial tax on large corporations [line 200765]	0

I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

OFFICER

Date | Signature of an authorized signing officer of the corporation | Position, office or rank

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

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Name: **Niagara West Transformation Corporation**

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Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

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Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

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Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

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Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

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Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

For agency use

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[492]	

XXXXXXXXXXX

[100]	KAREN BUBISH
[105]	905 563 5550
[110]	
[130]	2
[132]	2004
[142]	2
[145]	
[150]	
[155]	KPMG LLP
[160]	
[162]	
[165]	KAREN BUBISH
[170]	
[200]	
[206]	
[315]	
[605]	
[630]	
[632]	
[634]	
[636]	
[638]	
[670]	
[672]	

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

[674] _____

XXXXXXXXXXX

[701] _____

[702]@ _____

_____

_____

_____

_____

_____

[704] _____

[711] _____

[712] _____

[714] _____

[716] _____

[718] _____

[721] _____

[731] _____

[732] _____

[734] _____

[736] _____

[738] _____

[740] _____

[900] _____

[920] _____

[210] 1. _____ *

[212] 1. _____ *

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

[214] 1. _____ *

[216] 1. _____ *

[218] 1. _____ *

[220] 1. _____ *

[706] 1. _____ *

[850] 1. _____ *

[852] 1. _____ *

[854] 1. _____ *

[902] 1. _____ *

[904] 1. _____ *

[906] 1. _____ *

[908] 1. _____ *

[910] 1. _____ *

[912] 1. _____ *

[922] 1. _____ *

[924] 1. _____ *

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

[926] 1. _____ *

[928] 1. _____ *

[930] 1. _____ *

[932] 1. _____ *

XXXXXXXXXXX

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

[300]		**[460]**		**[600]**	
[305]		**[470]**	1 083 477	**[602]**	
[310]			**XXXXXXXXXXX**	**[604]**	
[320]				**[606]**	
[325]		**[500]**		**[608]**	
[340]		**[502]**		**[610]**	
[345]		**[504]**		**[612]**	
[350]		**[508]**		**[614]**	
[355]		**[510]**		**[616]**	
[360]		**[520]**		**[618]**	
[370]		**[522]**			**XXXXXXXXXXX**
[380]		**[524]**			
	XXXXXXXXXXX	**[528]**		**[650]**	
		[530]		**[652]**	
[390]		**[532]**		**[654]**	
	XXXXXXXXXXX	**[534]**		**[656]**	
		[536]		**[658]**	
[400]		**[538]**		**[660]**	
[430]		**[540]**		**[662]**	
[435]	124 748	**[544]**		**[664]**	
[440]		**[546]**			**XXXXXXXXXXX**
[445]		**[548]**			
[450]	1 208 225	**[550]**		**[812]**	
[452]		**[560]**		**[816]**	
[453]		**[570]**		**[818]**	
[455]	1 083 477		**XXXXXXXXXXX**		**XXXXXXXXXXX**
	XXXXXXXXXXX				

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

[856] 1. _____ *

[858] 1. _____ *

[860] 1. _____ *

XXXXXXXXXXX

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

[100]
1. Niagara Power Inc.
2. Peninsula West Power Inc. *

[200]
1. 86880 5920 RC 0001
2. 89108 9419 RC 0001 *

[300]
1. _____
2. _____ *

[350]
1. _____
2. _____ *

[400]
1. 50
2. 50 *

[500]
1. _____
2. _____ *

XXXXXXXXXXX

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

[3640]	7 845 588
	XXXXXXXXXXX
[1000]	26 534
[1060]	88 278
[1066]	486 552
[1484]	2 533
[1599]	603 897
[1740]	7 241 691
[2008]	7 241 691
[2599]	7 845 588
	XXXXXXXXXXX
[2600]	_____
[2620]	107 799
[3139]	107 799
[3140]	5 882 000
[3240]	414 000
[3450]	6 296 000
[3499]	6 403 799
	XXXXXXXXXXX
[3500]	100
[3520]	2 400 000
[3600]	# 958 311
[3620]	1 441 789
	XXXXXXXXXXX
[3660]	# 194 601
[3680]	# 763 710
[3849]	# 958 311
	XXXXXXXXXXX

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

[0001]	_____
[0002]	_____
	XXXXXXXXXXX
[0003]	_____
	XXXXXXXXXXX

[8519]	506 060	**[9368]**	796 566
[9369]	# 258 710		**XXXXXXXXXXX**
[9899]	_____		
[9970]	# 258 710	**[9370]**	_____
[9975]	_____	**[9659]**	0
[9976]	_____		**XXXXXXXXXXX**
[9980]	_____		
[9985]	_____	**[9660]**	_____
[9990]	# 19 000	**[9898]**	0
[9995]	524 000		**XXXXXXXXXXX**
[9999]	# 763 710		
	XXXXXXXXXXX		

[8000]	506 060
[8089]	506 060
[8090]	31 796
[8299]	537 856
	XXXXXXXXXXX

[8300]	_____
[8670]	192 468
[8710]	430 753
[8871]	173 345
[9367]	796 566

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2005-12-31**

[095]	1
[097]	2
[198]	1
[099]	2
[101]	1
[102]	2
[103]	2
[104]	2
[105]	2
[106]	2
[107]	2
[108]	2
	XXXXXXXXXXX

Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

200

055 Do not use this area

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing. If you need more information about items on the return, see the *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, refer to the Guide under the heading "Before you start."

Identification

Business Number (BN) **001** 87681 9301 RC0001

Corporation's name

002 Niagara West Transformation Corporation

Has the corporation changed its name since the last time we were notified? **003** 1 Yes ☐ 2 No ☒

If *Yes*, do you have a copy of the articles of amendment? . . . **004** 1 Yes ☐ 2 No ☐

Address of head office

Has the address changed since the last time we were notified? . . . . . **010** 1 Yes ☐ 2 No ☒

011 4548 Ontario Street

012

City: **015** Beamsville

Province, territory, or state: **016** ON

Country (other than Canada): **017**

Postal code/Zip code: **018** L0R 1B5

Mailing address (if different from head office address)

Has the address changed since the last time we were notified? . . . . . **020** 1 Yes ☐ 2 No ☒

021 c/o

022

023

City: **025**

Province, territory, or state: **026**

Country (other than Canada): **027**

Postal code/Zip code: **028**

Location of books and records

Has the location of books and records changed since the last time we were notified? . . . . . **030** 1 Yes ☐ 2 No ☒

031 4548 Ontario Street

032

City: **035** Beamsville

Province,territory, or state: **036** ON

Country (other than Canada): **037**

Postal code/Zip code: **038** L0R 1B5

040 Type of corporation at the end of the taxation year

1 ☒ Canadian-controlled private corporation (CCPC)

2 ☐ Other private corporation

3 ☐ Public corporation

4 ☐ Corporation controlled by a public corporation

5 ☐ Other corporation (specify, below)

If the type of corporation changed during the taxation year, provide the effective date of the change . . . . . **043** _____ YYYY MM DD

To which taxation year does this return apply?

060 Taxation year start: 2005-01-01 (YYYY MM DD)

061 Taxation year end: 2005-12-31 (YYYY MM DD)

Has there been an acquisition of control to which subsection 249(4) applies since the previous taxation year? **063** 1 Yes ☐ 2 No ☒

If *Yes*, provide the date control was acquired . . . . . **065** _____ YYYY MM DD

Is the corporation a professional corporation that is a member of a partnership? . . . . . **067** 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? . . . . . **070** 1 Yes ☐ 2 No ☒

Amalgamation? . . . . . **071** 1 Yes ☐ 2 No ☒

If *Yes*, complete lines 030 to 038 and attach Schedule 24.

Has there been a windup of a subsidiary under section 88 during the current taxation year? . . . . . **072** 1 Yes ☐ 2 No ☒

If *Yes*, complete and attach Schedule 24.

Is this the final taxation year before amalgamation? . . . . . **076** 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? . . . . . **078** 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If *No*, give the country of residence on line 081 and complete and attach Schedule 97.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? . . . . . **082** 1 Yes ☐ 2 No ☒

If *Yes*, complete and attach Schedule 91.

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

085

1 ☐ Exempt under paragraph 149(1)(e) or (l)

2 ☐ Exempt under paragraph 149(1)(j)

3 ☐ Exempt under paragraph 149(1)(t)

4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091	092	093	094	095	096

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.
Schedules – Answer the following questions. For each *Yes* response, attach to the T2 return the schedule that applies.

		Yes	Schedule
Is the corporation related to any other corporations?	150		9
Does the corporation have any non-resident shareholders?	151		19
Is the corporation an associated Canadian-controlled private corporation?	160		23
Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
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		44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
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		22
Did the corporation have any foreign affiliates during the year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal *Income Tax Regulations*?	170		29
Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172		———
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; or gifts of cultural or ecological property?	202		2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
Is the corporation claiming any type of losses?	204	X	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
Has the corporation realized any capital gains or incurred any capital losses during the taxation year?	206		6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), 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		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any property that is eligible capital property?	210		10
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming reserves of any kind?	213		13
Is the corporation claiming a patronage dividend deduction?	216		16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
Is the corporation an investment corporation or a mutual fund corporation?	218		18
Was the corporation carrying on business in Canada as a non-resident corporation?	220		20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26 *
Does the corporation have any Canadian manufacturing and processing profits?	227		27
Is the corporation claiming an investment tax credit?	231		31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232	X	T661
Is the corporation subject to gross Part I.3 tax?	233		33/34/35
Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236		36
Is the corporation claiming a surtax credit?	237		37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
Is the corporation claiming a Part I tax credit?	242		42
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		43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
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		39
Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131
Is the corporation claiming a film or video production services tax credit refund?	254		T1177
Is the corporation subject to Part XIII.1 tax?	255		92 *

*** We do not print this schedule.**

Attachments – continued from page 2

		Yes	Schedule
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256	☐	T1134-A
Did the corporation have any controlled foreign affiliates?	258	☐	T1134-B
Did the corporation own specified foreign property in the year with a cost amount over $100,000?	259	☐	T1135
Did the corporation transfer or loan property to a non-resident trust?	260	☐	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261	☐	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262	☐	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263	☐	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264	☐	T1174

Additional information

Is the corporation inactive? . . . 280 1 Yes ☐ 2 No X

Has the major business activity changed since the last return was filed? (enter *Yes* for first-time filers) . . . 281 1 Yes ☐ 2 No X

What is the corporation's major business activity? . . . 282 _____
(Only complete if *Yes* was entered at line 281.)

If the major business activity involves the resale of goods, show whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	transmission of elec	285	100.000 %
286		287	%
288		289	%

Did the corporation immigrate to Canada during the taxation year? . . . 291 1 Yes ☐ 2 No X

Did the corporation emigrate from Canada during the taxation year? . . . 292 1 Yes ☐ 2 No X

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI. . . . 300 -344,575 A

Deduct:

Charitable donations from Schedule 2	311	
Gifts to Canada, a province, or a territory from Schedule 2	312	
Cultural gifts from Schedule 2	313	
Ecological gifts from Schedule 2	314	
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	
Part VI.1 tax deduction from Schedule 43 *	325	
Non-capital losses of preceding taxation years from Schedule 4	331	
Net capital losses of preceding taxation years from Schedule 4	332	
Restricted farm losses of preceding taxation years from Schedule 4	333	
Farm losses of preceding taxation years from Schedule 4	334	
Limited partnership losses of preceding taxation years from Schedule 4	335	
Taxable capital gains or taxable dividends allocated from a central credit union	340	
Prospector's and grubstaker's shares	350	
Subtotal		▶ B

Subtotal (amount A **minus** amount B) (if negative, enter "0") C

Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions . . . 355 D

Taxable income (amount C **plus** amount D) . . . 360

Income exempt under paragraph 149(1)(t) . . . 370

Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370) Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724 on page 8.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the taxation year

Income from active business carried on in Canada from Schedule 7 . . . . . **400** _____ A

Taxable income from line 360 on page 3, **minus** 10/3 of the amount on line 632* on page 7, **minus** 3 times the amount on line 636** on page 7, and **minus** any amount that, because of federal law, is exempt form Part I tax . . . . . **405** _____ B

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

225,000	x	Number of days in the taxation year in 2003 / Number of days in the taxation year	_____ / 365	=	_____	1
250,000	x	Number of days in the taxation year in 2004 / Number of days in the taxation year	_____ / 365	=	_____	2
300,000	x	Number of days in the taxation year after 2004 / Number of days in the taxation year	365 / 365	=	300,000	3
		Add amounts at lines 1, 2, and 3			300,000	4

Business limit (see notes 1 and 2 below) . . . . . **410** 300,000 C

Notes:
1. For CCPCs that are not associated, enter the amount from line 4 on 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 on line 410.

Business limit reduction:

Amount C 300,000 x **415** *** _____ / 11,250 D = ... _____ E

Reduced business limit (amount C **minus** amount E) (if negative, enter "0") . . . . . **425** 300,000 F

Small business deduction – 16.00 % of whichever amount is the least: A, B, C, or F . . . . . **430** _____ G

(enter amount G on line 9 of page 7)

* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

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

*** **Large corporation tax**

- The large corporation tax to be entered on line 415 is the gross Part I.3 tax, which is the amount before deducting the surtax credits, increased to reflect a full-year tax liability if the taxation year is less than 51 weeks. For the purpose of the business limit reduction, the gross Part I.3 tax is equal to 0.225% x (taxable capital employed in Canada **minus** $10,000,000).
- If the corporation is not associated with any corporations in both the current and the preceding taxation years, enter the corporation's gross Part I.3 tax for its **preceding** taxation year.
- If the corporation is not associated with any corporations in the current taxation year, but was associated in the preceding taxation year, enter the corporation's gross Part I.3 tax for its **current** taxation year.
- For corporations associated in the current taxation year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

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

Reduced business limit (amount from line 425) . . . . . 300,000 x 300,000 / line 4 above = 300,000 A

Net active business income (amount from line 400) * . . . . . _____ 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 _____ C

Deduct:

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

Amount C **minus** amount D (if negative, enter "0") . . . . . _____ ▶ _____ E

Amount A, B, or E above, whichever is less . . . . . _____ 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 (amount from line 435 of 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 of the small business deduction, whichever is less _____ K

Total of amounts G, H, I, J, and K . . . . . _____ ▶ _____ L

Amount F **minus** amount L (if negative, enter "0") . . . . . _____ M

Accelerated tax reduction – 7.00 % of amount M (enter amount N on line 637 of page 7) . . . . . _____ N

* 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

Taxable resource income [as defined in subsection 125.11(1)] . . . . . **435** _____ A

Amount A _____ x Number of days in the taxation year in 2004 / Number of days in the taxation year _____ / 365 x 2 % = _____ B

Amount A _____ x Number of days in the taxation year in 2005 / Number of days in the taxation year 365 / 365 x 3 % = _____ C

Amount A _____ x Number of days in the taxation year in 2006 / Number of days in the taxation year _____ / 365 x 5 % = _____ D

Amount A _____ x Number of days in the taxation year after 2006 / Number of days in the taxation year _____ / 365 x 7 % = _____ E

Resource deduction – total of amounts B, C, D, and E . . . . . **438** _____ F
(enter amount F on line 10 of page 7)

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the taxation year

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
Amount on line 400, 405, 410, or 425 on page 4, whichever is the least . . . . . _____ F
Aggregate investment income from line 440 of page 6 . . . . . _____ G
Amount used to calculate the accelerated tax reduction (amount M of page 4) . . . . . _____ H
Total of amounts B, C, D, E, F, G, and H . . . . . _____ ▶ _____ I

Amount A **minus** amount I (if negative, enter "0") . . . . . _____ J

Amount J _____ x Number of days in the taxation year after 2003 / Number of days in the taxation year 365 / 365 x 7 % = _____ K

General tax reduction for Canadian-controlled private corporations – amount K . . . . . _____ L
(enter amount L on line 638 of page 7)

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation

Taxable income from line 360 on page 3 . . . . . _____ M

Amount Z from Part 9 of Schedule 27 . . . . . _____ x 100 / 7 = _____ N
Amount QQ from Part 13 of Schedule 27 . . . . . _____ O
Taxable resource income from line 435 above . . . . . _____ P
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) _____ Q
Total of amounts N, O, P, and Q . . . . . _____ ▶ _____ R

Amount M **minus** amount R (if negative, enter "0") . . . . . _____ S

Amount S _____ x Number of days in the taxation year after 2003 / Number of days in the taxation year 365 / 365 x 7 % = _____ T

General tax reduction – amount T . . . . . _____ U
(enter amount U on line 639 of page 7)

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the taxation year

Aggregate investment income (amount P from Part 1 of Schedule 7) . . . . . **440** _____ x 26 2 / 3 % = ... _____ A

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

Deduct:

Foreign investment income (amount O from Part 1 of Schedule 7) . . . . . **445** _____ x 9 1 / 3 % = _____
(if negative, enter "0") _____ ▶ _____ B

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

Taxable income from line 360 on page 3 . . . . . _____

Deduct:

Amount on line 400, 405, 410, or 425 on page 4, whichever is the least . . . . . _____

Foreign non-business income tax credit from line 632 of page 7 _____ x 25 / 9 = _____

Foreign business income tax credit from line 636 of page 7 _____ x 3 = _____
_____ ▶ _____
x 26 2 / 3 % = _____ D

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 8) _____

Deduct: Corporate surtax from line 600 of page 7 . . . . . _____

Net amount . . . . . _____ ▶ _____ E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least . . . . . **450** _____ F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding taxation year **460** _____

Deduct: Dividend refund for the previous taxation year . . . . . **465** _____
_____ ▶ _____ G

Add the total of:

Refundable portion of Part I tax from line 450 above . . . . . _____

Total Part IV tax payable from line 360 of Schedule 3 . . . . . _____

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation . . . **480** _____
_____ ▶ _____ H

Refundable dividend tax on hand at the end of the taxation year – Amount G **plus** amount H . . . . . **485** _____

Dividend refund

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 of Schedule 3 . . . . . _____ x 1 / 3 _____ I

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

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784 of page 8) . . . . . _____

Part I tax

Base amount of Part I tax – 38.00 % of taxable income (line 360 or amount Z, whichever applies) from page 3 . . . . 550 _____ A

Corporate surtax calculation

Base amount from line A above . . . . . _____ 1

Deduct:

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

Investment corporation deduction from line 620 below . . . . . _____ 3

Federal logging tax credit from line 640 below . . . . . _____ 4

Federal qualifying environmental trust tax credit from line 648 below . . . . . _____ 5

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

28.00 % of taxable income from line 360 of page 3 . . . . _____ a

28.00 % of taxed capital gains . . . . . _____ b

Part I tax otherwise payable . . . . . _____ c

(line A **plus** lines C and D **minus** line F)

_____ 6

Total of lines 2 to 6 . . . . . _____ 7

Net amount (line 1 **minus** line 7) . . . . . _____ 8

Corporate surtax – 4.00 % of the amount on line 8 . . . . . 600 _____ B

Recapture of investment tax credit from line PPP in Part 21 of Schedule 31 . . . . . 602 _____ C

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

Aggregate investment income from line 440 on page 6 . . . . . _____ i

Taxable income from line 360 on page 3 . . . . . _____

Deduct:

Amount on line 400, 405, 410, or 425 of page 4, whichever is the least . . . . . _____

Net amount . . . . . _____ ▶ _____ ii

Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount i or ii . . . . 604 _____ D

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

Deduct:

Small business deduction from line 430 of page 4 . . . . . _____ 9

Federal tax abatement . . . . . 608 _____

Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27 . . . . . 616 _____

Investment corporation deduction . . . . . 620 _____

(taxed capital gains 624 _____)

Additional deduction – credit unions from Schedule 17 . . . . . 628 _____

Federal foreign non-business income tax credit from Schedule 21 . . . . . 632 _____

Federal foreign business income tax credit from Schedule 21 . . . . . 636 _____

Accelerated tax reduction from amount N on page 4 . . . . . 637 _____

Resource deduction from line 438 on page 5 . . . . . _____ 10

General tax reduction for CCPCs from amount L on page 5 . . . . . 638 _____

General tax reduction from amount U on page 5 . . . . . 639 _____

Federal logging tax credit from Schedule 21 . . . . . 640 _____

Federal political contribution tax credit . . . . . 644 _____

Federal political contributions 646 _____

Federal qualifying environmental trust tax credit . . . . . 648 _____

Investment tax credit from Schedule 31 . . . . . 652 _____

Apprenticeship job creation tax credit . . . . . _____ 11

Subtotal _____ ▶ _____ F

Part I tax payable – Line E **minus** line F (enter amount G on line 700 of page 8) . . . . . _____ G

Summary of tax and credits

Federal tax

Part I tax payable from page 7	700	
Part I.3 tax payable from Schedule 33, 34, or 35	704	
Part II surtax payable from Schedule 46	708	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		

Add provincial or territorial tax:

Provincial or territorial jurisdiction 750 Ontario
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Québec, Ontario, and Alberta)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	
Total tax payable	770	A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from page 6	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit refund (Form T1131)	796	
Film or video production services tax credit refund (Form T1177)	797	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Royalties deductible under Syncrude Remission Order	815	
Tax remitted under Syncrude Remission Order	816	
Tax instalments paid	840	
Total credits	890	B
Balance (line A **minus** line B)		

Refund code 894 Overpayment

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.
Generally, we do not charge or refund a difference of $2 or less.

Balance unpaid

Enclosed payment 898

Direct deposit request

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

☐ Start ☐ Change information 910 Branch number

914 Institution number 918 Account number

If the corporation is a Canadian-controlled private corporation throughout the taxation year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

I, 950 BUBISH (Last name) 951 KAREN (First name) 954 OFFICER (Position, office, or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation 956 (905) 563-5550 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

990 Indicate the language in which you would like to receive correspondence.
Indiquer la langue de correspondance de votre choix.
1 English / Anglais ☒ 2 Français / French ☐

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GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 100

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

Balance sheet information

Account	Description	GIFI		Amount	Prior year
	Assets				
	Total current assets	1599	+	603,897	300,917
	Total tangible capital assets	2008	+	7,241,691	7,901,143
	Total accumulated amortization of tangible capital assets	2009	–		
	Total intangible capital assets	2178	+		
	Total accumulated amortization of intangible capital assets	2179	–		
	Total long-term assets	2589	+		110,000
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	7,845,588	8,312,060
	Liabilities				
	Total current liabilities	3139	+	107,799	6,106,561
	Total long-term liabilities	3450	+	6,296,000	
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	6,403,799	6,106,561
	Shareholder equity				
	Total shareholder equity (mandatory field)	3620	+	1,441,789	2,205,499
	Total liabilities and shareholder equity	3640	=	7,845,588	8,312,060
	Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849	=	-958,311	-194,601

* Generic item

Current Assets

Form identifier 1599

Account	Description	GIFI		Amount	Prior year
Cash and deposits					
	* Cash and deposits	1000		26,534	35,643
	Cash	1001			
	Deposits in Canadian banks and institutions – Canadian currency	1002			
	Deposits in Canadian banks and institutions – foreign currency	1003			
	Deposits in foreign banks – Canadian currency	1004			
	Deposits in foreign banks – foreign currency	1005			
	Credit union central deposits	1006			
	Other cash like instruments	1007			
	Cash and deposits		+	26,534	35,643
Accounts receivable					
	* Accounts receivable	1060		88,278	86,121
	Trade accounts receivable	1062			
	Trade accounts receivable from related parties	1064			
	Taxes receivable	1066		486,552	2,009
	Interest receivable	1067			
	Holdbacks receivable	1068			
	Leases receivable	1069			
	Accounts receivable from employees	1071			
	Amounts receivable from members of NPOs	1073			
	Accounts receivable		+	574,830	88,130
Allowance for doubtful accounts					
	* Allowance for doubtful accounts	1061			
	Allowance for doubtful trade accounts receivable	1063			
	Allowance for doubtful trade accounts receivable from related parties	1065			
	Allowance for doubtful amounts contained in leases receivable	1070			
	Allowance for doubtful accounts receivable from employees	1072			
	Allowance for doubtful accounts		–		
Inventories					
	* Inventories	1120			
	Inventory of goods for sale	1121			
	Inventory parts and supplies	1122			
	Inventory properties	1123			
	Inventory of aggregates	1124			
	Work in progress	1125			
	Raw materials	1126			
	Inventory of securities	1127			
	Inventories		+		
Short-term investments					
	* Short-term investments	1180			
	Canadian term deposits	1181			
	Canadian shares	1182			
	Canadian bonds	1183			
	Canadian treasury bills	1184			
	Securities purchased under resale agreements	1185			
	Other short-term Canadian investments	1186			
	Short-term foreign investments	1187			
	Short-term investments		+		

Loans and notes receivable

* Loans and notes receivable	1240			
Demand loans receivable	1241			
Other loans receivable	1242			
Notes receivable	1243			
Mortgages receivable	1244			
Loans and notes receivable		+		

Due from shareholder(s)/director(s)

* Due from shareholder(s)/director(s)	1300			
Due from individual shareholder(s)	1301			
Due from corporate shareholder(s)	1302			
Due from director(s)	1303			
Due from shareholder(s)/director(s)		+		

* Investment in joint venture(s)/partnership(s)	1360	+		

* Due from joint venture(s)/partnership(s)	1380	+		

Due from/investment in related parties

* Due from/investment in related parties	1400			
Demand notes from related parties	1401			
Interest receivable from related parties	1402			
Loans/advances due from related parties	1403			
Due from/investment in related parties		+		

* Customers' liability under acceptances	1460	+		

Other current assets

* Other current assets	1480			177,144
Future (deferred) income taxes	1481			
Accrued investment income	1482			
Taxes recoverable/refundable	1483			
Prepaid expenses	1484		2,533	
Drilling advances	1485			
Security/tender deposits	1486			
Other current assets		+	2,533	177,144

Total current assets	1599	=	603,897	300,917

* Generic item

Tangible Capital Assets and Accumulated Amortization

Form identifier 2008/2009

Account	Description	GIFI		Tangible capital assets		Accumulated amortization	Prior year
Land							
	* Land	1600	+				
	Land improvements	1601	+				
	Accumulated amortization of land improvements	1602			–		
	Total						
Depletable assets							
	* Depletable assets	1620	+				
	*Accumulated amortization of depletable assets	1621			–		
	Petroleum and natural gas properties	1622	+				
	Accumulated amortization of petroleum and natural gas properties	1623			–		
	Mining properties	1624	+				
	Accumulated amortization of mining properties	1625			–		
	Deferred exploration and development charges	1626	+				
	Accumulated amortization of deferred exploration and development charges	1627			–		
	Quarries	1628	+				
	Accumulated amortization of quarries	1629			–		
	Gravel pits	1630	+				
	Accumulated amortization of gravel pits	1631			–		
	Timber limits	1632	+				
	Accumulated amortization of timber limits	1633			–		
	Total						
Buildings							
	* Buildings	1680	+				
	*Accumulated amortization of buildings	1681			–		
	Manufacturing and processing plant	1682	+				
	Accumulated amortization of manufacturing and processing plant	1683			–		
	Buildings under construction	1684	+				
	Total						
Machinery, equipment, furniture and fixtures							
	* Machinery, equipment, furniture, and fixtures	1740	+	7,241,691			7,901,143
	*Accumulated amortization of machinery, equipment, furniture, and fixtures	1741			–		
	Motor vehicles	1742	+				
	Accumulated amortization of motor vehicles	1743			–		
	Tools and dies	1744	+				
	Accumulated amortization of tools and dies	1745			–		
	Construction and excavating equipment	1746	+				
	Accumulated amortization of construction and excavating equipment	1747			–		
	Forestry and logging equipment	1748	+				
	Accumulated amortization of forestry and logging equipment	1749			–		
	Fishing gear and nets	1750	+				
	Accumulated amortization of fishing gear and nets	1751			–		
	Mining equipment	1752	+				
	Accumulated amortization of mining equipment	1753			–		
	Oil and gas systems	1754	+				

Machinery, equipment, furniture and fixtures (continued)

	Accumulated amortization of oil and gas systems	1755		–	
	Production equipment for resource industries	1756	+		
	Accumulated amortization of production equipment for resource industries	1757		–	
	Production equipment for other than resource industries	1758	+		
	Accumulated amortization of production equipment for other than resource industries	1759		–	
	Exploration equipment	1760	+		
	Accumulated amortization of exploration equipment	1761		–	
	Shipping equipment	1762	+		
	Accumulated amortization of shipping equipment	1763		–	
	Ships and boats	1764	+		
	Accumulated amortization of ships and boats	1765		–	
	Aircraft	1766	+		
	Accumulated amortization of aircraft	1767		–	
	Signs	1768	+		
	Accumulated amortization of signs	1769		–	
	Small tools	1770	+		
	Accumulated amortization of small tools	1771		–	
	Radio and communication equipment	1772	+		
	Accumulated amortization of radio and communication equipment	1773		–	
	Computer equipment/software	1774	+		
	Accumulated amortization of computer equipment/software	1775		–	
	Musical instruments	1776	+		
	Accumulated amortization of musical instruments	1777		–	
	Satellites	1778	+		
	Accumulated amortization of satellites	1779		–	
	Earth stations	1780	+		
	Accumulated amortization of earth stations	1781		–	
	Machinery and equipment under construction	1782	+		
	Transportation equipment	1783	+		
	Accumulated amortization of transportation equipment	1784		–	
	Other machinery and equipment	1785	+		
	Accumulated amortization of other machinery and equipment	1786		–	
	Furniture and fixtures	1787	+		
	Accumulated amortization of furniture and fixtures	1788		–	
	Total			7,241,691	

Other tangible capital assets

	* Other tangible capital assets	1900	+		
	*Accumulated amortization of other tangible capital assets	1901		–	
	Logging roads	1902	+		
	Accumulated amortization of logging roads	1903		–	
	Asphalt and parking areas	1904	+		
	Accumulated amortization of asphalt and parking areas	1905		–	
	Wharves	1906	+		
	Accumulated amortization of wharves	1907		–	

Other tangible capital assets (continued)

	Fences	1908	+			
	Accumulated amortization of fences	1909			–	
	Capital leases – buildings	1910	+			
	Accumulated amortization of capital leases – buildings	1911			–	
	Capital leases – equipment	1912	+			
	Accumulated amortization of capital leases – equipment	1913			–	
	Capital leases – vehicles	1914	+			
	Accumulated amortization of capital leases – vehicles	1915			–	
	Capital leases – others	1916	+			
	Accumulated amortization of capital leases – others	1917			–	
	Leasehold improvements	1918	+			
	Accumulated amortization of leasehold improvements	1919			–	
	Other capital assets under construction	1920	+			
	Campsites	1921	+			
	Accumulated amortization of campsites	1922			–	
	Total					

	Total tangible capital assets	2008	=	7,241,691	7,901,143

	Total accumulated amortization of tangible capital assets	2009	=		

***** Generic item

Current Liabilities

Form identifier 3139

Account	Description	GIFI		Amount	Prior year
	* Bank overdraft	2600	+		

Amounts payable and accrued liabilities

	* Amounts payable and accrued liabilities	2620		107,799	56,561
	Trade payables	2621			
	Trade payables to related parties	2622			
	Holdbacks payable	2623			
	Wages payable	2624			
	Management fees payable	2625			
	Bonuses payable	2626			
	Employee deductions payable	2627			
	Withholding taxes payable	2628			
	Interest payable	2629			
	Amounts payable to members of NPOs	2630			
	Amounts payable and accrued liabilities		+	107,799	56,561

	* Taxes payable	2680	+		

Short-term debt

	* Short-term debt	2700			
	Loans from Canadian banks	2701			
	Liability for securities sold short	2702			
	Liability for securities sold under repurchase agreements	2703			
	Gold and silver certificates	2704			
	Cheques and other items in transit	2705			
	Lien notes	2706			
	Short-term debt		+		

	* Deferred income	2770	+		

Due to shareholder(s)/director(s)

	* Due to shareholder(s)/director(s)	2780			
	Due to individual shareholder(s)	2781			
	Due to corporate shareholder(s)	2782			
	Due to director(s)	2783			
	Due to shareholder(s)/director(s)		+		

	* Due to joint venture(s)/partnership(s)	2840	+		

Due to related parties

	* Due to related parties	2860			50,000
	Demand notes due to related parties	2861			
	Interest payable to related parties	2862			
	Advances due to related parties	2863			
	Due to related parties		+		50,000

	* Current portion of long-term liability	2920	+	6,000,000

	* Bankers' acceptances	2940	+	

Other current liabilities

	* Other current liabilities	2960		
	Deposits received	2961		
	Dividends payable	2962		
	Future (deferred) income taxes	2963		
	Reserves for guarantees, warranties, or indemnities	2964		
	General provisions/reserves	2965		
	Crew shares	2966		
	Other current liabilities		+	

	Total current liabilities	3139	=	107,799	6,106,561

* Generic item

Long-term Liabilities

Form identifier 3450

Account	Description	GIFI		Amount	Prior year
	Long-term debt				
	* Long-term debt	3140		5,882,000	
	Mortgages	3141			
	Farm credit corporation loan	3142			
	Chartered bank loan	3143			
	Credit Union/Caisse Populaire loan	3144			
	Provincial government loan	3145			
	Supply company loan	3146			
	Private loan	3147			
	Central, league, and federation loans	3148			
	Line of credit	3149			
	Liability for securities sold short	3150			
	Liability for securities sold under repurchase agreements	3151			
	Lien notes	3152			
	Long-term debt		+	5,882,000	
	* Deposit liabilities of financial institutions	3200	+		
	* Bonds and debentures	3210	+		
	* Deferred income	3220	+		
	* Future (deferred) income taxes	3240	+	414,000	
	Due to shareholder(s)/director(s)				
	* Due to shareholder(s)/director(s)	3260			
	Due to individual shareholder(s)	3261			
	Due to corporate shareholder(s)	3262			
	Due to director(s)	3263			
	Due to shareholder(s)/director(s)		+		
	* Due to members	3270	+		
	* Due to joint venture(s)/partnership(s)	3280	+		
	Due to related parties				
	* Due to related parties	3300			
	Amounts owing to related Canadian parties	3301			
	Amounts owing to related foreign parties	3302			
	Due to related parties		+		

Other long-term liabilities

	* Other long-term liabilities	3320		
	Long-term obligations/commitments/capital leases	3321		
	Reserves for guarantees, warranties, or indemnities	3322		
	Provision for site restoration	3323		
	Contributions to qualifying environmental trust	3324		
	General provisions/reserves	3325		
	Preference shares restated	3326		
	Member allocations	3327		
	Deferred revenue from incomplete contracts	3328		
	Other long-term liabilities		+	

	Total long-term liabilities	3450	= 6,296,000	

* Generic item

Shareholder Equity

Form identifier 3620

Account	Description	GIFI		Amount	Prior year
	* Common shares	3500	+	100	100
	* Preferred shares	3520	+	2,400,000	2,400,000
Contributed and other surplus					
	* Contributed and other surplus	3540			
	Contributed surplus	3541			
	Appraisal surplus	3542			
	General reserve	3543			
	Contributed and other surplus		+		
	* Head office account	3570	+		
	* Retained earnings/deficit	3600	+	-958,311	-194,601
	Total shareholder equity	3620	=	1,441,789	2,205,499

* Generic item

Retained Earnings/Deficit

Form identifier 3849

Account	Description	GIFI		Amount	Prior year
	* Retained earnings/deficit – start	3660	+	-194,601	-62,641
	* Net income/loss	3680	+	-763,710	-131,960
Dividends declared					
	* Dividends declared	3700			
	Cash dividends	3701			
	Patronage dividends	3702			
	Dividends declared		–		
	* Prior period adjustments	3720	+		
Other items affecting retained earnings					
	* Other items affecting retained earnings	3740			
	Share redemptions	3741			
	Special reserves	3742			
	Currency adjustments	3743			
	Unusual revenue items	3744			
	Interfund transfer	3745			
	Other items affecting retained earnings		+		
	Retained earnings/deficit – end	3849	=	-958,311	-194,601

* Generic item

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GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 125

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

Income statement information

Description	GIFI

Operating name	0001	
Description of the operation	0002	
Sequence Number	0003	01

Account	Description	GIFI		Amount	Prior year
Income statement information					
	Total sales of goods and services	8089	+	506,060	369,921
	Cost of sales	8518	–		
	Gross profit/loss	8519	=	506,060	369,921
	Cost of sales	8518	+		
	Total operating expenses	9367	+	796,566	616,244
	Total expenses (mandatory field)	9368	=	796,566	616,244
	Total revenue (mandatory field)	8299	+	537,856	374,284
	Total expenses (mandatory field)	9368	–	796,566	616,244
	Net non-farming income	9369	=	-258,710	-241,960
Farming income statement information					
	Total farm revenue (mandatory field)	9659	+		
	Total farm expenses (mandatory field)	9898	–		
	Net farm income	9899	=		
	Net income/loss before taxes and extraordinary items	9970	=	-258,710	-241,960
Extraordinary items and income (linked to Schedule 140)					
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–		
	Current income taxes	9990	–	-19,000	
	Deferred income tax provision	9995	–	524,000	-110,000
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	-763,710	-131,960

Revenue

Form identifier 8299

Account	Description	GIFI		Amount	Prior year
	* Trade sales of goods and services	8000	+	506,060	369,921
	* Sales of goods and services to related parties	8020	+		
	* Interdivisional sales	8030	+		
Sales from resource properties					
	* Sales from resource properties	8040			
	Petroleum and natural gas sales	8041			
	Petroleum and natural gas sales to related parties	8042			
	Gas marketing	8043			
	Processing revenue	8044			
	Pipeline revenue	8045			
	Seismic sales	8046			
	Mining revenue	8047			
	Coal revenue	8048			
	Oil sands revenue	8049			
	Royalty income	8050			
	Oil and gas partnership/joint venture income/loss	8051			
	Mining partnership/joint venture income/loss	8052			
	Other production revenue	8053			
	Sales from resource properties		+		
	Total sales of goods and services	8089	=	506,060	369,921
Investment revenue					
	* Investment revenue	8090		31,796	3,843
	Interest from foreign sources	8091			
	Interest from Canadian bonds and debentures	8092			
	Interest from Canadian mortgage loans	8093			
	Interest from other Canadian sources	8094			
	Dividend income	8095			
	Dividends from Canadian sources	8096			
	Dividends from foreign sources	8097			
	Investment revenue		+	31,796	3,843
Interest income (financial institutions)					
	* Interest income (financial institutions)	8100			
	Loan interest	8101			
	Securities interest	8102			
	Deposits with banks interest	8103			
	Interest income (financial institutions)		+		
Commission revenue					
	* Commission revenue	8120			
	Commission income on real estate transactions	8121			
	Commission revenue		+		

Rental revenue

* Rental revenue	8140			520
Real estate rental revenue	8141			
Film rental revenue	8142			
Rental revenue		+		520

* Vehicle leasing	8150	+		

Fishing revenue

* Fishing revenue	8160			
Fish products	8161			
Other marine products	8162			
Fishing grants, credits, and rebates	8163			
Fishing subsidies	8164			
Compensation for loss of fishing income or property	8165			
Sharesman income	8166			
Fishing revenue		+		

Realized gains/losses on disposal of assets

* Realized gains/losses on disposal of assets	8210			
Realized gains/losses on sale of investments	8211			
Realized gains/losses on sale of resource properties	8212			
Realized gains/losses on disposal of assets		+		

NPO amounts received

* Non-Profit organizations amounts received	8220			
Membership fees	8221			
Assessments	8222			
Gifts	8223			
Gross sales and revenues from organizational activities	8224			
NPO amounts received		+		

Other revenue

* Other revenue	8230			
Foreign exchange gains/losses	8231			
Income/loss of subsidiaries/affiliates	8232			
Income/loss of other divisions	8233			
Income/loss of joint ventures	8234			
Income/loss of partnerships	8235			
Realization of deferred revenues	8236			
Royalty income other than resource	8237			
Alberta royalty tax credits	8238			
Management and administration fees	8239			
Telecommunications revenue	8240			
Consulting fees	8241			
Subsidies and grants	8242			
Sale of by-products	8243			
Deposit services	8244			
Credit services	8245			
Card services	8246			
Patronage dividends	8247			
Insurance recoveries	8248			
Expense recoveries	8249			
Bad debt recoveries	8250			
Other revenue		+		

Total revenue	8299	=	537,856	374,284

* Generic item

Operating Expenses

Form identifier 9367

Account	Description	GIFI		Amount	Prior year
	Advertising and promotion				
	* Advertising and promotion	8520			
	Advertising	8521			
	Donations	8522			
	Meals and entertainment	8523			
	Promotion	8524			
	Advertising and promotion		+		
	* Amortization of intangible assets	8570	+		
	* Bad debt expense	8590	+		
	Loan losses				
	* Loan losses	8610			
	Provision for loan losses	8611			
	Loan losses		+		
	Employee benefits				
	* Employee benefits	8620			
	Group insurance benefits	8621			
	Employer's portion of employee benefits	8622			
	Contributions to deferred income plans	8623			
	Employee benefits		+		
	* Amortization of natural resource assets	8650	+		
	* Amortization of tangible assets	8670	+	192,468	192,468
	Insurance				
	* Insurance	8690			
	Life insurance on executives	8691			
	Insurance		+		
	Interest and bank charges				
	* Interest and bank charges	8710		430,753	354,821
	Interest on short-term debt	8711			
	Interest on bonds and debentures	8712			
	Interest on mortgages	8713			
	Interest on long-term debt	8714			
	Bank charges	8715			
	Credit card charges	8716			
	Collection and credit costs	8717			
	Interest and bank charges		+	430,753	354,821

Interest paid (financial institutions)

*	Interest paid (financial institutions)	8740		
	Interest paid on deposits	8741		
	Interest paid on bonds and debentures	8742		
	Interest paid (financial institutions)	+		

Business taxes, licences, and memberships

*	Business taxes, licences, and memberships	8760		
	Memberships	8761		
	Business taxes	8762		
	Franchise fees	8763		
	Government fees	8764		
	Business taxes, licences, and memberships	+		

*	New Brunswick tax on large corporations	8780	+	

*	Nova Scotia tax on large corporations	8790	+	

Office expenses

*	Office expenses	8810		
	Office stationery and supplies	8811		
	Office utilities	8812		
	Data processing	8813		
	Office expenses	+		

Professional fees

*	Professional fees	8860		
	Legal fees	8861		
	Accounting fees	8862		
	Consulting fees	8863		
	Architect fees	8864		
	Appraisal fees	8865		
	Laboratory fees	8866		
	Medical fees	8867		
	Veterinary fees	8868		
	Brokerage fees	8869		
	Transfer fees	8870		
	Management and administration fees	8871	173,345	68,955
	Refining and assay	8872		
	Registrar and transfer agent fees	8873		
	Restructuring costs	8874		
	Security commission fees	8875		
	Training expense	8876		
	Studio and recording	8877		
	Professional fees	+	173,345	68,955

Rental

	* Rental	8910		
	Real estate rental	8911		
	Occupancy costs	8912		
	Condominium fees	8913		
	Equipment rental	8914		
	Motor vehicle rentals	8915		
	Moorage (boat)	8916		
	Storage	8917		
	Quota rental	8918		
	Rental		+	

Repairs and maintenance

	* Repairs and maintenance	8960		
	Repairs and maintenance – buildings	8961		
	Repairs and maintenance – vehicles	8962		
	Repairs and maintenance – boats	8963		
	Repairs and maintenance – machinery and equipment	8964		
	Repairs and maintenance		+	

Other repairs and maintenance

	* Other repairs and maintenance	9010		
	Machine shop expense	9011		
	Road costs	9012		
	Security	9013		
	Garbage removal	9014		
	Other repairs and maintenance		+	

Salaries and wages

	* Salaries and wages	9060		
	Commissions	9061		
	Crew share	9062		
	Bonuses	9063		
	Directors fees	9064		
	Management salaries	9065		
	Employee salaries	9066		
	Salaries and wages		+	

	* Sub-contracts	9110	+	

Supplies

	* Supplies	9130		
	Small tools	9131		
	Shop expense	9132		
	Uniforms	9133		
	Laundry	9134		
	Food and catering	9135		
	Fishing gear	9136		
	Nets and traps	9137		
	Salt, bait, and ice	9138		
	Camp supplies	9139		
	Computer-related expenses	9150		
	Upgrade	9151		
	Internet	9152		
	Supplies		+	

	* Property taxes	9180	+		

Travel expenses

	* Travel expenses	9200			
	Meetings and conventions	9201			
	Travel expenses		+		

Utilities

	* Utilities	9220			
	Electricity	9221			
	Water	9222			
	Heat	9223			
	Fuel costs	9224			
	Telephone et telecommunications	9225			
	Utilities		+		

Other expenses

	* Other expenses	9270			
	Cash over/short	9271			
	Reimbursement of parent company expense	9272			
	Selling expenses	9273			
	Shipping and warehouse expense	9274			
	Delivery, freight and express	9275			
	Warranty expenses	9276			
	Royalty expenses – resident	9277			
	Royalty expenses – non-resident	9278			
	Dumping charges	9279			
	Land fill fees	9280			
	Vehicle expenses	9281			
	Research and development	9282			
	Withholding taxes	9283			
	General and administrative expenses	9284			
	Interdivisional expenses	9285			
	Interfund transfer	9286			
	Other expenses		+		

	Total operating expenses	9367	=	796,566	616,244

* Generic item

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SCHEDULE 141

NOTES CHECKLIST

Corporation's name	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

- This schedule should be completed from the perspective of the person who prepared or reported on the **financial statements**. This person is referred to as the "accounting practitioner", in this schedule.
- For more information, see RC4088, *Guide to the General Index of Financial Information (GIFI) for Corporations* and T4012, *T2 Corporation – Income Tax Guide*.
- Attach a copy of this schedule, along with any Notes to the financial statements, to the GIFI.

Part 1 – Accounting practitioner information

Does the accounting practitioner have a professional designation? . . . . . **095** 1 Yes [X] 2 No [ ]

Is the accounting practitioner connected* with the corporation? . . . . . **097** 1 Yes [ ] 2 No [X]

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note
If the accounting practitioner does not have a professional designation **or** is connected with the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4.

Part 2 – Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner: **198**

Completed an auditor's report	1	[X]
Completed a review engagement report	2	[ ]
Conducted a compilation engagement	3	[ ]

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation? . . . . . **099** 1 Yes [ ] 2 No [X]

Part 4 – Other information

Were notes to the financial statements prepared? . . . . . **101** 1 Yes [X] 2 No [ ]

If *Yes*, complete lines 102 to 107 below:

Are any values presented at other than cost? . . . . . **102** 1 Yes [ ] 2 No [X]

Has there been a change in accounting policies since the last return? . . . . . **103** 1 Yes [ ] 2 No [X]

Are subsequent events mentioned in the notes? . . . . . **104** 1 Yes [ ] 2 No [X]

Is re-evaluation of asset information mentioned in the notes? . . . . . **105** 1 Yes [ ] 2 No [X]

Is contingent liability information mentioned in the notes? . . . . . **106** 1 Yes [ ] 2 No [X]

Is information regarding commitments mentioned in the notes? . . . . . **107** 1 Yes [ ] 2 No [X]

Does the corporation have investments in joint venture(s) or partnership(s)? . . . . . **108** 1 Yes [ ] 2 No [X]

If *Yes*, complete line 109 below:

Are you filing financial statements of the joint venture(s) or partnership(s)? . . . . . **109** 1 Yes [ ] 2 No [ ]

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SCHEDULE 1

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Corporation's name	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

- 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. For more information, see the T2 *Corporation Income Tax Guide*.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items per financial statements				-763,710 A
Add:				
Provision for income taxes – current	101	-19,000		
Provision for income taxes – deferred	102	524,000		
Amortization of tangible assets	104	192,468		
Subtotal of additions		697,468	▶	697,468
Other additions:				
Miscellaneous other additions:				
Subtotal of other additions	199	0	▶	0
Total additions	500	697,468	▶	697,468
Deduct:				
Capital cost allowance from Schedule 8	403	247,701		
Subtotal of deductions		247,701	▶	247,701
Other deductions:				
Miscellaneous other deductions:				
700 ITC income recorded for accounting purposes	390	30,632		
Subtotal of other deductions	499	30,632	▶	30,632
Total deductions	510	278,333	▶	278,333
Net income (loss) for income tax purposes – enter on line 300 of the T2 return				-344,575

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SCHEDULE 4

CORPORATION LOSS CONTINUITY AND APPLICATION

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to previous years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For information on these losses, see the *T2 Corporation Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-344,575
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)		
Taxable dividends deductible under sections 112, 113, or subsection 138(6)		
Amount of Part VI.1 tax deductible		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)		
Subtotal (if positive, enter "0")		-344,575
Deduct: (increase a loss)		
Section 110.5 and/or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions		
Subtotal		-344,575
Add: (decrease a loss)		
Current-year farm loss		
Current-year non-capital loss (if positive, enter "0")		-344,575

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding taxation year		225,765	
Deduct: Non-capital loss expired *	100		
Non-capital losses at beginning of taxation year	102	225,765	
Add: Non-capital losses transferred on an amalgamation or the windup of a subsidiary corporation	105		
Current-year non-capital loss (from calculation above)	110	344,575	570,340
Deduct:			
Amount applied against taxable income (enter on line 331 of the T2 return)	130		
Amount applied against taxable dividends subject to Part IV tax	135		
Section 80 – Adjustments for forgiven amounts	140		
Subsection 111(10) – Adjustments for fuel tax rebate			
Other adjustments	150		
Subtotal			570,340
Deduct – Request to carry back non-capital loss to:			
First preceding taxation year to reduce taxable income	901		
Second preceding taxation year to reduce taxable income	902		
Third preceding taxation year to reduce taxable income	903		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	911		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	912		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	913		
Non-capital losses – Closing balance	180		570,340

* A non-capital loss expires as follows:

- After **7** taxation years if it arose in a taxation year ending before March 23, 2004;
  or
- After **10** taxation years if it arose in a taxation year ending after March 22, 2004.

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator . . . . . **190** Yes ☐

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

Part 2 – Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding taxation year	200		
Capital losses transferred on an amalgamation or the windup of a subsidiary corporation	205		
Current-year capital loss (from Schedule 6 calculation)	210		
Add:			
Allowable business investment loss expired as non-capital loss _____ x 4/3	220		
Deduct: Subtotal			
Amount applied against current-year capital gain (see Note 1)	225		
Section 80 – Adjustments for forgiven amounts	240		
Other adjustments	250		
Subtotal			

Deduct – Request to carry back capital loss to: (see Note 2)

	Capital gain (100%)		Amount carried back (100%)		
First preceding taxation year		951			
Second preceding taxation year		952			
Third preceding taxation year		953			
Capital losses – Closing balance				280	

Note 1
On line 332 of the T2 return, enter the amount from line 225 multiplied by 50%.

Note 2
Enter on lines 225, 951, 952, or 953, whichever applies, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding taxation year			
Deduct: Farm loss expired after 10 taxation years	300		
Farm losses at beginning of taxation year	302		
Add: Farm losses transferred on an amalgamation or the windup of a subsidiary corporation	305		
Current-year farm loss	310		
Deduct:			
Amount applied against taxable income (enter on line 334 of the T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
Section 80 – Adjustments for forgiven amounts	340		
Other adjustments	350		
Subtotal			

Deduct – Request to carry back farm loss to:

First preceding taxation year to reduce taxable income	921		
Second preceding taxation year to reduce taxable income	922		
Third preceding taxation year to reduce taxable income	923		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	931		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	932		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	933		
Farm losses – Closing balance		380	

Part 4 – Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485			A
Minus the deductible farm loss:				
$2,500 plus B or C, whichever is less		$ 2,500		
(Amount A above _____ – $2,500) divided by 2 =		_____ B		
		$ 6,250 C		2,500
Current-year restricted farm loss (enter this amount on line 410 of page 3)				

Part 4 – Restricted farm losses (continued)

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding taxation year			
Deduct: Restricted farm loss expired after 10 taxation years	400		
Restricted farm losses at beginning of taxation year	402		
Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation	405		
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410		
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430		
Section 80 – Adjustments for forgiven amounts	440		
Other adjustments	450		
		Subtotal	
Deduct – Request to carry back restricted farm loss to:			
First preceding taxation year to reduce farming income	941		
Second preceding taxation year to reduce farming income	942		
Third preceding taxation year to reduce farming income	943		
Restricted farm losses – Closing balance		480	

Note

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

Part 5 – Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding taxation year			
Deduct: Listed personal property loss expired after seven taxation years		500	
Listed personal property losses at beginning of taxation year		502	
Add: Current-year listed personal property loss (from Schedule 6)		510	
		Subtotal	
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530		
Other adjustments	550		
		Subtotal	
Deduct – Request to carry back listed personal property loss to:			
First preceding taxation year to reduce listed personal property gains	961		
Second preceding taxation year to reduce listed personal property gains	962		
Third preceding taxation year to reduce listed personal property gains	963		
Listed personal property losses – Closing balance		580	

Part 7 – Limited partnership losses

Current-year limited partnership losses						
1	2	3	4	5	6	7
Partnership identifier 600	Fiscal period ending 602	Corporation's share of limited partnership loss 604	Corporation's at-risk amount 606	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses 608	Column 4 **minus** column 5 If negative, enter "0".	Current-year limited partnership losses Column 3 - 6 620

Total (enter this amount on line 222 of Schedule 1) _____

Limited partnership losses from prior taxation years that may be applied in the current year						
1	2	3	4	5	6	7
Partnership identifier 630	Fiscal period ending 632	Limited partnership losses at end of preceding taxation year 634	Corporation's at-risk amount 636	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses 638	Column 4 **minus** column 5 If negative, enter "0".	Limited partnership losses that may be applied in the year The lesser of columns 3 and 6 650

Continuity of limited partnership losses that can be carried forward to future taxation years					
Partnership identifier 660	Limited partnership losses at end of preceding taxation year 662	Limited partnership losses transferred on an amalgamation or the windup of a subsidiary 664	Current-year limited partnership losses (from column 620) 670	Limited partnership losses applied (cannot exceed column 650) 675	Limited partnership losses closing balance (662 + 664 + 670 - 675) 680

Total (enter this amount on line 335 of the T2 return) _____

Non-Capital Loss Continuity Workchart

Part 6 – Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce: Taxable income	Applied to reduce: Part IV tax	Balance at end of year
Current	N/A	344,575			N/A		344,575
2004	225,765	N/A		N/A			225,765
2003		N/A		N/A			
2002		N/A		N/A			
2001		N/A		N/A			
2000		N/A		N/A			
1999		N/A		N/A			
1998		N/A		N/A			*
Total	225,765	344,575					570,340

Farm losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce: Taxable income	Applied to reduce: Part IV tax	Balance at end of year
Current	N/A				N/A		
2004		N/A		N/A			
2003		N/A		N/A			
2002		N/A		N/A			
2001		N/A		N/A			
2000		N/A		N/A			
1999		N/A		N/A			
1998		N/A		N/A			
1997		N/A		N/A			
1996		N/A		N/A			
1995		N/A		N/A			*
Total							

Restricted farm losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce: Taxable income	Applied to reduce: Part IV tax	Balance at end of year
Current	N/A				N/A	N/A	
2004		N/A		N/A		N/A	
2003		N/A		N/A		N/A	
2002		N/A		N/A		N/A	
2001		N/A		N/A		N/A	
2000		N/A		N/A		N/A	
1999		N/A		N/A		N/A	
1998		N/A		N/A		N/A	
1997		N/A		N/A		N/A	
1996		N/A		N/A		N/A	
1995		N/A		N/A		N/A	*
Total						N/A	

* **This balance expires this year and will not be available next year.**

Capital Cost Allowance (CCA) Workchart

Class number **200** 1 Description Building and Transfo

CCA other than classes 10.1 and 13

Terminal loss? Y/N N Resource asset? Y/N N Is the corporation electing under reg. 1101(5q) (to place this property in a separate class for rapidly depreciating electronic equipment?) Y/N **101** N

			Federal	Ontario	Québec	Alberta	
CCA rate	**212**		4.00	4.00	4.00	4.00	
UCC (opening)	**201**		6,192,518	6,192,518	6,192,518	6,192,518	**1**
ITC (prior year)	**205**	–					**2**
GST/PST rebate	**205**	–					**3**
Adjustments	**205**	+/-					**4**
Additions (1/2 year rule)	**203**	+					**5**
Additions (full year rule)	**203**	+					**6**
Disposals	**207**	–					**7**
Balance before CCA		=	6,192,518	6,192,518	6,192,518	6,192,518	**8**
1/2 of net additions	**211**	–					**9**
Balance for CCA		=	6,192,518	6,192,518	6,192,518	6,192,518	**10**
Maximum allowable CCA			247,701	247,701	247,701	247,701	**11**
CCA claimed	**217**		247,701	247,701	247,701	247,701	**12**
UCC (closing) line 8 - line 12	**220**		5,944,817	5,944,817	5,944,817	5,944,817	**13**

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SCHEDULE 8

CAPITAL COST ALLOWANCE (CCA)

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

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

	1 Class number **200**	2 Undepreciated capital cost at the beginning of the year **201**	3 Cost of acquisitions during the year* **203**	4 Net adjustments **205**	5 Proceeds of dispositions during the year (amount not to exceed the capital cost) **207**	6 Undepreciated capital cost (column 2 **plus** column 3 **plus** or **minus** column 4 **minus** column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)** **211**	8 Reduced undepreciated capital cost (column 6 **minus** column 7)	9 CCA rate % **212**	10 Recapture of capital cost allowance (amount on line 107 of Schedule 1) **213**	11 Terminal loss (amount on line 404 of Schedule 1) **215**	12 Capital cost allowance (column 8 **multiplied** by column 9; or a lower amount) (amount on line 403 of Schedule 1)*** **217**	13 Undepreciated capital cost at the end of the year (column 6 **minus** column 12) **220**
1	1	6,192,518			0	6,192,518		6,192,518	4	0	0	247,701	5,944,817
	Total	6,192,518				6,192,518		6,192,518				247,701	5,944,817

* 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).

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

*** If the taxation year is shorter than 365 days, prorate the CCA claim.
See the *T2 Corporation Income Tax Guide* for more information.

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SCHEDULE 31

INVESTMENT TAX CREDIT — CORPORATIONS

General information

1. For use by a corporation that during a taxation year:
   - earned an investment tax credit (ITC);
   - is claiming a deduction against its Part I tax payable;
   - is claiming a refund of credit earned during the current taxation year;
   - is claiming a carryforward of credit from preceding taxation years;
   - is transferring a credit following an amalgamation or wind-up of a subsidiary, as described under subsections 87(1) and 88(1) of the federal *Income Tax Act;*
   - is requesting a credit carryback; or
   - is subject to a recapture of ITC.
2. References to parts, sections, and subsections on this schedule are from the federal *Income Tax Act* and the federal *Income Tax Regulations.* References to interpretation bulletins and information circulars are to the latest versions.
3. The ITC is eligible for a three-year carryback (if not deductible in the year earned) and a ten-year carryforward.
4. Investments or expenditures, as defined in subsection 127(9) and Part XLVI of the federal *Income Tax Regulations*, that earn the ITC are:
   - qualified property;
   - certified property;
   - qualified expenditures that are part of the SR&ED qualified expenditure pool. Complete and file Form T661, *Claim for Scientific Research and Experimental Development Expenditures Carried out in Canada*; and
   - pre-production mining expenditures.
5. Attach a completed copy of this schedule with the *T2 Corporation Income Tax Return.*
6. For more information on ITCs, see the section called "Investment Tax Credit" in the *T2 Corporation – Income Tax Guide*, Information Circular IC 78-4, *Investment Tax Credit Rates,* and its related Special Release. Also, see Interpretation Bulletin IT-151, *Scientific Research and Experimental Development Expenditures.*
7. For information on SR&ED, see Interpretation Bulletin IT-151, *Scientific Research and Experimental Development Expenditures,* Information Circular 86-4, *Scientific Research and Experimental Development,* Guide T4052, *An Introduction to the Scientific Research and Experimental Development Program,* and Guide T4088, *Claiming Scientific Research and Experimental Development* (guide to Form T661).

Detailed information

1. For the purpose of this schedule, **"investment"** means:
   The capital cost of the property (excluding amounts added by an election under section 21), determined without reference to subsections 13(7.1) and 13(7.4), minus the amount of any government assistance or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property when it files the income tax return for the year in which the property was acquired.
2. An ITC deducted or refunded in a taxation year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces the capital cost of that property in the next taxation year. It also reduces the undepreciated capital cost of that class in the next taxation year. An ITC for SR&ED deducted or refunded in a taxation year will reduce the balance in the pool of deductible SR&ED expenditures and the adjusted cost base (ACB) of an interest in a partnership in the next taxation year. An ITC from pre-production mining expenditures deducted in a taxation year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next taxation year.
3. Property acquired has to be "available for use" before a claim can be made for an ITC.
4. Qualified expenditures for SR&ED and capital costs for a property qualifying for an ITC must be identified by the claimant on Form T661 and Schedule 31 no later than 12 months after the claimant's income tax return is due for the taxation year in which the expenditures or capital costs were incurred.
5. Partnership allocations – Subsection 127(8) provides for the allocation of the amount that may reasonably be considered to be a partner's share of the ITCs of the partnership at the end of the fiscal period of the partnership. An allocation of ITCs is generally considered to be the partner's reasonable share of the ITCs if it is made in the same proportion in which the partners have agreed to share any income or loss and if section 103 of the Act is not applicable for the agreement to share any income or loss. For more information, see Interpretation Bulletin IT-151.
6. For SR&ED expenditures made after February 22, 2005, the expression "in Canada" includes the "exclusive economic zone" (as defined in the Oceans Act to generally consist of an area that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil in respect of that zone. For SR&ED expenditures made prior to February 23, 2005, the expression "in Canada" generally includes the 12 nautical mile territorial sea.

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

Part 1 – Investments or expenditures, percentages, and codes

Investments	Specified percentage	Code
Qualified property acquired primarily for use in Newfoundland and Labrador, Prince Edward Island, Nova Scotia, New Brunswick, the Gaspé Peninsula, or a prescribed offshore region	10 %	14
Expenditures		
If you are a Canadian-controlled private corporation (CCPC) throughout the taxation year, code 11B may apply to you on the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %	11B
Note: If your current year's qualified expenditures are more than the corporation's expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 20 % rate.		
If you are a corporation that is not a CCPC throughout the current taxation year that incurred qualified expenditures for SR&ED in any area in Canada after 1995	20 %	3B
If you are a taxable Canadian corporation that incurred pre-production mining expenditures:		
• in 2003	5 %	–
• in 2004	7 %	–
• after 2004	10 %	–

Part 2 – Determination of a qualifying corporation

Is the corporation a qualifying corporation? **101** 1 Yes [X] 2 No [ ]

For the purpose of a refundable ITC, a **qualifying corporation** is defined under subsection 127.1(2). The corporation has to be a CCPC throughout the current taxation year and the taxable income (before any loss carrybacks) for its preceding year cannot be more than its business limit for that preceding year. If the corporation is associated with any other corporations during the taxation year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last taxation year ending in the preceding calendar year, cannot be more than the total of their business limits for that last year.

Note: A CCPC calculating a refundable ITC for taxation years ending before March 23, 2004, is considered to be associated with another corporation if it meets any of the conditions in subsection 256(1). For taxation years ending after March 22, 2004, the association rule remains the same except where:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of both corporations; and
- one of the corporations has at least one shareholder who is not common to both corporations.

If you are a qualifying corporation, you will earn a 100% refund on your share of any ITCs earned at the 35% rate on qualified current expenditures for SR&ED, up to the allocated expenditure limit. The 100% refund does not apply to qualified capital expenditures eligible for the 35% credit rate. They are only eligible for the 40% refund.

Some CCPCs that are not qualifying corporations may also earn a 100% refund on their share of any ITCs earned at the 35% rate on qualified current expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10. The 100% refund does not apply to qualified capital expenditures eligible for the 35% credit rate. They are only eligible for the 40% refund.

The 100% refund will not be available to a corporation that is an **excluded corporation** as defined under subsection 127.1(2). A corporation is an excluded corporation if, at any time during the year, it is a corporation that is either controlled by (directly or indirectly, in any manner whatever) or is related to:

a) one or more persons exempt from Part I tax under section 149;
b) Her Majesty in right of a province, a Canadian municipality, or any other public authority; or
c) any combination of persons referred to in a) or b) above.

Part 3 – Corporations in the farming industry

Complete this area if the corporation is making SR&ED contributions

Is the corporation claiming a contribution in the current year to an agricultural organization whose goal is to finance SR&ED work (for example, check-off dues)? **102** 1 Yes [ ] 2 No [X]

If *Yes*, complete Schedule 125, *Income Statement Information*, to identify the type of farming industry the corporation is involved in. For more information on Schedule 125, see the *Guide to the General Index of Financial Information (GIFI) for Corporations.*

Part 4 – Eligible investments for qualified property from the current taxation year – code 14 only

CCA* class number 105	Description of investment 110	Date available for use 115	Location used (province) 120	Amount of investment 125

*CCA: capital cost allowance

Total investment – enter in formula on line 240 in Part 5 _____

Part 5 – Calculation of current-year credit and account balances – ITC from investments in qualified property

ITC at the end of the preceding taxation year . . . . . _____

Deduct:

Credit deemed as a remittance of co-op corporations . . . . . 210 _____

Credit expired after 10 taxation years . . . . . 215 _____

Subtotal _____ ▶ _____

ITC at the beginning of the taxation year . . . . . 220 _____

Add:

Credit transferred on amalgamation or wind-up of subsidiary . . . . . 230 _____

ITC from repayment of assistance . . . . . 235 _____

Total current-year credit: total of column 125 _____ x 10 % = 240 _____

Credit allocated from a partnership . . . . . 250 _____

Subtotal _____ ▶ _____

Total credit available . . . . . _____

Deduct:

Credit deducted from Part I tax (enter on line FFF in Part 19) . . . . . 260 _____

Credit carried back to the preceding year(s) (from Part 6) . . . . . _____ A

Credit transferred to offset Part VII tax liability . . . . . 280 _____

Subtotal _____ ▶ _____

Credit balance before refund . . . . . _____ B

Deduct:

Refund of credit claimed on investments from qualified property (from Part 7) . . . . . 310 _____

ITC closing balance of investments from qualified property . . . . . 320 _____

Part 6 – Request for carryback of credit from investments in qualified property

	Year	Month	Day			
1st preceding taxation year				. . . . . Credit to be applied	901	_____
2nd preceding taxation year				. . . . . Credit to be applied	902	_____
3rd preceding taxation year				. . . . . Credit to be applied	903	_____

Total (enter on line A in Part 5) _____

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

Part 7 – Calculation of refund for qualifying corporations on investments from qualified property

Current-year ITCs (total of lines 240 and 250 in Part 5) . . . . . _____ C

Credit balance before refund (amount B from Part 5) . . . . . _____ D

Refund (40 % of amount C or D, whichever is less) . . . . . _____ E

Enter amount E or a lesser amount on line 310 in Part 5 (also enter it on line 780 of the T2 return if the corporation does not claim an SR&ED ITC refund).

Part 8 – Qualified expenditures for SR&ED

Current expenditures . . . . . **350** _____

Capital expenditures . . . . . **360** _____

Repayments made in the year (from line 560 on Form T661) . . . . . **370** _____

Total (this must equal the amount from line 570 on Form T661) . . . . . **380** _____

Part 9 – Components of the SR&ED expenditure limit calculation

Note: A CCPC that calculates SR&ED expenditure limit for taxation years ending before March 23, 2004, is considered to be associated with another corporation if it meets any of the conditions in subsection 256(1). This also applies for taxation years ending after March 22, 2004, except where:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation; and
- one of the corporations has at least one shareholder who is not common to both corporations.

Is the corporation associated with another CCPC for the purpose of calculating the SR&ED expenditure limit? . . . . . **385** 1 Yes ☐ 2 No ☒

Complete lines 390 and 395 if you answered *No* to the question at line 385 above or if the corporation is not associated with any other corporations (the amounts for associated corporations will be determined on Schedule 49). Part 9 only applies if the corporation was a CCPC throughout the current taxation year.

a) Enter your taxable income for the preceding taxation year* . . . . . **390** _____

b) Enter your reduced business limit** for the current taxation year* (this amount cannot be more than the amount at line 4 on page 4 of the T2 return) **395** 300,000

* If either of the taxation years referred to at line 390 or 395 are is less than 51 weeks, prorate the taxable income or the business limit by the number of days in these taxation years divided by 365. For details on the expression "Reduced business limit," see line 652 of the *T2 Corporation – Income Tax Guide*.

** If the corporation is claiming only a portion of the business limit from line 4 on page 4 of the T2 return because of its association with other corporations, calculate your reduced business limit as if the corporation was not associated in the current taxation year. Enter the result at line 395.

Part 10 – Calculation of SR&ED expenditure limit for a CCPC throughout the current taxation year

For stand-alone corporations: $ 5,000,000 *

Subtract: line 390 from Part 9 or $300,000*, whichever is more . . . . . 300,000 x 10 = 3,000,000

Excess (if negative, enter "0") . . . . . 2,000,000 F

Line F 2,000,000 x Line 395 / Line 4 on page 4 of the T2 return 300,000 / 300,000 = ... 2,000,000 **G

For associated corporations:

If associated, the allocation of the SR&ED expenditure limit as provided on Schedule 49 . . . . . 400 _____ **H

* If your taxation year immediately follows a taxation year that ended before 2003, the references to $5,000,000 and $300,000 should be $4,000,000 and $200,000 respectively.

** Amount G or H cannot be more than $2,000,000.

Where the taxation year of the corporation is less than 51 weeks, calculate the amount of the expenditure limit as follows:

Line G or H _____ x Number of days in the taxation year / 365 365 = ... _____ I

Your SR&ED expenditure limit for the year (enter the amount from line G, H, or I, whichever applies) . . 410 2,000,000

Part 11 – Calculation of investment tax credits on SR&ED expenditures

Enter whichever is less: current expenditures (line 350 from Part 8) or the expenditure limit (line 410 from Part 10)*	420		x	35 %	=	J
Line 350 minus line 410 (if negative, enter "0")	430		x	20 %	=	K
Line 410 minus line 350 (if negative, enter "0")		2,000,000 L				
Enter whichever is less: capital expenditures (line 360 from Part 8) or line L above*	440		x	35 %	=	M
Line 360 minus line L (if negative, enter "0")	450		x	20 %	=	N

Repayments (amount from line 370 in Part 8) . . . . . _____

If a corporation makes a repayment of any government assistance, non-government assistance, or contract payments that reduced the amount of qualified expenditures for ITC purposes, the amount of the repayment is eligible for a credit at the rate that would have applied to the repaid amount.

460		x	35 %	=
470		x	30 %	=
480		x	20 %	=
			Total	▶ _____ O

Current-year SD&ED ITC (total of lines J, K, M, N, and O; enter on line 540 in Part 12) . . . . . _____

* For corporations that are not CCPCs throughout the year, enter "0" on lines J and M.

Part 12 – Calculation of current-year credit and account balances – ITC from SR&ED expenditures

ITC at the end of the preceding taxation year				63,458
Deduct:				
Credit deemed as a remittance of co-op corporations	510			
Credit expired after 10 taxation years	515			
Subtotal			▶	
ITC at the beginning of the taxation year			520	63,458
Add:				
Credit transferred on amalgamation or wind-up of subsidiary	530			
Total current-year credit	540			
Credit allocated from a partnership	550			
Subtotal			▶	
Total credit available				63,458
Deduct:				
Credit deducted from Part I tax (enter on line GGG in Part 19)	560			
Credit carried back to the preceding year(s) (from Part 13)		P		
Credit transferred to offset Part VII tax liability	580			
Subtotal			▶	
Credit balance before refund				63,458 Q
Deduct:				
Refund of credit claimed on expenditures of SR&ED (from Part 14 or 15, whichever applies)			610	
ITC closing balance on SR&ED			620	63,458

Part 13 – Request for carryback of credit from SR&ED expenditures

	Year	Month	Day			
1st preceding taxation year				Credit to be applied	911	
2nd preceding taxation year				Credit to be applied	912	
3rd preceding taxation year				Credit to be applied	913	
				Total (enter on line P in Part 12)		

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

Part 14 – Calculation of refund of ITC for qualifying corporations – SR&ED

Complete this part only if you are a qualifying corporation as determined at line 101 on page 2.

Is the corporation an excluded corporation as defined under subsection 127.1(2)? . . . . . **650** 1 Yes ☐ 2 No ☒

Credit balance before refund (amount Q from Part 12) . . . . . 63,458 AA

Current-year ITC (lines 540 plus 550 from Part 12 **minus** line O from Part 11) _____ BB

Refundable credits (amount AA or BB, whichever is less)* . . . . . _____ CC

Amount J from Part 11 . . . . . _____ DD

Subtract: Amount CC or DD, whichever is less . . . . . _____ EE

Net amount (if negative, enter "0") . . . . . _____ FF

Amount FF _____ x 40 % . . . . . _____ GG

Add: Amount EE . . . . . _____ HH

Refund of ITC (amounts GG **plus** HH – enter this, or a lesser amount, on line 610 in Part 12) . . . . . _____ II

Enter the total of lines 310 from Part 5 and 610 from Part 12 on line 780 of the T2 return.

* If you are also an excluded corporation [as defined in subsection 127.1(2)], this amount should be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC on line II.

Part 15 – Calculation of refund of ITC for CCPCs that are not qualifying or excluded corporations – SR&ED

Complete this box only if you are a CCPC that is not a qualifying or excluded corporation as determined in Section 2 on page 2.

Credit balance before refund (amount Q from Part 12) . . . . . _____ JJ

Amount J from Part 11 . . . . . _____ KK

Subtract: Amount JJ or KK, whichever is less . . . . . _____ LL

Net amount (if negative, enter "0") . . . . . _____ MM

Amount M from Part 11 . . . . . _____ NN

Amount MM or NN, whichever is less _____ x 40 % . . . . . _____ OO

Add : Amount LL above . . . . . _____ PP

Refund of ITC (amounts OO **plus** PP) . . . . . _____ QQ

Enter QQ, or a lesser amount, on line 610 in Part 12 and also on line 780 of the T2 return.

Part 16 – Pre-production mining expenditures

Exploration information

A mineral resource that qualifies for the credit means a mineral deposit from which the principal mineral to be extracted is diamond, a base or precious metal deposit, or a mineral deposit from which the principal mineral to be extracted is an industrial mineral that, when refined, results in a base or precious metal.

In column 800, list all minerals for which pre-production mining expenditures have taken place in the taxation year and after 2002.

List of minerals 800

For each of the minerals reported in column 800 above, identify each project, mineral title, and mining division where title is registered. If there were no mineral title, identify the project and mining division only.

Project name 805	Mineral title 806	Mining division 807

Pre-production mining expenditures *

Pre-production mining expenditures that the corporation incurred in the taxation year and after 2002, for the purpose of determining the existence, location, extent, or quality of a mineral resource in Canada:

Prospecting	810		RR
Geological, geophysical, or geochemical surveys	811		SS
Drilling by rotary, diamond, percussion, or other methods	812		TT
Trenching, digging test pits, and preliminary sampling	813		UU

Pre-production mining expenditures incurred in the taxation year and after 2002 for bringing a new mine in a mineral resource in Canada into production in reasonable commercial quantities and incurred before the new mine comes into production in such quantities:

Clearing, removing overburden, and stripping	820		VV
Sinking a mine shaft, constructing an adit, or other underground entry	821		WW

Other pre-production mining expenditures incurred in the taxation year and after 2002:

Description 825	Amount 826

Add amounts at column 826 ▶ _____ XX

Total pre-production mining expenditures (add amounts RR to XX) 830 _____

Deduct: Total of all assistance (grants, subsidies, rebates, and forgivable loans) or reimbursements that the corporation has received or is entitled to receive in respect of the amounts referred to at line 830 above . . . . . 832 _____

Excess (line 830 minus line 832) (if negative, enter "0") _____ YY

Add: Repayments of government and non-government assistance . . . . . 835 _____ ZZ

Pre-production mining expenditures (amount YY plus amount ZZ) . . . . . _____ AAA

* A pre-production mining expenditure is defined under subsection 127(9) and does not include an amount renounced under subsection 66(12.6).

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

Part 17 – Calculation of current-year credit and account balances – ITC from pre-production mining expenditures

ITC at the end of the preceding taxation year . . . . . .

Deduct:

Credit deemed as a remittance of co-op corporations 841

Credit expired after 10 taxation years 845

Subtotal ▶

ITC at the beginning of the taxation year 850

Add:

Credit transferred on amalgamation or wind-up of subsidiary 860

Expenditures from line AAA, Part 16, incurred in 2003 . . . . . 865 x 5 % = BBB

Expenditures from line AAA, Part 16, incurred in 2004 . . . . . 867 x 7 % = CCC

Expenditures from line AAA, Part 16, incurred after 2004 . . . . . 870 x 10 % = DDD

Total current-year credit (add amounts BBB, CCC, and DDD) . . . . . 880 ▶

Total credit available . . . . . .

Deduct:

Credit deducted from Part I tax (enter on line HHH in Part 19) 885

Credit carried back to the preceding year(s) (from Part 18) . . . . . EEE

Subtotal ▶

ITC closing balance from pre-production mining expenditures 890

Part 18 – Request for carryback of credit from pre-production mining expenditures

	Year	Month	Day
1st preceding taxation year			
2nd preceding taxation year			
3rd preceding taxation year			

. . . . . Credit to be applied 921

. . . . . Credit to be applied 922

. . . . . Credit to be applied 923

Total (enter on line EEE in Part 17)

Part 19 – Total ITC deducted from Part I tax

ITC from investments in qualified property deducted from Part I tax (from line 260 in Part 5) . . . . . FFF

ITC from SR&ED expenditures deducted from Part I tax (from line 560 in Part 12) . . . . . GGG

ITC from pre-production mining expenditures deducted from Part I tax (from line 885 in Part 17) . . . . . HHH

Total ITC deducted from Part I tax (add lines FFF, GGG, and HHH) III

(Enter amount III at line 652 on page 7 of the T2 return.)

Part 20 – Calculating the recapture of ITC for corporations and corporate partnerships – SR&ED

You will have a recapture of ITC in a year when **all** of the following conditions are met:

- you acquired a particular property in the current year or in any of the 10 preceding taxation years;
- you claimed the cost of the property as a qualified expenditure for SR&ED on Form T661;
- the cost of the property was included in computing your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures; and
- you disposed of the property or converted it to commercial use after February 23, 1998. This condition is also met if you disposed of or converted to commercial use a property which incorporates the particular property previously referred to.

Note
The recapture **does not apply** if you disposed of the property to a non-arm's-length purchaser who intended to use it all or substantially all for SR&ED. When the non-arm's-length purchaser later sells or converts the property to commercial use, the recapture rules will apply to the purchaser based on the historical ITC rate of the original user.

You will report a recapture on the T2 return for the year in which you disposed of the property or converted it to commercial use. In the following taxation year, add the amount of the ITC recapture to the SR&ED expenditure pool.

If you have more than one disposition for calculations 1 and 2, complete the columns for each disposition for which a recapture applies, using the calculation formats below.

Calculation 1 – If you meet all of the above conditions

	Amount of ITC you originally calculated for the property you acquired, or the original user's ITC where you acquired the property from a non-arm's length party, as described in the note above **700**	Amount calculated using ITC rate at the date of acquisition (or the original user's date of acquisition) on either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value of the property (in any other case) **710**	Amount from column 700 or 710, whichever is less
1.			

Subtotal (enter this amount on line MMM in Part 21) _____ JJJ

Calculation 2 – Only if you acquired all or a part of the qualified expenditure from another person under an agreement described in subsection 127(13); otherwise, enter nil at line KKK in Part 20.

A The rate percentage that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement **720**	B The proceeds of disposition of the property if you dispose of it to an arm's length person; or, in any other case, enter the fair market value of the property at conversion or disposition **730**	C The amount, if any, already provided for in Calculation 1 (This allows for the situation where only part of the cost of a property is transferred under a subsection 127(13) agreement.) **740**

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

Part 20 – Calculating the recapture of ITC for corporations and corporate partnerships – SR&ED (continued)

Calculation 2 (continued) – Only if you acquired all or a part of the qualified expenditure from another person under an agreement described in subsection 127(13); otherwise, enter nil on line KKK below.

D The amount determined by the formula **(A x B) - C**	E The ITC earned by the transferee in respect of the qualified expenditures which were transferred 750	F Amount from column D or E, whichever is less

Subtotal (enter this amount on line NNN in Part 21) _____ KKK

Calculation 3

As a member of the partnership, you will report your share of the ITC of the partnership after the ITC has been reduced by the amount of the recapture. If this amount is a positive amount you will report it on line 550 in Part 12. However, if the partnership does not have sufficient ITC otherwise available to offset the recapture, then the amount by which reductions to ITC exceed additions (the excess) will be determined and reported on line LLL below.

Corporate partner's share of the excess of ITC (amount to be reported on line OOO in Part 21) 760 _____ LLL

Part 21 – Total recapture of investment tax credit

Recaptured ITC for calculation 1 from line JJJ in Part 20 . . . . . _____ MMM

Recaptured ITC for calculation 2 from line KKK in Part 20 above . . . . . _____ NNN

Recaptured ITC for calculation 3 from line LLL in Part 20 above . . . . . _____ OOO

Total recapture of investment tax credit – Add lines MMM, NNN, and OOO . . . . . _____ PPP
(Enter amount PPP at line 602 on page 7 of the T2 return.)

Summary of Investment Tax Credit Carryovers

Continuity of investment tax credit carryovers

CCA class no.: 99

Current year

	Addition current year (A)	Applied current year (B)	Claimed as a refund (C)	Carried back (D)	ITC end of year (A-B-C-D)

Prior years

Taxation year	ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC expired (H) See Note	ITC end of year (E-F-G-H) See Note
1st prior year					
2nd prior year	63,458				63,458
3rd prior year					
4th prior year					
5th prior year					
6th prior year					
7th prior year					
8th prior year					
9th prior year					
10th prior year					
Total	63,458				63,458

Total ITC utilized (B+C+D+G) . . . . . .

Note : The **ITC end of year** includes the amount of ITC expired from the 10th preceding year that is in column (H). Note that this credit expires only at the beginning of the subsequent fiscal period. Consequently, this amount will be posted on line 215, 515 or 845, as applicable, of Schedule 31 for the subsequent fiscal period.

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SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Taxation year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2005-12-31

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

		Provide only one number per shareholder				
	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual or trust) **100**	Business Number **200**	Social Insurance Number **300**	Trust Number **350**	Percentage common shares **400**	Percentage preferred shares **500**
1	Niagara Power Inc.	86880 5920 RC0001			50.000	
2	Peninsula West Power Inc.	89108 9419 RC0001			50.000	
3						
4						
5						
6						
7						
8						
9						
10						

T2 SCH 50 (06)

Canada

Ontario

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

2006 CT23 Corporations Tax and Annual Return

For taxation years commencing after December 31, 2003

Corporations Tax Act – Ministry of Finance (MOF)
Corporations Information Act – Ministry of Government Services (MGS)

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

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

Ministry Use

MGS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* [X] Yes [ ] No

Corporation's Legal Name *(including punctuation)*
Niagara West Transformation Corporation

Ontario Corporations Tax Account No. (MOF)
1800380

Mailing Address
4548 Ontario Street
Beamsville
ON CA L0R 1B5

This Return covers the Taxation Year
Start: year month day 2005-01-01
End: year month day 2005-12-31

Has the mailing address changed since last filed CT23 Return? [ ] Yes | Date of Change: year month day

Date of Incorporation or Amalgamation: year month day 2003-09-05

Registered/Head Office Address
4548 Ontario Street
Beamsville
ON CA L0R 1B5

Ontario Corporation No. (MGS): 1586499

Location of Books and Records
4548 Ontario Street
Beamsville
ON CA L0R 1B5

Canada Revenue Agency Business No.
If applicable, enter: 87681 9301 RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
KAREN BUBISH	(905) 563-5550	

Jurisdiction Incorporated: Ontario

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MGS)
Ontario Canada

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
[X] *Not Applicable*

Former Corporation Name *(Extra-Provincial Corporations only)* [X] *Not Applicable* (MGS)

Information on Directors/Officers/Administrators must be completed on MGS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MGS). ▶

No. of Schedule(s)

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MGS, please check (X) this box. Schedule(s) A and K are not required (MGS). ▶ [X] **No Change**

Preferred Language / *Langue de préférence*
[X] English *anglais* [ ] French *français*

Ministry Use

Certification (MGS)

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

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

Title: D [ ] Director O [X] Officer P [ ] Other individuals having knowledge of the Corporation's business activities

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Please check applicable (X) **box(es) and complete required information.**

Type of corporation

1

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

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other *(specify)* ▼

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100 %

2

1 [ ] Family Farm corporation s.1(2)

2 [ ] Family Fishing corporation s.1(2)

3 [ ] Mortgage Investment corporation s.47

4 [ ] Credit Union s.51

5 [ ] Bank Mortgage subsidiary s.61(4)

6 [ ] Bank s.1(2)

7 [ ] Loan and Trust corporation s.61(4)

8 [ ] Non-resident corporation s.2(2)(a) or (b)

9 [ ] Non-resident corporation s.2(2)(c)

10 [ ] Mutual Fund corporation s.48

11 [ ] Non-resident owned Investment corporation s.49

12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)

14 [ ] Bare Trustee corporation

15 [ ] Branch of Non-resident s.63(1)

16 [ ] Financial institution prescribed by Regulation only

17 [ ] Investment Dealer

18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale

19 [X] Hydro successor, municipal electrical utility or subsidiary of either

20 [ ] Producer and seller of steam for uses other than for the generation of electricity

21 [ ] Insurance Exchange s.74.4

22 [ ] Farm Feeder Finance Co-operative corporation

23 [ ] Professional corporation (incorporated professionals only)

[ ] This is the first year filing after incorporation or an amalgamation (If checked, attach Ontario Schedule 24.)

[ ] Amended Return

[ ] Taxation year end change – Canada Revenue Agency approval required

[ ] Final taxation year up to dissolution *(Note: for discontinued businesses, see guide.)*

[ ] Final taxation year before amalgamation

[ ] The corporation has a floating fiscal year end

[ ] There has been a transfer or receipt of asset(s) involving a corporation having a Canadian permanent establishment outside Ontario

[ ] There was an acquisition of control to which subsection 249(4) of the federal *Income Tax Act* (ITA) applies since the previous taxation year

If checked, date control was acquired year month day

[ ] The corporation was involved in a transaction where all or substantially all (90% or more) of the assets of a non-arm's length corporation were received in the taxation year and subsection 85(1) or 85(2) of the federal ITA applied to the transaction (If checked, attach Ontario Schedule 44.)

[ ] First year filing of a parent corporation after winding-up a subsidiary corporation(s) under section 88 of the federal ITA during the taxation year. (If checked, attach Ontario Schedule 24.)

[ ] Section 83.1 of the CTA applies (redirection of payments for certain electricity corporations)

Yes	No	
[ ]	[X]	Was the corporation inactive throughout the taxation year?
[X]	[ ]	Has the corporation's Federal T2 Return been filed with the Canada Revenue Agency?

Are you requesting a refund due to:

[ ]	[X]	the Carry-back of a Loss?
[X]	[ ]	an Overpayment?
[ ]	[X]	a Specified Refundable Tax Credit?
[ ]	[X]	Are you a member of a Partnership or Joint Venture?

Complete if applicable

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

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

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	-344,575
Subtract: Charitable donations	–	1	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–	2	
Subtract: Taxable dividends deductible, per federal Schedule 3	–	3	
Subtract: Ontario political contributions *(Attach Schedule 2A)* (Int.B. 3002R)	–	4	
Subtract: Federal Part VI.1 tax _____ x 3	–	5	
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	
Net capital losses (page 16) From 715 _____ x inclusion rate 50.000000 % =	–	714	
Farm losses	–	From 724	
Restricted farm losses	–	From 734	
Limited partnership losses	–	From 754	
Taxable Income (Non-capital loss)	=	10	-344,575

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 _____

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable) _____ x 30 100.0000 % (Ontario Allocation) x 12.5 % x [Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 _____ ÷ Total Days: 73 365] = + 29 _____

From 10 (or 20 if applicable) _____ x 30 100.0000 % (Ontario Allocation) x 14 % x [Days after Dec. 31, 2003: 34 365 ÷ Total Days: 73 365] = + 32 _____

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 _____

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 taxation year? (X) ☐ Yes ☒ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51		
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		
	=	54	
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)	55	300,000	

Ontario Business Limit Calculation

320,000 x [Days after Dec. 31, 2002 and before Jan. 1, 2004: 31 _____ ÷ ** 365] = + 46 _____

400,000 x [Days after Dec. 31, 2003: 34 365 ÷ ** 365] = + 47 400,000

Business Limit for Ontario purposes 46 + 47 = 44 400,000 x [Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated.: 48 100.0000 %] = 45 400,000

Income eligible for the IDSBC From 30 100.0000 % (***Ontario Allocation) x 56 _____ (Least of 50 , 54 or 45) = 60 _____

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

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

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

continued on Page 5

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

DOLLARS ONLY

Income Tax *continued from Page 4*

Number of Days in Taxation Year

Calculation of IDSBC Rate 7 % x (Days after Dec. 31, 2002 and before Jan. 1, 2004: 31 ____ ÷ Total Days: 73 365) = + 89 .

8.5 % x (Days after Dec. 31, 2003: 34 365 ÷ Total Days: 73 365) = + 90 8.5000

IDSBC Rate for Taxation Year 89 + 90 = 78 8.5000

Claim From 60 ____ x From 78 8.5000 % = 70 ____

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 400,000 in 114 below.

Surtax on Canadian-controlled Private Corporations (s.41.1)

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

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 ____

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

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End		* Taxable Income (if loss, enter nil)
			+ 82	
			+ 83	
			+ 84	

Aggregate Taxable Income 80 + 82 + 83 + 84 , etc. = 85 ____

Number of Days in Taxation Year

320,000 x (Days after Dec. 31, 2002 and before Jan. 1, 2004: 31 ____ ÷ Total Days: 73 365) = + 115 ____

400,000 x (Days after Dec. 31, 2003: 34 365 ÷ Total Days: 73 365) = + 116 400,000

115 + 116 = 400,000 – 114 400,000

(If negative, enter nil) = 86 ____

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax 4.6670 % x (Days after Dec. 31, 2002: 38 365 ÷ Total Days: 73 365) = + 97 4.6670

From 86 ____ x From 97 4.6670 % = 87 ____

From 87 ____ x From 60 ____ ÷ From 114 400,000 = 88 ____

Surtax Lesser of 70 or 88 = 100 ____

**** Note: 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.

continued on Page 6

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

110 _____

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

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

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

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

Eligible Canadian Profits + 120 _____

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) – From 56 _____

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 _____ ÷ From 30 100.0000 % ÷ From 78 8.5000 % = 121 _____

*Ontario Allocation

Lesser of 56 or 121 + 122 _____

120 – 56 + 122 = 130 _____

Taxable Income + From 10 -344,575

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) – From 56 _____

Add: Adjustments for Surtax on Canadian-controlled private corporations + From 122 _____

Subtract: Taxable Income 10 -344,575 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 _____

Claim

Number of Days in Taxation Year

143 _____ (Lesser of 130 or 142) X From 30 100.0000 % (Ontario Allocation) X 1.5 % X [Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 _____ ÷ Total Days 73 365] = + 154 _____

143 _____ (Lesser of 130 or 142) X From 30 100.0000 % (Ontario Allocation) X 2 % X [Days after Dec. 31, 2003: 34 365 ÷ Total Days 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. 3001R). *(Attach schedule).*

170 _____

Credit for Investment in Small Business Development Corporations (SBDC)

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

Eligible Credit 175 _____ Credit Claimed 180 _____

Subtotal of Income Tax

40 – 70 + 100 – 110 – 160 – 161 – 162 – 170 – 180 = 190 _____

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to scientific research and experimental development in Ontario.
Eligible Credit From 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 CT23 Schedule 113 *(Attach Schedule 113)* + 192 .

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. 204 Name of Production
Eligible Credit From 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 193 .

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596
Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005. 194
Eligible Credit From 6598 CT23 Schedule 115 (*Attach Schedule 115*) + 195 .

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 196 .

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 197 .

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* + 198 .

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
Eligible Credit From 7300 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 199 .

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 200 .

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 201 .

Apprenticeship Training Tax Credit (ATTC) (s.43.13) No. of Apprentices From 5896
Applies to employment of eligible apprentices. 202
Eligible Credit From 5898 CT23 Schedule 114 (*Attach Schedule 114*) + 203 .

Other (specify) _____ + 203.1 .

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 + 203.1 = 220 .

Specified Tax Credits ***Applied to reduce Income Tax*** = 225 .

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* = 230 .

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8.** If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on **Page 17.**

OR

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

DOLLARS ONLY

Total Assets of the corporation + 240 7,845,588 •

Total Revenue of the corporation + 241 537,856 •

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

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

Name of associated corporation (Canadian & foreign) *(if insufficient space attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Total Assets	Total Revenue
			+ 243 •	+ 244 •
			+ 245 •	+ 246 •
			+ 247 •	+ 248 •

Aggregate Total Assets 240 + 243 + 245 + 247 , etc. = 249 7,845,588 •

Aggregate Total Revenue 241 + 244 + 246 + 248 , etc. = 250 537,856 •

Determination of Applicability

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

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

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

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

Calculation: CMT *(Attach Schedule 101.)*

Gross CMT Payable - - CMT Base From Schedule 101 2136 • (If negative, enter zero) X From 30 100.0000 % (Ontario Allocation) X 4 % = 276 •

Subtract: Foreign Tax Credit for CMT purposes *(Attach Schedule)* – 277 •

Subtract: Income Tax – From 190 •

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 **Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.**

CMT Credit Carryover available From Schedule 101 From 2333 •

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) + From 190 •

Gross CMT Payable + From 276 •

Subtract: Foreign Tax Credit for CMT purposes – From 277 •

If 276 – 277 is negative, enter NIL in 290 = • – 290 •

Income Tax eligible for CMT Credit = 300 •

B. Income Tax (after deduction of specified credits) + From 230 •

Subtract: CMT credit used to reduce income taxes – 310 •

Income Tax = 320 •

Transfer to page 17

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

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

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

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 the Gross Revenue and Total Assets as calculated on page 10 in 480 *and* 430 *are both $3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in* 550 *on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.*

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017R).

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

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

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

Paid-up Capital

Paid-up capital stock (Int.B. 3012R and 3015R)	+	350	2,400,100
Retained earnings (if deficit, deduct) (Int.B. 3012R)	±	351	-958,311
Capital and other surpluses, excluding appraisal surplus (Int.B.3012R)	+	352	
Loans and advances *(Attach schedule)* (Int.B. 3013R)	+	353	5,882,000
Bank loans (Int.B. 3013R)	+	354	
Bankers acceptances (Int.B. 3013R)	+	355	
Bonds and debentures payable (Int.B. 3013R)	+	356	
Mortgages payable (Int.B. 3013R)	+	357	
Lien notes payable (Int.B. 3013R)	+	358	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R)	+	359	414,000
Contingent, investment, inventory and similar reserves (Int.B. 3012R)	+	360	
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012R)	+	361	
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017R)	+	362	
Subtotal	=	370	7,737,789
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012R)	–	371	1,146,882
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R)	–	372	
Total Paid-up Capital	=	380	6,590,907
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R)	–	381	
Electrical Generating Corporations Only – All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the *Corporations Tax Act*, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	–	382	
Net Paid-up Capital	=	390	6,590,907

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

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

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

continued on Page 10

Total Assets (Int.B. 3015R) ***DOLLARS ONLY***

Total Assets per balance sheet	+	420	7,845,588
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	7,845,588
Amounts in 360 and 361 (if deducted from assets)	+	440	
Subtract: Amounts in 371, 372 and 381	–	441	1,146,882
Subtract: Appraisal surplus if booked	–	442	
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	
Total Assets	=	450	6,698,706

Investment Allowance (410 ÷ 450) x 390 **Not to exceed** 410 = 460

Taxable Capital 390 – 460 = 470 6,590,907

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) 480 537,856

Total Assets (as adjusted) From 430 7,845,588

Calculation of Capital Tax for all Corporations except Financial Institutions

Note: *This version (2006) of the CT23 may only be used for a taxation year that commenced after December 31, 2003.*

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, complete Section B below, then review only the Capital Tax calculations in Section C below, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.

OR If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the CT23 Guide for additional instructions before completing the Capital Tax section.

SECTION A

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

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

SECTION B

Calculation of Taxable Capital Deduction (TCD)

Number of Days in Taxation Year

		Days before Jan. 1, 2005	Total Days			
5,000,000	x	35	÷ 73 365	= +	500	
		Days after Dec. 31, 2004 and before Jan. 1, 2006	Total Days			
7,500,000	x	36 365	÷ 73 365	= +	501	7,500,000
		Days after Dec. 31, 2005 and before Jan. 1, 2007	Total Days			
10,000,000	x	37	÷ 73 365	= +	502	

Taxable Capital Deduction (TCD) 500 + 501 + 502 = 503 7,500,000

SECTION C

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

C1. If 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.

C2. If Taxable Capital in 470 is **equal to or less than the TCD** in 503, enter NIL in 550 on page 12 and complete the return from that point.

C3. If Taxable Capital in 470 **exceeds the TCD** in 503, complete the following calculation and transfer the amount from 523 to 543 on page 12, and complete the return from that point.

+ From 470 6,590,907

– From 503 7,500,000

= 471 _____ x From 30 100.0000 % x 0.3 % x 555 365 = + 523 _____

Ontario Allocation

Days in taxation year: 365 (366 if leap year)

If floating taxation year, refer to Guide.

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

continued on Page 11

Capital Tax Calculation

continued from Page 10

SECTION D

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

D1. ☐ 509 (X if applicable)

All corporations that you are associated with do **not** have a permanent establishment in Canada.

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

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

D2. ☐ 524 (X if applicable)

One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.

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

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

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

Calculation

Do **not** complete this calculation if ss.69(2.1) election is filed

Taxable Capital From 470 on page 10 - + From 470 _____ .

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding Financial Institutions and corporations exempt from Capital Tax) having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End		Taxable Capital
			+ 531	.
			+ 532	.
			+ 533	.

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

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

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

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

From 470 _____ . ÷ From 540 _____ . x From 503 _____ . = 541 _____ .

Transfer to 542 *in Section E on page 12*

Ss.69(2.1) Election Filed

☐ 591 (X if applicable) **Election filed**. *Attach a copy of Schedule 591 with this CT23 Return.*
Proceed to **Section F** on page 12.

continued on Page 12

DOLLARS ONLY

Capital Tax Calculation *continued from Page 11*

SECTION E

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 the TCD 503 on page 10.

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

+ From 470 _____ .
– 542 _____ .
= 471 _____ . x From 30 100.0000 % x 0.3 % x 555 365 - - - - - - - = + 523 _____ .

Ontario Allocation

Days in taxation year

* 365 (366 if leap year)

Total Capital Tax for the taxation year

Transfer to 543 *and complete the return from that point*

SECTION F

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 30 100.0000 % x 0.3 % - - - - - - - - - - - - = + 561 _____ .

Ontario Allocation

– Capital tax deduction from 995 relating to **your corporation's** Capital Tax deduction, on Schedule 591 - - – From 995 _____ .
= 562 _____ .

Capital Tax - - - - - - - - 562 _____ . x 555 365 - - - - - = 563 _____ .

Days in taxation year

* 365 (366 if leap year)

Total Capital Tax for the taxation year

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 _____ .

Transfer to Page 17

continued on Page 13

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

1.1 Credit Unions only

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

1.2 Other than Credit Unions

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

565 _____ (Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1) x 0.6 % x From 30 100.0000 % (Ontario Allocation) x 555 365 (Days in taxation year) ÷ * 365 (366 if leap year) = + 569 _____

570 _____ (Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount) x 571 _____ (Capital Tax Rate *(Refer to Guide)*) x From 30 100.0000 % (Ontario Allocation) x 555 365 (Days in taxation year) ÷ * 365 (366 if leap year) = + 574 _____

Capital Tax for Financial Institutions – other than Credit Unions (before Section 2) 569 + 574 - - = 575 _____

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

2. 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)? (X) ☐ Yes

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

DOLLARS ONLY

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

Net Income (loss) for federal income tax purposes, per federal T2 Schedule 1 ± 600 -344,575
Transfer to Page 15

Add:

Federal capital cost allowance	601	247,701
Federal cumulative eligible capital deduction	602	
Ontario taxable capital gain	603	
Federal non-allowable reserves. Balance beginning of year	604	
Federal allowable reserves. Balance end of year	605	
Ontario non-allowable reserves. Balance end of year	606	
Ontario allowable reserves. Balance beginning of year	607	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	608	
Federal resource allowance *(Refer to Guide)*	609	
Federal depletion allowance	610	
Federal foreign exploration and development expenses	611	
All Crown charges, royalties, rentals, etc. deducted for Federal purposes *(Refer to Guide)*	617	

Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼

Number of Days in Taxation Year

612		x 5 / 12.5 x	Days after Dec. 31, 2002 and before Jan. 1, 2004	33		÷ 73	Total Days 365	= +	633	
612		x 5 / 14 x	Days after Dec. 31, 2003	34	365	÷ 73	Total Days 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

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 = 247,701 ▶ 640 247,701
Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	650	247,701
Ontario cumulative eligible capital deduction	651	
Federal taxable capital gain	652	
Ontario non-allowable reserves. Balance beginning of year	653	
Ontario allowable reserves. Balance end of year	654	
Federal non-allowable reserves. Balance end of year	655	
Federal allowable reserves. Balance beginning of year	656	
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	657	
Ontario depletion allowance	658	
Ontario resource allowance *(Refer to Guide)*	659	
Ontario current cost adjustment *(Attach schedule)*	661	
CCA on assets used to generate electricity from natural gas, alternative or renewable resources.	675	

Subtotal of deductions for this page 650 to 659 + 661 + 675 681 247,701
Transfer to Page 15

continued on 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 Schedule 1 - - - - - - - - - - - - - - - - From ± 600 -344,575

Total of Additions on page 14 - From = 640 247,701

Sub Total of deductions on page 14 - From = 681 247,701

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 662 ____ x (100 / From 30 100.0000 Ontario Allocation)] – From 662 ____ = 663

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

Qualifying expenditures: [665 ____ x 30 % x (100 / From 30 100.0000 Ontario allocation)] = 666

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

Qualifying expenditures: [667 ____ x 100 % x (100 / From 30 100.0000 Ontario allocation)] = 668

Number of Employees accommodated 669 ____

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

Qualifying expenditures: [670 ____ x 30 % x (100 / From 30 100.0000 Ontario allocation)] = 671

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

Qualifying expenditures: [672 ____ x 15 % x (100 / From 30 100.0000 Ontario allocation)] = 673

Ontario allowable business investment loss - - - - - - - - - - - - - - + 678

Ontario Scientific Research Expenses claimed in year in 477 **from Ont. CT23 Schedule 161** + 679

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) - - - - - - - - - + 677

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

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 = 247,701 ▶ 680 247,701

Net income (loss) for Ontario Purposes 600 + 640 – 680 - - - - - - - - - - - - - - - - = 690 -344,575

Transfer to Page 4

DOLLARS ONLY

Continuity of Losses Carried Forward

		Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year		700 (2) 225,765	710 (2)	720 (2)	730	740	750
Add:	Current year's losses (7)	701 344,575	711	721	731	741	751
	Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal		703 344,575	713	723	733	743	753
Subtract:	Utilized during the year to reduce taxable income	704 (2)	715 (2) (4)	724 (2)	734 (2) (4)	744 (4)	754 (4)
	Expired during the year	705		725	735	745	
	Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17	716 (2) to Page 17	726 (2) to Page 17	736 (2) to Page 17	746	
Subtotal		707	717	727	737	747	757
Balance at End of Year		709 (8) 570,340	719	729	739	749	759

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800 9th preceding taxation year 1996-12-31	817 (9)	860 (9)		850	870
801 8th preceding taxation year 1997-12-31	818 (9)	861 (9)		851	871
802 7th preceding taxation year 1998-12-31	819 (9)	862 (9)		852	872
803 6th preceding taxation year 1999-12-31	820	830	840	853	873
804 5th preceding taxation year 2000-12-31	821	831	841	854	874
805 4th preceding taxation year 2001-12-31	822	832	842	855	875
806 3rd preceding taxation year 2002-12-31	823	833	843	856	876
807 2nd preceding taxation year 2003-12-31	824	834	844	857	877
808 1st preceding taxation year 2004-12-31	825 225,765	835	845	858	878
809 Current taxation year 2005-12-31	826 344,575	836	846	859	879
Total	829 570,340	839	849	869	889

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

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

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

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) 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

	Predecessor Ontario Corporation's Tax Account No. (MOF)		Taxation Year Ending year month day	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss				910 344,575	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income							
i) 3rd preceding		901	2002-12-31	911	921	931	941
ii) 2nd preceding		902	2003-12-31	912	922	932	942
iii) 1st preceding		903	2004-12-31	913	923	933	943
Total loss to be carried back				From 706	From 716	From 726	From 736
Balance of loss available for carry-forward				919 344,575	929	939	949

Summary

Income Tax	+ From 230 or 320		
Corporate Minimum Tax	+ From 280		
Capital Tax	+ From 550		
Premium Tax	+ From 590		
Total Tax Payable	=	950	
Subtract: Payments	–	960	9,540
Capital Gains Refund (s.48)	–	965	
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	–	985	
Specified Tax Credits *(Refer to Guide)*	–	955	
Other, specify	–		
Balance	=	970	-9,540
If payment due	Enclosed *	990	
If overpayment: Refund *(Refer to Guide)*	=	975	9,540
Apply to (year month day)		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 cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

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

Name *(please print)*

KAREN BUBISH

Title

OFFICER

Full Residence Address

Signature | Date

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

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

Part 1: Calculation of CMT Base

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

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

Net Income/Loss (unconsolidated, determined in accordance with GAAP)				± 2100	-763,710
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes / benefit of current income taxes	+ 2101	19,000			
Provision for deferred income taxes (credits) / benefit of future income taxes	+ 2102				
Equity income from corporations	+ 2103				
Share of partnership(s)/joint venture(s) income	+ 2104				
Dividends received/receivable deductible under fed.s.112	+ 2105				
Dividends received/receivable deductible under fed.s.113	+ 2106				
Dividends received/receivable deductible under fed.s.83(2)	+ 2107				
Dividends received/receivable deductible under fed.s.138(6)	+ 2108				
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1)	x 3 + 2109				
Subtotal	=	19,000	▶	– 2110	19,000
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current income taxes	+ 2111				
Provision for deferred income taxes (debits) / cost of future income taxes	+ 2112	524,000			
Equity losses from corporations	+ 2113				
Share of partnership(s)/joint venture(s) losses	+ 2114				
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2115				
Subtotal	=	524,000	▶	+ 2116	524,000
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
** Fed.s.85	+ 2117		or – 2118		
** Fed.s.85.1	+ 2119		or – 2120		
** Fed.s.97	+ 2121		or – 2122		
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2123		or – 2124		
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2125		or – 2126		
** Amounts relating to s.57.10 election/regulations for replacement re fed.s13(4), 14(6) and 44 for current/prior years	+ 2127		or – 2128		
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income			– 2150		
Subtotal (Additions)	=		▶	+ 2129	
Subtotal (Subtractions)	=		▶	– 2130	
** Other adjustments				± 2131	
Subtotal ± 2100 – 2110 + 2116 + 2129 – 2130 ± 2131				= 2132	-258,710
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss				± 2133	
Adjusted net income (loss) (if loss, transfer to 2202 in ***Part 2: Continuity of CMT Losses Carried Forward***.)				= 2134	-258,710
Deduct: * CMT losses: pre-1994 Loss	+ From 2210				
* CMT losses: other eligible losses	+ 2211				
	=		▶	– 2135	

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

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

CMT Base = 2136

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

Corporate Minimum Tax (CMT)

CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

Part 2: Continuity of CMT Losses Carried Forward

Balance at Beginning of year NOTES (1), (2)				+ 2201	248,224
Add: Current year's losses	+ 2202	258,710			
Losses from predecessor corporations on amalgamation NOTE (3)	+ 2203				
Losses from predecessor corporations on wind-up NOTE (3)	+ 2204				
Amalgamation (X) 2205 ☐ Yes Wind-up (X) 2206 ☐ Yes					
Subtotal	=	258,710	▶	+ 2207	258,710
Adjustments (attach schedule)				± 2208	
CMT losses available 2201 + 2207 ± 2208				= 2209	506,934
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210				
Other eligible losses utilized during the year to reduce adjusted net income NOTE (4)	+ 2211				
Losses expired during the year	+ 2212				
Subtotal	=		▶	– 2213	
Balances at End of Year NOTE (5) 2209 – 2213				= 2214	506,934

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occured, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

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

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

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 1996-12-31	2260	2280
2241	8th preceding taxation year 1997-12-31	2261	2281
2242	7th preceding taxation year 1998-12-31	2262	2282
2243	6th preceding taxation year 1999-12-31	2263	2283
2244	5th preceding taxation year 2000-12-31	2264	2284
2245	4th preceding taxation year 2001-12-31	2265	2285
2246	3rd preceding taxation year 2002-12-31	2266	2286
2247	2nd preceding taxation year 2003-12-31	2267 6,264	2287
2248	1st preceding taxation year 2004-12-31	2268 241,960	2288
2249	Current taxation year 2005-12-31	2269 258,710	2289
Totals		2270 506,934	2290

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

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) . . . . . + 2301 .

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

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

Subtract Income Tax (190 on page 6 of the CT23 or page 4 of the CT8) . . . . . – From 190 .

Subtotal (If negative, enter NIL) . . . = ▶ – 2305 .

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

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

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

Subtotal 2301 + 2310 + 2325 . . . . . = 2330 .

Adjustments *(Attach schedule)* . . . . . ± 2332 .

CMT Credit Carryover available 2330 ± 2332 . . . . . = 2333 .

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

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

CMT Credit expired during the year . . . . . + 2334 .

Subtotal . . . . . = ▶ – 2335 .

Balances at End of Year NOTE (4) 2333 – 2335 . . . . . = 2336 .

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).

(3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(4) Amount in 2336 must equal sum of 2370 + 2390 .

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

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 1996-12-31	2360	2380
2341	8th preceding taxation year 1997-12-31	2361	2381
2342	7th preceding taxation year 1998-12-31	2362	2382
2343	6th preceding taxation year 1999-12-31	2363	2383
2344	5th preceding taxation year 2000-12-31	2364	2384
2345	4th preceding taxation year 2001-12-31	2365	2385
2346	3rd preceding taxation year 2002-12-31	2366	2386
2347	2nd preceding taxation year 2003-12-31	2367	2387
2348	1st preceding taxation year 2004-12-31	2368	2388
2349	Current taxation year 2005-12-31	2369	2389
Totals		2370	2390

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

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

CMT Losses Carried Forward Workchart

(i) Continuity of Pre-1994 CMT Losses

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

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

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1995-12-31					
9th Prior Year	1996-12-31					
8th Prior Year	1997-12-31					
7th Prior Year	1998-12-31					
6th Prior Year	1999-12-31					
5th Prior Year	2000-12-31					
4th Prior Year	2001-12-31					
3rd Prior Year	2002-12-31					
2nd Prior Year	2003-12-31	6,264				6,264
1st Prior Year	2004-12-31	241,960				241,960
	Total	248,224				248,224

Predecessor Corporations Only – Amalgamation

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

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

CMT Losses Carried Forward Workchart (continued)

Predecessor Corporations Only – Wind-Up

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

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

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

CMT Credit Carryovers Workchart

Filing Corporation

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

Predecessor Corporations Only – Amalgamation

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

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

Predecessor Corporations Only – Wind-Up

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

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

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

Paid-Up Capital: Loans and Advances

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

Loans or Advances Credited or Advanced to Corporation
(includes accounts payable to related parties outstanding at the taxation year end for 120 days or more, and accounts payable to non-related parties outstanding for 365 days or more at the taxation year end)

Term Loan	+ 5,882,000
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
	+
Total *Transfer to* 353 *of the CT23*	= 5,882,000

Non-Capital Loss Continuity Workchart – Ontario

Non-capital losses

Year	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce taxable income	Balance at end of year
Current	N/A	344,575			N/A	344,575
2004	225,765	N/A		N/A		225,765
2003		N/A		N/A		
2002		N/A		N/A		
2001		N/A		N/A		
2000		N/A		N/A		
1999		N/A		N/A		
1998		N/A		N/A		*
Total	225,765	344,575				570,340

Farm losses

Year	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce taxable income	Balance at end of year
Current	N/A				N/A	
2004		N/A		N/A		
2003		N/A		N/A		
2002		N/A		N/A		
2001		N/A		N/A		
2000		N/A		N/A		
1999		N/A		N/A		
1998		N/A		N/A		
1997		N/A		N/A		
1996		N/A		N/A		
1995		N/A		N/A		*
Total						

Restricted farm losses

Year	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce taxable income	Balance at end of year
Current	N/A				N/A	
2004		N/A		N/A		
2003		N/A		N/A		
2002		N/A		N/A		
2001		N/A		N/A		
2000		N/A		N/A		
1999		N/A		N/A		
1998		N/A		N/A		
1997		N/A		N/A		
1996		N/A		N/A		
1995		N/A		N/A		*
Total						

* **This balance expires this year and will not be available next year.**

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Corporations Tax Branch
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33 King Street West
Oshawa ON L1H 8E9

Ontario Capital Cost Allowance
Schedule 8

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

Is the corporation electing under regulation 1101(5q)? 1 [ ] Yes 2 [X] No

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	6,192,518			0	6,192,518		6,192,518	4	0	0	247,701	5,944,817
Totals	6,192,518				6,192,518		6,192,518				247,701	5,944,817

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

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

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

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

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

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

Ontario Scientific Research and Experimental Development Expenditures
CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

This schedule is used to calculate Ontario Scientific Research and Experimental Development Expenditures (SR & ED). The rules used in the calculation of Ontario SR & ED follow the federal rules with the exception of the new Ontario measure introduced in the 2001 Ontario Budget and implemented in Bill 127 which received Royal Assent on December 5, 2001.

This schedule must be completed by all corporations performing qualified Ontario SR & ED in a "specified taxation year" or in the taxation year immediately preceding the first specified taxation year of the corporation and filed with the current CT23 or CT8. Other corporations may use this schedule, if they have claimed or are claiming a different SR & ED amount for Ontario than for federal income tax purposes.

- **"Specified Taxation Year" (STY)** is the taxation year of the corporation that begins after February 29, 2000 **and** ends after December 31, 2000.
- **"Investment Tax Credit Amount" (ITC)** means, in respect of a corporation for a taxation year, an amount deducted by the corporation for a preceding taxation year under subsection 127(5) or (6) of the *Income Tax Act* (Canada) (ITA).
- **"Qualified Ontario SR & ED Expenditure" (QORD)** means,
  - A. A qualified expenditure within the meaning of subsection 12(1) of the *Corporations Tax Act* (CTA) that is made or incurred by a corporation in a STY or in the taxation year immediately preceding the first STY of the corporation, or
  - B. An expenditure made or incurred by a partnership in a fiscal period that ends in a STY of a corporation if,
    - the corporation is member of the partnership at any time in the STY, and
    - the expenditure would be a qualified expenditure within the meaning of subsection 12(1) of the CTA if it were made by a corporation.
- **"Ontario Allocation Factor" (OAF)** has the meaning given to that expression by subsection 12(1) of the CTA.

- If a corporation includes a federal ITC amount in determining the amount of the Ontario pool of deductible SR & ED expenditures for a STY, the following amounts are adjusted by the OAF:
  - Amount of recaptured federal ITC relating to QORD for property disposed of in the preceding taxation year in [442] on page 2.
  - Amount of federal ITC relating to QORD claimed federally in the preceding taxation year(s) in [462] on page 2.
  - Amount of federal ITC relating to QORD allocated from partnerships in the current taxation year in [465] on page 2.

- Federal ITCs earned on shared-use equipment (SUE) reduce the capital cost of the property acquired for federal and Ontario income tax purposes in the taxation year after the taxation year in which the ITC is claimed federally. The amount of the federal ITC that relates to QORD on SUE is added to the SR & ED pool for Ontario purposes in the taxation year after the taxation year in which the ITC is claimed federally.

Ontario Scientific Research and Experimental Development Expenditures CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

Ontario Pool of Deductible SR & ED Expenditures for the current taxation year

Total allowable SR & ED expenditures (capital and current)
(From line 400 federal T661 (T2 SCH32)) . . . . . + 400 .

Less: Government and non-government assistance
(From line 430 federal T661 (T2 SCH32)) . . . . . – 430 .

Preceding year's amount of federal ITC claimed for SR & ED
(From line 435 federal T661 (T2 SCH32)) . . . . . – 435 124,748.

Sale of SR & ED capital assets and other deductions
(From line 440 federal T661 (T2 SCH32)) . . . . . – 440 .

Amount of recaptured federal ITC (From line 453 federal T661 (T2 SCH32))
relating to QORD for property disposed of in the preceding taxation year 442 .

Gross-up for Ontario allocation factor From 442 . ÷ 100.0000 % - - - = – 444 .
(From 30 of the CT23 or CT8)

Subtotal: 400 – 430 – 435 – 440 – 444 . . . . . = 445 -124,748.

Add: Repayments of government and non-government assistance
(From line 445 federal T661 (T2 SCH32)) . . . . . + 446 .

SR & ED expenditure pool transferred on amalgamation or wind-up
(From line 452 federal T661 (T2 SCH32)) . . . . . + 452 .

Amount of federal ITC recaptured in the preceding taxation year
(From line 453 federal T661 (T2 SCH32)) . . . . . + 453 .

Preceding year's balance in pool of deductible Ontario SR & ED expenditures
(From 480 of the preceding taxation year) . . . . . + 460 1,476,831.

Federal ITC relating to QORD **claimed** federally in the preceding
taxation year(s) . . . . . + 462 124,748.
(From 575 on Page 3)

Amount of federal ITC relating to QORD allocated from partnerships
in the current taxation year . . . . . + 465 .

Subtotal 462 + 465 . . . . . = 468 124,748.

Gross-up for Ontario allocation factor From 468 124,748. ÷ 100.0000 % - - - = + 470 124,748.
(From 30 of the CT23 or CT8)

Subtotal: 445 + 446 + 452 + 453 + 460 + 470

(If the amount in 473 is negative, enter zero, in 475 , 477 and add 473 to 615 of the 2002 CT23 or CT8
or 616 of the 2003 or later CT23 or CT8. If the amount in 473 is positive, enter the amount in 475 .) = 473 1,476,831.

Amount available for deduction . . . . . = 475 1,476,831.

Deduction claimed in the taxation year for Ontario
(Enter the SR & ED expenditure pool deduction claimed in the taxation year in 679 of the CT23 or CT8) . . . . – 477 .

Ontario current taxation year closing balance
in pool of deductible SR & ED expenditures 475 – 477 . . . . . = 480 1,476,831.

(Transfer this amount to 460 as the carry
forward amount for the next taxation year.)

Ontario Scientific Research and Experimental Development Expenditures
CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

Calculation of Preceding Taxation Year Amount and Account Balances - Federal ITC from SR & ED Expenditures relating to QORD.

- This page is used to calculate the amount of the federal ITC that relates to SR & ED performed in Ontario for certain taxation years and is used to increase the amount of the Ontario SR & ED pool on page 2.
- All amounts on this page are based on the preceding taxation year since the amount of the federal ITC that relates to QORD can only be used to increase the Ontario pool for SR & ED in the current taxation year if there was a federal ITC claimed for federal purposes in the preceding taxation year that related to QORD.
- **Do not include amounts** of federal ITCs that relate to QORD that were **allocated from a partnership.** These amounts are added to your SR & ED pool for Ontario in the taxation year that they are allocated from a partnership to a corporation, not in the year after they are claimed federally.

Opening Balance:

(Enter amount 590 from Schedule 161 of the preceding taxation year, if any) . . . . . + 500 63,458.

Add: Amount of federal ITC earned, relating to QORD
(QORD portion of line 540 federal T2 SCH31 for the preceding taxation year) . . . . . + 510 124,748.

Amount of federal ITC earned, relating to QORD, transferred on amalgamation or wind-up
(QORD portion of line 530 federal T2 SCH31 for the preceding taxation year) . . . . . + 520 .

Subtotal: 500 + 510 + 520 . . . . . = 535 188,206.

Deduct: Amount of federal ITC, relating to QORD, claimed federally
(QORD portion of line 560 federal T2 SCH31 for the preceding taxation year) . . . . . + 540 .

Amount of federal ITC, relating to QORD, carried back federally to a preceding taxation year(s)
(QORD portion of line P federal T2 SCH31 for the preceding taxation year . . . . . + 550 .

A refund of federal ITC, relating to QORD, claimed federally
(QORD portion of line 610 federal T2 SCH31 for the preceding taxation year) . . . . . + 560 124,748.

Amount of federal ITC, relating to QORD, deemed as a remittance of co-op corporations
(QORD portion of line 510 federal T2 SCH31 for the preceding taxation year) . . . . . + 570 .

Subtotal: 540 + 550 + 560 + 570 . . . . . = 575 124,748.

(Transfer this amount to 462 on Page 2)

Deduct: Amount of federal ITC, relating to QORD, expired per the ITA after 10 taxation years . . . . . .
(QORD portion of line 515 federal T2 SCH31 for the preceding taxation year) . . . . . – 580 .

Closing Balance: 535 – 575 – 580 . . . . . = 590 63,458.

(Transfer this amount to 500 as the opening balance for the next taxation year.)

Ontario Scientific Research and Experimental Development Expenditures
CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

Continuity Schedule for Federal ITC relating to SR & ED Expenditures for the Preceding Taxation Year

- All amounts on this page are based on the preceding taxation year.
- Amounts on this page should tie into Part 11 of federal T2 SCH31 completed for the preceding taxation year.

Yr. of Origin (Oldest yr. first) yyyy mm dd	Opening Balance	Additions	Deductions (other than amounts that were allocated from a partnership)	Deductions (only amounts that were allocated from a partnership)	Closing Balance
1994-12-31					
1995-12-31					
1996-12-31					
1997-12-31					
1998-12-31					
1999-12-31					
2000-12-31					
2001-12-31					
2002-12-31					
2003-12-31	63,458				63,458
2004-12-31		124,748	124,748		
Totals (see note 1, 2 and 3)	725 63,458	740 124,748	755 124,748	770	785 63,458

Notes:

1. The amount in 725 should equal the amount of the investment tax credit at the end of the preceding taxation year less line 515 in Part 12 of the federal T2 SCH31 for the preceding taxation year.
2. The amount in 785 should equal the closing balance in line 620 in Part 12 of the federal T2 SCH31 for the preceding taxation year.
3. It is important that the amounts in the deductions columns on this page correctly reflect the year of origin of the federal ITC claimed because only amounts relating to QORD can be used to increase the Ontario SR & ED pool.

Ontario Scientific Research and Experimental Development Expenditures CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2005-12-31

Continuity Schedule for the Amount of Federal ITC from SR & ED Expenditures relating to QORD for the Preceding Taxation Year

- This page is required to record the amount of the ITC that relates to QORD by year of origin.
- All amounts on this page are based on the preceding taxation year.
- **Do not** include amounts of federal ITCs that relate to QORD that were **allocated from a partnership** (see text at the top of page 3).

Yr. of Origin (Oldest yr. first) yyyy mm dd	Opening Balance	Additions	Deductions	Closing Balance
2000-12-31				
2001-12-31				
2002-12-31				
2003-12-31	63,458			63,458
2004-12-31		124,748	124,748	
Totals (see note 1 - 6)	825 63,458	840 124,748	855 124,748	870 63,458

Notes:

1. The amount in 825 should equal 500 on page 3.
2. The amount in 840 should equal the total of 510 and 520 on page 3.
3. The amount in 855 should equal 575 on page 3.
4. The amount in 870 should equal 590 on page 3.
5. Any deductions that are recorded in the deduction column on this page must be taken out of the same year of origin as indicated in the deduction column on page 4. These deductions must be related to QORD and must not have been allocated from a partnership.
6. The amount of federal ITC relating to QORD will expire if the federal ITC it relates to expires before it is claimed federally.

T2-RETURN AND SCHEDULE INFORMATION

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

For agency use
[055]

This page must be attached to your return and sent to the Canada Revenue Agency

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

For agency use
[055]

[001] 87681 9301 RC 0001
[060] 2006 01 01
[061] 2006 12 31
[099] EP06
XXXXXXXXXXX

B

[002] Niagara West Transformation Corporation

[003] 2
[004] _____
XXXXXXXXXXX

[010]@ 2
[011] _____
[012] _____
[015] _____
[016] _____
[017] _____
[018] _____

For agency use
[091] _____
[092] _____
[093] _____

[020]@ 2
[021] _____
[022] _____
[023] _____
[025] _____
[026] _____
[027] _____
[028] _____

For agency use
[094] _____
[095] _____
[096] _____
[100] _____

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[030]@	2
[031]	
[032]	
[035]	
[036]	
[037]	
[038]	
	XXXXXXXXXXX

[040]	1	**[166]**		**[220]**	
[043]		**[167]**		**[221]**	
[063]	2	**[168]**		**[226]**	
[065]		**[169]**		**[227]**	
[067]	2	**[170]**		**[231]**	
[070]	2	**[171]**		**[232]**	
[071]	2	**[172]**		**[233]**	
[072]	2	**[173]**	1	**[236]**	
[076]	2	**[201]**	1	**[237]**	
[078]	2	**[202]**		**[238]**	
[080]	1	**[203]**		**[242]**	
[081]		**[204]**	1	**[243]**	
[082]	2	**[205]**		**[244]**	
[085]		**[206]**		**[249]**	
[150]		**[207]**		**[250]**	
[151]		**[208]**	1	**[253]**	
[160]		**[210]**		**[254]**	
[161]		**[212]**		**[255]**	
[162]		**[213]**		**[256]**	
[163]		**[216]**			
[164]		**[217]**			
[165]		**[218]**			

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[258]		**[284]**	transmission of elec
[259]		**[286]**	
[260]		**[288]**	
[261]		**[285]**	100
[262]		**[287]**	
[263]		**[289]**	
[264]		**[950]**	BUBISH
[291]	2	**[951]**	KAREN
[292]	2	**[954]**	OFFICER
[370]		**[955]**	
[435]		**[956]**	905 563 5550
[438]		**[957]**	1
[624]		**[958]**	
[646]		**[959]**	
[750]	ON		**XXXXXXXXXXX**
[801]			
[894]			
[896]	2		
[898]			
[910]			
[914]			
[918]			
[990]	1		
	XXXXXXXXXXX		

[280]	2
[281]	2
[282]	
[283]	

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[300]	# 157 321	[440]		[652]	
[311]		[445]		[700]	
[312]		[450]			XXXXXXXXXXX
[313]		[600]			
[314]		[632]		[704]	
[320]		[636]		[708]	
[325]		[780]		[716]	
[331]			XXXXXXXXXXX	[720]	
[332]				[724]	
[333]		[460]		[727]	
[334]		[465]		[728]	
[335]		[480]		[760]	
[340]		[485]		[765]	
[350]		[712]		[770]	
[355]			XXXXXXXXXXX		XXXXXXXXXXX
[360]					
	XXXXXXXXXXX	[550]		[784]	
		[602]		[788]	
[400]		[604]		[792]	
[405]		[608]		[796]	
[410]	300 000	[616]		[797]	
[425]	300 000	[620]		[800]	
[430]		[628]		[804]	
	XXXXXXXXXXX	[637]		[808]	
		[638]		[812]	
[415]		[639]		[840]	
	XXXXXXXXXXX	[640]		[890]	
		[644]			XXXXXXXXXXX
		[648]			

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

Certification

I, KAREN BUBISH am an authorized signing officer of the corporation. I certify that the following amounts are, to the best of my knowledge, correct and complete, and fully disclose the corporation's income tax payable. These amounts also reflect the information given on the corporation's income tax return for the taxation year noted above.

Net income (or loss) for income tax purposes from Schedule 001, or GIFI [line 200300]	-157 321
Part I tax payable [line 200700]	0
Part I.3 tax payable [line 200704]	0
Part II surtax payable [line 200708]	0
Part IV tax payable [line 200712]	0
Part IV.1 tax payable [line 200716]	0
Part VI tax payable [line 200720]	0
Part VI.1 tax payable [line 200724]	0
Part XIV tax payable [line 200728]	0
Net provincial and territoral tax payable [line 200760]	0
Provincial tax on large corporations [line 200765]	0

I further certify that the method of calculating income for this taxation year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

OFFICER

Date | Signature of an authorized signing officer of the corporation | Position, office or rank

T2-RETURN AND SCHEDULE INFORMATION

001

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[600]	
[601]	
[602]	
[603]	
[604]	
[700]	
[701]	
[702]	
[703]	
[704]	
	XXXXXXXXXXX

[101]	19 000	**[118]**		**[203]**	
[102]	# 17 000	**[119]**		**[204]**	
[103]		**[120]**		**[205]**	
[104]	180 794	**[121]**		**[206]**	
[105]		**[122]**		**[207]**	
[106]		**[123]**		**[208]**	
[107]		**[124]**		**[209]**	
[108]		**[125]**		**[210]**	
[109]		**[126]**		**[211]**	
[110]		**[127]**		**[212]**	
[111]		**[128]**		**[213]**	
[112]		**[199]**		**[214]**	
[113]		**[500]**	182 794	**[215]**	
[114]			**XXXXXXXXXXX**	**[216]**	
[115]				**[217]**	
[116]		**[201]**		**[218]**	
[117]		**[202]**		**[219]**	

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[220]		[300]		[401]	
[221]		[301]		[402]	
[222]		[302]		[403]	237 793
[223]		[303]		[404]	
[224]		[304]		[405]	
[225]		[305]		[406]	
[226]		[306]		[407]	
[227]		[307]		[408]	
[228]		[308]		[409]	
[229]		[309]		[410]	
[230]		[310]		[411]	
[231]		[311]		[413]	
[232]		[312]		[414]	
[233]		[313]		[416]	
[234]		[314]		[417]	
[235]		[315]		**[499]**	
[236]		[316]		[510]	237 793
[237]		[340]			**XXXXXXXXXXX**
[238]		[341]			
[290]		[342]			
[291]		[343]			
[292]		[344]			
[293]		[345]			
[294]		[346]			
	XXXXXXXXXXX	[390]			
		[391]			
		[392]			
		[393]			
		[394]			
			XXXXXXXXXXX		

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[100]		[200]		[402]	
[190]		[205]		[405]	
[215]		[210]		[410]	
[300]		[220]		[430]	
[400]		[225]		[440]	
[485]		[240]		[450]	
[500]		[250]		[480]	
	XXXXXXXXXXX	[280]		[941]	
		[951]		[942]	
[102]	570 340	[952]		[943]	
[105]		[953]			XXXXXXXXXXX
[110]	157 321		XXXXXXXXXXX		
[130]				[502]	
[135]		[302]		[510]	
[140]		[305]		[530]	
[150]		[310]		[550]	
[180]	727 661	[330]		[580]	
[901]		[335]		[961]	
[902]		[340]		[962]	
[903]		[350]		[963]	
[911]		[380]			XXXXXXXXXXX
[912]		[921]			
[913]		[922]			
	XXXXXXXXXXX	[923]			
		[931]			
		[932]			
		[933]			
			XXXXXXXXXXX		

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[602] 1. _____ *

[632] 1. _____ *

XXXXXXXXXXX

[600] 1. _____ *

[630] 1. _____ *

[660] 1. _____ *

XXXXXXXXXXX

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[604] 1. _____ *

[606] 1. _____ *

[608] 1. _____ *

[620] 1. _____ *

XXXXXXXXXXX

[634] 1. _____ *

[636] 1. _____ *

[638] 1. _____ *

[650] 1. _____ *

XXXXXXXXXXX

[662] 1. _____ *

[664] 1. _____ *

[670] 1. _____ *

[675] 1. _____ *

[680] 1. _____ *

XXXXXXXXXXX

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[101] 2

[200] 1. 1 *

[211] 1. _____ *

[212] 1. 4 *
XXXXXXXXXXX

[201] 1. 5 944 817 *

[203] 1. _____ *

[205] 1. _____ *

[207] 1. _____ *

[213] 1. _____ *

[215] 1. _____ *

[217] 1. 237 793 *

[220] 1. 5 707 024 *
XXXXXXXXXXX

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[100]
1. Niagara Power Inc.
2. Peninsula West Power Inc. *

[200]
1. 86880 5920 RC 0001
2. 89108 9419 RC 0001 *

[300]
1. _____
2. _____ *

[350]
1. _____
2. _____ *

[400]
1. 50
2. 50 *

[500]
1. _____
2. _____ *

XXXXXXXXXXX

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[3640]	7 556 210
	XXXXXXXXXXX
[1000]	355 089
[1060]	133 862
[1066]	4 770
[1484]	1 592
[1599]	495 313
[1740]	7 060 897
[2008]	7 060 897
[2599]	7 556 210
	XXXXXXXXXXX
[2600]	_____
[2620]	87 743
[3139]	87 743
[3140]	5 732 000
[3240]	397 000
[3450]	6 129 000
[3499]	6 216 743
	XXXXXXXXXXX
[3500]	100
[3520]	2 400 000
[3600]	# 1 060 633
[3620]	1 339 467
	XXXXXXXXXXX
[3660]	# 958 311
[3680]	# 102 322
[3849]	# 1 060 633
	XXXXXXXXXXX

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[0001]	_____
[0002]	_____
	XXXXXXXXXXX
[0003]	_____
	XXXXXXXXXXX

[8519]	558 210	**[9368]**	673 592
[9369]	# 100 322		**XXXXXXXXXXX**
[9899]	_____		
[9970]	# 100 322	**[9370]**	_____
[9975]	_____	**[9659]**	0
[9976]	_____		**XXXXXXXXXXX**
[9980]	_____		
[9985]	_____	**[9660]**	_____
[9990]	19 000	**[9898]**	0
[9995]	# 17 000		**XXXXXXXXXXX**
[9999]	# 102 322		
	XXXXXXXXXXX		

[8000]	558 210
[8089]	558 210
[8090]	15 060
[8299]	573 270
	XXXXXXXXXXX

[8300]	_____
[8670]	180 794
[8710]	390 329
[8871]	102 469
[9367]	673 592

Name: **Niagara West Transformation Corporation**

BN: 87681 9301 RC 0001 **Taxation Year End: 2006-12-31**

[095]	1
[097]	2
[198]	1
[099]	2
[101]	1
[102]	2
[103]	2
[104]	2
[105]	2
[106]	2
[107]	2
[108]	2
	XXXXXXXXXXX

Canada Revenue Agency | Agence du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

200

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec, Ontario, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation 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. For more information on how to complete the return, see 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 tax year. For more information on when and how to file T2 returns, refer to the Guide under the heading "Before you start."

055 **Do not use this area**

Identification

Business Number (BN) 001 87681 9301 RC0001

Corporation's name

002 Niagara West Transformation Corporation

Has the corporation changed its name since the last time we were notified? 003 1 Yes ☐ 2 No ☒

If *Yes*, do you have a copy of the articles of amendment? . . . 004 1 Yes ☐ 2 No ☐

Address of head office

Has this address changed since the last time we were notified? . . . . . 010 1 Yes ☐ 2 No ☒

(If *Yes*, complete lines 011 to 018)

011 4548 Ontario Street

012

City	Province, territory, or state
015 Beamsville	016 ON
Country (other than Canada)	Postal code/Zip code
017	018 L0R 1B5

Mailing address (if different from head office address)

Has this address changed since the last time we were notified? . . . . . 020 1 Yes ☐ 2 No ☒

(If *Yes*, complete lines 021 to 028)

021 c/o

022

023

City	Province, territory, or state
025	026
Country (other than Canada)	Postal code/Zip code
027	028

Location of books and records

Has the location of books and records changed since the last time we were notified? . . . . . 030 1 Yes ☐ 2 No ☒

(If *Yes*, complete lines 031 to 038)

031 4548 Ontario Street

032

City	Province,territory, or state
035 Beamsville	036 ON
Country (other than Canada)	Postal code/Zip code
037	038 L0R 1B5

040 **Type of corporation at the end of the taxation year**

1 ☒ Canadian-controlled private corporation (CCPC)

2 ☐ Other private corporation

3 ☐ Public corporation

4 ☐ Corporation controlled by a public corporation

5 ☐ Other corporation (specify, below)

If the type of corporation changed during the tax year, provide the effective date of the change . . . . . 043 _____ YYYY MM DD

To which tax year does this return apply?

Tax year start	Tax year end
060 2006-01-01 YYYY MM DD	061 2006-12-31 YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous tax year? 063 1 Yes ☐ 2 No ☒

If *Yes*, provide the date control was acquired . . . . . 065 _____ YYYY MM DD

Is the corporation a professional corporation that is a member of a partnership? . . . . . 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? . . . . . 070 1 Yes ☐ 2 No ☒

Amalgamation? . . . . . 071 1 Yes ☐ 2 No ☒

If *Yes*, complete lines 030 to 038 and attach Schedule 24.

Has there been a windup of a subsidiary under section 88 during the current tax year? . . . . . 072 1 Yes ☐ 2 No ☒

If *Yes*, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . . 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? . . . . . 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If *No*, give the country of residence on line 081 and complete and attach Schedule 97.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? . . . . . 082 1 Yes ☐ 2 No ☒

If *Yes*, complete and attach Schedule 91.

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

085

1 ☐ Exempt under paragraph 149(1)(e) or (l)

2 ☐ Exempt under paragraph 149(1)(j)

3 ☐ Exempt under paragraph 149(1)(t)

4 ☐ Exempt under other paragraphs of section 149

Do not use this area

091	092	093	094	095	096
100					

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.
Schedules – Answer the following questions. For each *Yes* response, attach to the T2 return the schedule that applies.

		Yes	Schedule
Is the corporation related to any other corporations?	150		9
Is the corporation an associated Canadian-controlled private corporation?	160		23
Is the corporation an associated Canadian-controlled private corporation that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders?	151		19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
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		44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
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		22
Did the corporation have any foreign affiliates during the year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal *Income Tax Regulations*?	170		29
Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172		
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; or gifts of cultural or ecological property?	202		2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
Is the corporation claiming any type of losses?	204	X	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), 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		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any property that is eligible capital property?	210		10
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming reserves of any kind?	213		13
Is the corporation claiming a patronage dividend deduction?	216		16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
Is the corporation an investment corporation or a mutual fund corporation?	218		18
Was the corporation carrying on business in Canada as a non-resident corporation?	220		20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
Is the corporation a non-resident-owned investment corporation claiming an allowable refund?	226		26*
Does the corporation have any Canadian manufacturing and processing profits?	227		27
Is the corporation claiming an investment tax credit?	231		31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232		T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over $10,000,000?	233		33/34/35
Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236		36
Is the corporation claiming a surtax credit?	237		37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
Is the corporation claiming a Part I tax credit?	242		42
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		43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
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		39
Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131
Is the corporation claiming a film or video production services tax credit refund?	254		T1177
Is the corporation subject to Part XIII.1 tax?	255		92 *

*** We do not print this schedule.**

Attachments – continued from page 2

		Yes	Schedule
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256	☐	T1134-A
Did the corporation have any controlled foreign affiliates?	258	☐	T1134-B
Did the corporation own specified foreign property in the year with a cost amount over $100,000?	259	☐	T1135
Did the corporation transfer or loan property to a non-resident trust?	260	☐	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261	☐	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262	☐	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263	☐	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264	☐	T1174

Additional information

Is the corporation inactive? 280 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter *Yes* for first-time filers) 281 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? 282 _____
(Only complete if *Yes* was entered at line 281.)

If the major business activity involves the resale of goods, show whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	transmission of elec	285	100.000 %
286		287	%
288		289	%

Did the corporation immigrate to Canada during the tax year? 291 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the tax year? 292 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI. 300 -157,321 A

Deduct:

Charitable donations from Schedule 2	311	
Gifts to Canada, a province, or a territory from Schedule 2	312	
Cultural gifts from Schedule 2	313	
Ecological gifts from Schedule 2	314	
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	
Part VI.1 tax deduction from Schedule 43 *	325	
Non-capital losses of preceding tax years from Schedule 4	331	
Net capital losses of preceding tax years from Schedule 4	332	
Restricted farm losses of preceding tax years from Schedule 4	333	
Farm losses of preceding tax years from Schedule 4	334	
Limited partnership losses of preceding tax years from Schedule 4	335	
Taxable capital gains or taxable dividends allocated from a central credit union	340	
Prospector's and grubstaker's shares	350	
Subtotal		▶ B
Subtotal (amount A **minus** amount B) (if negative, enter "0")		C

Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions 355 D

Taxable income (amount C **plus** amount D) 360

Income exempt under paragraph 149(1)(t) 370

Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370) Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income from active business carried on in Canada from Schedule 7 . . . . . **400** _____ A

Taxable income from line 360, **minus** 10/3 of the amount on line 632*, **minus** 3 times the amount on line 636**, and **minus** any amount that, because of federal law, is exempt form Part I tax . . . . . **405** _____ B

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

250,000	x	Number of days in the tax year in 2004 / Number of days in the tax year	/ 365	=		1
300,000	x	Number of days in the tax year in 2005 and in 2006 / Number of days in the tax year	365 / 365	=	300,000	2
400,000	x	Number of days in the tax year after 2006 / Number of days in the tax year	/ 365	=		3

Add amounts at lines 1, 2, and 3 300,000 4

Business limit (see notes 1 and 2 below) . . . . . **410** 300,000 C

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

Business limit reduction:

Amount C 300,000 x **415** *** _____ / 11,250 D = ... _____ E

Reduced business limit (amount C **minus** amount E) (if negative, enter "0") . . . . . **425** 300,000 F

Small business deduction

Whichever amount is the least A, B, C or F . . . . . _____ G1

Amount G1	_____	x	Number of days in the tax year before 2008 / Number of days in the tax year	365 / 365	x 16.00 %	=	_____ G2
Amount G1	_____	x	Number of days in the tax year in 2008 / Number of days in the tax year	/ 365	x 16.50 %	=	_____ G3
Amount G1	_____	x	Number of days in the tax year after 2008 / Number of days in the tax year	/ 365	x 17.00 %	=	_____ G4

Small business deduction – total of amounts G2, G3, and G4 . . . . . **430** _____ G
(enter amount G on line 9)

* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

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

*** **Large corporations**

- The amount to be entered at line 415 is the total taxable capital employed in Canada **minus** $10,000,000 x 0.225%, calculated on Schedule 33, *Part I.3 Tax On Large Corporations*, Schedule 34, *Part I.3 Tax On Financial Institutions* **or** Schedule 35, *Part I.3 Tax On Large Insurance Companies*.
- If the corporation is not associated with any corporations in both the current and the preceding tax years, use the applicable schedule for the **prior** year. (Amount **P** in Part 6 of Schedule 33; Amount **O** in Part 6 of Schedule 34; Amount **DD** in Part 6 of Schedule 35)
- If the corporation is not associated with any corporations in the current tax year, but was associated in the preceding tax year, use the applicable schedule for the **current** year.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

Accelerated tax reduction

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

Reduced business limit (amount from line 425) . . . . . 300,000 x 300,000 / line 4 above = 300,000 A

Net active business income (amount from line 400) * . . . . . B

Taxable income from line 360 **minus** 3 times the amount at line 636** on, and **minus** any amount that, because of federal law, is exempt from Part I Tax C

Deduct:

Aggregate investment income (amount from line 440) . . . . . D

Amount C **minus** amount D (if negative, enter "0") . . . . . ▶ E

Amount A, B, or E above, whichever is less . . . . . 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 (amount from line 435) 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 of the small business deduction, whichever is less K

Total of amounts G, H, I, J, and K . . . . . ▶ L

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

Accelerated tax reduction – 7.00 % of amount M (enter amount N on line 637) . . . . . N

* 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

Taxable resource income [as defined in subsection 125.11(1)] . . . . . 435 A

Amount A x Number of days in the tax year in 2004 / Number of days in the tax year x 2 % = B

Amount A x Number of days in the tax year in 2005 / Number of days in the tax year x 3 % = C

Amount A x Number of days in the tax year in 2006 / Number of days in the tax year 365 / 365 x 5 % = D

Amount A x Number of days in the tax year after 2006 / Number of days in the tax year 365 x 7 % = E

Resource deduction – total of amounts B, C, D, and E (enter amount F on line 10) . . . . . 438 F

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 . . . . . A

Amount Z1 from Part 9 of Schedule 27 . . . . . 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

Amount on line 400, 405, 410, or 425, whichever is the least . . . . . F

Aggregate investment income from line 440 . . . . . G

Amount used to calculate the accelerated tax reduction (amount M) . . . . . H

Total of amounts B, C, D, E, F, G, and H . . . . . ▶ I

Amount A **minus** amount I (if negative, enter "0") . . . . . J

Amount J x Number of days in the tax year before 2008 / Number of days in the tax year 365 / 365 x 7 % = K1

Amount J x Number of days in the tax year in 2008 / Number of days in the tax year x 7.5 % = K2

Amount J x Number of days in the tax year in 2009 / Number of days in the tax year x 8 % = K3

Amount J x Number of days in the tax year after 2009 / Number of days in the tax year 365 / 365 x 9 % = K4

General tax reduction for Canadian-controlled private corporations – total of amounts K1, K2, K3, and K4 (enter amount K on line 638) K

General tax reduction

Corporations other than a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation; and for tax years starting after May 1, 2006, any corporation with taxable income that is not subject to the full tax rate of 38% (eg. deposit insurance company).

Taxable income from line 360 . . . . . _____ L

Amount Z1 from Part 9 of Schedule 27 . . . . . _____ M
Amount QQ from Part 13 of Schedule 27 . . . . . _____ N
Taxable resource income from line 435 above . . . . . _____ O
Amount used to calculate the credit union deduction (amount E in Part 3 of Schedule 17) _____ P
Total of amounts M, N, O, and P . . . . . _____ ▶ _____ Q

Amount L **minus** amount Q (if negative, enter "0") . . . . . _____ R

Amount R _____ x Number of days in the tax year before 2008 / Number of days in the tax year (365/365) x 7 % = _____ S1

Amount R _____ x Number of days in the tax year in 2008 / Number of days in the tax year (365) x 7.5 % = _____ S2

Amount R _____ x Number of days in the tax year in 2009 / Number of days in the tax year (365) x 8 % = _____ S3

Amount R _____ x Number of days in the tax year after 2009 / Number of days in the tax year (365) x 9 % = _____ S4

General tax reduction – total of amounts S1, S2, S3, and S4 (enter amount S on line 639) . . . . . _____ S

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income . . . . . 440 _____ x 26 2 / 3 % = ... _____ A
(amount O from Part 1 of Schedule 7)

Foreign non-business income tax credit from line 632 . . . . . _____

Deduct:

Foreign investment income . . . . . 445 _____ x 9 1 / 3 % = _____
(amount L from Part 2 of Schedule 7) (if negative, enter "0") _____ ▶ _____ B

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

Taxable income from line 360 . . . . . _____
Deduct:
Amount on line 400, 405, 410, or 425, whichever is the least . . . . . _____
Foreign non-business income tax credit from line 632 _____ x 25 / 9 = _____
Foreign business income tax credit from line 636 _____ x 3 = _____
_____ ▶ _____
x 26 2 / 3 % = _____ D

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780) . . . . . _____
Deduct: Corporate surtax from line 600 . . . . . _____
Net amount . . . . . _____ ▶ _____ E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least . . . . . 450 _____ F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the preceding tax year	460			
Deduct: Dividend refund for the previous tax year	465		▶	G
Add the total of:				
Refundable portion of Part I tax from line 450 above				
Total Part IV tax payable from line 360 of Schedule 3				
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation	480		▶	H
Refundable dividend tax on hand at the end of the tax year – Amount G **plus** amount H	485			

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 of Schedule 3	x 1 / 3		I
Refundable dividend tax on hand at the end of the tax year from line 485 above			J
Dividend refund – Amount I or J, whichever is less (enter this amount on line 784)			

Part I tax

Base amount of Part I tax – 38.00 % of taxable income (line 360 or amount Z, whichever applies) . . . . . 550 _____ A

Corporate surtax calculation

Base amount from line A above . . . . . _____ 1

Deduct:

10 % of taxable income (line 360 or amount Z, whichever applies) . . . . . _____ 2

Investment corporation deduction from line 620 below . . . . . _____ 3

Federal logging tax credit from line 640 below . . . . . _____ 4

Federal qualifying environmental trust tax credit from line 648 below . . . . . _____ 5

For a mutual fund corporation or an investment corporation throughout the tax year, enter amount a, b, or c below on line 6, whichever is the least:

28.00 % of taxable income from line 360 . . . . . _____ a

28.00 % of taxed capital gains . . . . . _____ b

Part I tax otherwise payable . . . . . _____ c

(line A **plus** lines C and D **minus** line F)

_____ 6

Total of lines 2 to 6 . . . . . _____ 7

Net amount (line 1 **minus** line 7) . . . . . _____ 8

Corporate surtax

line 8 _____ x 4 % x $\frac{\text{Number of days in the tax year before 2008}}{\text{Number of days in the tax year}}$ $\frac{365}{365}$ = 600 _____ B

Recapture of investment tax credit from line OO in Part 17 of Schedule 31 . . . . . 602 _____ C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 . . . . . _____ i

Taxable income from line 360 . . . . . _____

Deduct:

Amount on line 400, 405, 410, or 425, whichever is the least . . . . . _____

Net amount . . . . . _____ ▶ _____ ii

Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount i or ii . . . . 604 _____ D

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

Deduct:

Small business deduction from line 430 . . . . . _____ 9

Federal tax abatement . . . . . 608 _____

Manufacturing and processing profits deduction from amount BB or amount RR of Schedule 27 . . . . . 616 _____

Investment corporation deduction . . . . . 620 _____

(taxed capital gains 624 _____)

Additional deduction – credit unions from Schedule 17 . . . . . 628 _____

Federal foreign non-business income tax credit from Schedule 21 . . . . . 632 _____

Federal foreign business income tax credit from Schedule 21 . . . . . 636 _____

Accelerated tax reduction from amount N . . . . . 637 _____

Resource deduction from line 438 . . . . . _____ 10

General tax reduction for CCPCs from amount K . . . . . 638 _____

General tax reduction from amount S . . . . . 639 _____

Federal logging tax credit from Schedule 21 . . . . . 640 _____

Federal political contribution tax credit . . . . . 644 _____

Federal political contributions 646 _____

Federal qualifying environmental trust tax credit . . . . . 648 _____

Investment tax credit from Schedule 31 . . . . . 652 _____

Subtotal _____ ▶ _____ F

Part I tax payable – Line E **minus** line F (enter amount G on line 700) . . . . . _____ G

Summary of tax and credits

Federal tax

Part I tax payable	700	
Part I.3 tax payable from Schedule 33, 34, or 35	704	
Part II surtax payable from Schedule 46	708	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		

Add provincial or territorial tax:

Provincial or territorial jurisdiction 750 Ontario
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Québec, Ontario, and Alberta)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	
Total tax payable	770	A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit refund (Form T1131)	796	
Film or video production services tax credit refund (Form T1177)	797	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Allowable refund for non-resident-owned investment corporations from Schedule 26	804	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Tax instalments paid	840	
Total credits	890	B

Refund code 894 Overpayment

Balance (line A **minus** line B)

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.
Generally, we do not charge or refund a difference of $2 or less.

Balance unpaid

Enclosed payment 898

Direct deposit request

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

☐ Start ☐ Change information 910 Branch number

914 Institution number 918 Account number

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

I, 950 BUBISH (Last name) 951 KAREN (First name) 954 OFFICER (Position, office, or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this tax year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation 956 (905) 563-5550 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

990 Indicate your language of correspondence by entering 1 for English or 2 for French.
Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.

1 English / Anglais ☒ 2 Français / French ☐

Canada Revenue Agency | Agence du revenu du Canada

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 100

Name of corporation	Business Number	Tax year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2006-12-31

Balance sheet information

Account	Description	GIFI		Amount	Prior year
	Assets				
	Total current assets	1599	+	495,313	603,897
	Total tangible capital assets	2008	+	7,060,897	7,241,691
	Total accumulated amortization of tangible capital assets	2009	–		
	Total intangible capital assets	2178	+		
	Total accumulated amortization of intangible capital assets	2179	–		
	Total long-term assets	2589	+		
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	7,556,210	7,845,588
	Liabilities				
	Total current liabilities	3139	+	87,743	107,799
	Total long-term liabilities	3450	+	6,129,000	6,296,000
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	6,216,743	6,403,799
	Shareholder equity				
	Total shareholder equity (mandatory field)	3620	+	1,339,467	1,441,789
	Total liabilities and shareholder equity	3640	=	7,556,210	7,845,588
	Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849	=	-1,060,633	-958,311

* Generic item

Current Assets

Form identifier 1599

Account	Description	GIFI		Amount	Prior year
Cash and deposits					
	* Cash and deposits	1000		355,089	26,534
	Cash	1001			
	Deposits in Canadian banks and institutions – Canadian currency	1002			
	Deposits in Canadian banks and institutions – foreign currency	1003			
	Deposits in foreign banks – Canadian currency	1004			
	Deposits in foreign banks – foreign currency	1005			
	Credit union central deposits	1006			
	Other cash like instruments	1007			
	Cash and deposits		+	355,089	26,534
Accounts receivable					
	* Accounts receivable	1060		133,862	88,278
	Trade accounts receivable	1062			
	Trade accounts receivable from related parties	1064			
	Taxes receivable	1066		4,770	486,552
	Interest receivable	1067			
	Holdbacks receivable	1068			
	Leases receivable	1069			
	Accounts receivable from employees	1071			
	Amounts receivable from members of NPOs	1073			
	Accounts receivable		+	138,632	574,830
Allowance for doubtful accounts					
	* Allowance for doubtful accounts	1061			
	Allowance for doubtful trade accounts receivable	1063			
	Allowance for doubtful trade accounts receivable from related parties	1065			
	Allowance for doubtful amounts contained in leases receivable	1070			
	Allowance for doubtful accounts receivable from employees	1072			
	Allowance for doubtful accounts		–		
Inventories					
	* Inventories	1120			
	Inventory of goods for sale	1121			
	Inventory parts and supplies	1122			
	Inventory properties	1123			
	Inventory of aggregates	1124			
	Work in progress	1125			
	Raw materials	1126			
	Inventory of securities	1127			
	Inventories		+		
Short-term investments					
	* Short-term investments	1180			
	Canadian term deposits	1181			
	Canadian shares	1182			
	Canadian bonds	1183			
	Canadian treasury bills	1184			
	Securities purchased under resale agreements	1185			
	Other short-term Canadian investments	1186			
	Short-term foreign investments	1187			
	Short-term investments		+		

Loans and notes receivable

* Loans and notes receivable	1240			
Demand loans receivable	1241			
Other loans receivable	1242			
Notes receivable	1243			
Mortgages receivable	1244			
Loans and notes receivable		+		

Due from shareholder(s)/director(s)

* Due from shareholder(s)/director(s)	1300			
Due from individual shareholder(s)	1301			
Due from corporate shareholder(s)	1302			
Due from director(s)	1303			
Due from shareholder(s)/director(s)		+		

* Investment in joint venture(s)/partnership(s)	1360	+		

* Due from joint venture(s)/partnership(s)	1380	+		

Due from/investment in related parties

* Due from/investment in related parties	1400			
Demand notes from related parties	1401			
Interest receivable from related parties	1402			
Loans/advances due from related parties	1403			
Due from/investment in related parties		+		

* Customers' liability under acceptances	1460	+		

Other current assets

* Other current assets	1480			
Future (deferred) income taxes	1481			
Accrued investment income	1482			
Taxes recoverable/refundable	1483			
Prepaid expenses	1484		1,592	2,533
Drilling advances	1485			
Security/tender deposits	1486			
Other current assets		+	1,592	2,533

Total current assets	1599	=	495,313	603,897

* Generic item

Tangible Capital Assets and Accumulated Amortization

Form identifier 2008/2009

Account	Description	GIFI		Tangible capital assets		Accumulated amortization	Prior year
Land							
	* Land	1600	+				
	Land improvements	1601	+				
	Accumulated amortization of land improvements	1602			–		
	Total						
Depletable assets							
	* Depletable assets	1620	+				
	*Accumulated amortization of depletable assets	1621			–		
	Petroleum and natural gas properties	1622	+				
	Accumulated amortization of petroleum and natural gas properties	1623			–		
	Mining properties	1624	+				
	Accumulated amortization of mining properties	1625			–		
	Deferred exploration and development charges	1626	+				
	Accumulated amortization of deferred exploration and development charges	1627			–		
	Quarries	1628	+				
	Accumulated amortization of quarries	1629			–		
	Gravel pits	1630	+				
	Accumulated amortization of gravel pits	1631			–		
	Timber limits	1632	+				
	Accumulated amortization of timber limits	1633			–		
	Total						
Buildings							
	* Buildings	1680	+				
	*Accumulated amortization of buildings	1681			–		
	Manufacturing and processing plant	1682	+				
	Accumulated amortization of manufacturing and processing plant	1683			–		
	Buildings under construction	1684	+				
	Total						
Machinery, equipment, furniture and fixtures							
	* Machinery, equipment, furniture, and fixtures	1740	+	7,060,897			7,241,691
	*Accumulated amortization of machinery, equipment, furniture, and fixtures	1741			–		
	Motor vehicles	1742	+				
	Accumulated amortization of motor vehicles	1743			–		
	Tools and dies	1744	+				
	Accumulated amortization of tools and dies	1745			–		
	Construction and excavating equipment	1746	+				
	Accumulated amortization of construction and excavating equipment	1747			–		
	Forestry and logging equipment	1748	+				
	Accumulated amortization of forestry and logging equipment	1749			–		
	Fishing gear and nets	1750	+				
	Accumulated amortization of fishing gear and nets	1751			–		
	Mining equipment	1752	+				
	Accumulated amortization of mining equipment	1753			–		
	Oil and gas systems	1754	+				

Machinery, equipment, furniture and fixtures (continued)

	Accumulated amortization of oil and gas systems	1755			–	
	Production equipment for resource industries	1756	+			
	Accumulated amortization of production equipment for resource industries	1757			–	
	Production equipment for other than resource industries	1758	+			
	Accumulated amortization of production equipment for other than resource industries	1759			–	
	Exploration equipment	1760	+			
	Accumulated amortization of exploration equipment	1761			–	
	Shipping equipment	1762	+			
	Accumulated amortization of shipping equipment	1763			–	
	Ships and boats	1764	+			
	Accumulated amortization of ships and boats	1765			–	
	Aircraft	1766	+			
	Accumulated amortization of aircraft	1767			–	
	Signs	1768	+			
	Accumulated amortization of signs	1769			–	
	Small tools	1770	+			
	Accumulated amortization of small tools	1771			–	
	Radio and communication equipment	1772	+			
	Accumulated amortization of radio and communication equipment	1773			–	
	Computer equipment/software	1774	+			
	Accumulated amortization of computer equipment/software	1775			–	
	Musical instruments	1776	+			
	Accumulated amortization of musical instruments	1777			–	
	Satellites	1778	+			
	Accumulated amortization of satellites	1779			–	
	Earth stations	1780	+			
	Accumulated amortization of earth stations	1781			–	
	Machinery and equipment under construction	1782	+			
	Transportation equipment	1783	+			
	Accumulated amortization of transportation equipment	1784			–	
	Other machinery and equipment	1785	+			
	Accumulated amortization of other machinery and equipment	1786			–	
	Furniture and fixtures	1787	+			
	Accumulated amortization of furniture and fixtures	1788			–	
	Total			7,060,897		

Other tangible capital assets

	* Other tangible capital assets	1900	+			
	*Accumulated amortization of other tangible capital assets	1901			–	
	Logging roads	1902	+			
	Accumulated amortization of logging roads	1903			–	
	Asphalt and parking areas	1904	+			
	Accumulated amortization of asphalt and parking areas	1905			–	
	Wharves	1906	+			
	Accumulated amortization of wharves	1907			–	

Other tangible capital assets (continued)

	Fences	1908	+			
	Accumulated amortization of fences	1909			–	
	Capital leases – buildings	1910	+			
	Accumulated amortization of capital leases – buildings	1911			–	
	Capital leases – equipment	1912	+			
	Accumulated amortization of capital leases – equipment	1913			–	
	Capital leases – vehicles	1914	+			
	Accumulated amortization of capital leases – vehicles	1915			–	
	Capital leases – others	1916	+			
	Accumulated amortization of capital leases – others	1917			–	
	Leasehold improvements	1918	+			
	Accumulated amortization of leasehold improvements	1919			–	
	Other capital assets under construction	1920	+			
	Campsites	1921	+			
	Accumulated amortization of campsites	1922			–	
	Total					

	Total tangible capital assets	2008	=	7,060,897	7,241,691

	Total accumulated amortization of tangible capital assets	2009	=		

***** Generic item

Current Liabilities

Form identifier 3139

Account	Description	GIFI		Amount	Prior year
	* Bank overdraft	2600	+		

Amounts payable and accrued liabilities

	* Amounts payable and accrued liabilities	2620		87,743	107,799
	Trade payables	2621			
	Trade payables to related parties	2622			
	Holdbacks payable	2623			
	Wages payable	2624			
	Management fees payable	2625			
	Bonuses payable	2626			
	Employee deductions payable	2627			
	Withholding taxes payable	2628			
	Interest payable	2629			
	Amounts payable to members of NPOs	2630			
	Amounts payable and accrued liabilities		+	87,743	107,799

	* Taxes payable	2680	+		

Short-term debt

	* Short-term debt	2700			
	Loans from Canadian banks	2701			
	Liability for securities sold short	2702			
	Liability for securities sold under repurchase agreements	2703			
	Gold and silver certificates	2704			
	Cheques and other items in transit	2705			
	Lien notes	2706			
	Credit card loans	2707			
	Short-term debt		+		

	* Deferred income	2770	+		

Due to shareholder(s)/director(s)

	* Due to shareholder(s)/director(s)	2780			
	Due to individual shareholder(s)	2781			
	Due to corporate shareholder(s)	2782			
	Due to director(s)	2783			
	Due to shareholder(s)/director(s)		+		

	* Due to joint venture(s)/partnership(s)	2840	+		

Due to related parties

	* Due to related parties	2860			
	Demand notes due to related parties	2861			
	Interest payable to related parties	2862			
	Advances due to related parties	2863			
	Due to related parties		+		

	* Current portion of long-term liability	2920	+		

	* Bankers' acceptances	2940	+		

Other current liabilities

	* Other current liabilities	2960			
	Deposits received	2961			
	Dividends payable	2962			
	Future (deferred) income taxes	2963			
	Reserves for guarantees, warranties, or indemnities	2964			
	General provisions/reserves	2965			
	Crew shares	2966			
	Other current liabilities		+		

	Total current liabilities	3139	=	87,743	107,799

* Generic item

Long-term Liabilities

Form identifier 3450

Account	Description	GIFI		Amount	Prior year
	Long-term debt				
	* Long-term debt	3140		5,732,000	5,882,000
	Mortgages	3141			
	Farm credit corporation loan	3142			
	Chartered bank loan	3143			
	Credit Union/Caisse Populaire loan	3144			
	Provincial government loan	3145			
	Supply company loan	3146			
	Private loan	3147			
	Central, league, and federation loans	3148			
	Line of credit	3149			
	Liability for securities sold short	3150			
	Liability for securities sold under repurchase agreements	3151			
	Lien notes	3152			
	Long-term debt		+	5,732,000	5,882,000
	* Deposit liabilities of financial institutions	3200	+		
	* Bonds and debentures	3210	+		
	* Deferred income	3220	+		
	* Future (deferred) income taxes	3240	+	397,000	414,000
	Due to shareholder(s)/director(s)				
	* Due to shareholder(s)/director(s)	3260			
	Due to individual shareholder(s)	3261			
	Due to corporate shareholder(s)	3262			
	Due to director(s)	3263			
	Due to shareholder(s)/director(s)		+		
	* Due to members	3270	+		
	* Due to joint venture(s)/partnership(s)	3280	+		
	Due to related parties				
	* Due to related parties	3300			
	Amounts owing to related Canadian parties	3301			
	Amounts owing to related foreign parties	3302			
	Due to related parties		+		

Other long-term liabilities

	* Other long-term liabilities	3320			
	Long-term obligations/commitments/capital leases	3321			
	Reserves for guarantees, warranties, or indemnities	3322			
	Provision for site restoration	3323			
	Contributions to qualifying environmental trust	3324			
	General provisions/reserves	3325			
	Preference shares restated	3326			
	Member allocations	3327			
	Deferred revenue from incomplete contracts	3328			
	Other long-term liabilities		+		

	Total long-term liabilities	3450	=	6,129,000	6,296,000

* Generic item

Shareholder Equity

Form identifier 3620

Account	Description	GIFI		Amount	Prior year
	* Common shares	3500	+	100	100
	* Preferred shares	3520	+	2,400,000	2,400,000
Contributed and other surplus					
	* Contributed and other surplus	3540			
	Contributed surplus	3541			
	Appraisal surplus	3542			
	General reserve	3543			
	Contributed and other surplus		+		
	* Head office account	3570	+		
	* Retained earnings/deficit	3600	+	-1,060,633	-958,311
	Total shareholder equity	3620	=	1,339,467	1,441,789

* Generic item

Retained Earnings/Deficit

Form identifier 3849

Account	Description	GIFI		Amount	Prior year
	* Retained earnings/deficit – start	3660	+	-958,311	-194,601
	* Net income/loss	3680	+	-102,322	-763,710
Dividends declared					
	* Dividends declared	3700			
	Cash dividends	3701			
	Patronage dividends	3702			
	Dividends declared		–		
	* Prior period adjustments	3720	+		
Other items affecting retained earnings					
	* Other items affecting retained earnings	3740			
	Share redemptions	3741			
	Special reserves	3742			
	Currency adjustments	3743			
	Unusual revenue items	3744			
	Interfund transfer	3745			
	Other items affecting retained earnings		+		
	Retained earnings/deficit – end	3849	=	-1,060,633	-958,311

* Generic item

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GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 125

Name of corporation	Business Number	Tax year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2006-12-31

Income statement information

Description	GIFI

Operating name	0001	
Description of the operation	0002	
Sequence Number	0003	01

Account	Description	GIFI		Amount	Prior year
Income statement information					
	Total sales of goods and services	8089	+	558,210	506,060
	Cost of sales	8518	–		
	Gross profit/loss	8519	=	558,210	506,060
	Cost of sales	8518	+		
	Total operating expenses	9367	+	673,592	796,566
	Total expenses (mandatory field)	9368	=	673,592	796,566
	Total revenue (mandatory field)	8299	+	573,270	537,856
	Total expenses (mandatory field)	9368	–	673,592	796,566
	Net non-farming income	9369	=	-100,322	-258,710
Farming income statement information					
	Total farm revenue (mandatory field)	9659	+		
	Total farm expenses (mandatory field)	9898	–		
	Net farm income	9899	=		
	Net income/loss before taxes and extraordinary items	9970	=	-100,322	-258,710
Extraordinary items and income (linked to Schedule 140)					
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–		
	Current income taxes	9990	–	19,000	-19,000
	Deferred income tax provision	9995	–	-17,000	524,000
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	-102,322	-763,710

Revenue

Form identifier 8299

Account	Description	GIFI		Amount	Prior year
	* Trade sales of goods and services	8000	+	558,210	506,060
	* Sales of goods and services to related parties	8020	+		
	* Interdivisional sales	8030	+		
Sales from resource properties					
	* Sales from resource properties	8040			
	Petroleum and natural gas sales	8041			
	Petroleum and natural gas sales to related parties	8042			
	Gas marketing	8043			
	Processing revenue	8044			
	Pipeline revenue	8045			
	Seismic sales	8046			
	Mining revenue	8047			
	Coal revenue	8048			
	Oil sands revenue	8049			
	Royalty income	8050			
	Oil and gas partnership/joint venture income/loss	8051			
	Mining partnership/joint venture income/loss	8052			
	Other production revenue	8053			
	Sales from resource properties		+		
	Total sales of goods and services	8089	=	558,210	506,060
Investment revenue					
	* Investment revenue	8090		15,060	31,796
	Interest from foreign sources	8091			
	Interest from Canadian bonds and debentures	8092			
	Interest from Canadian mortgage loans	8093			
	Interest from other Canadian sources	8094			
	Dividend income	8095			
	Dividends from Canadian sources	8096			
	Dividends from foreign sources	8097			
	Investment revenue		+	15,060	31,796
Interest income (financial institutions)					
	* Interest income (financial institutions)	8100			
	Loan interest	8101			
	Securities interest	8102			
	Deposits with banks interest	8103			
	Interest income (financial institutions)		+		
Commission revenue					
	* Commission revenue	8120			
	Commission income on real estate transactions	8121			
	Commission revenue		+		

Rental revenue

* Rental revenue	8140			
Real estate rental revenue	8141			
Film rental revenue	8142			
Rental revenue		+		

* Vehicle leasing	8150	+		

Fishing revenue

* Fishing revenue	8160			
Fish products	8161			
Other marine products	8162			
Fishing grants, credits, and rebates	8163			
Fishing subsidies	8164			
Compensation for loss of fishing income or property	8165			
Sharesman income	8166			
Fishing revenue		+		

Realized gains/losses on disposal of assets

* Realized gains/losses on disposal of assets	8210			
Realized gains/losses on sale of investments	8211			
Realized gains/losses on sale of resource properties	8212			
Realized gains/losses on disposal of assets		+		

NPO amounts received

* Non-Profit organizations amounts received	8220			
Membership fees	8221			
Assessments	8222			
Gifts	8223			
Gross sales and revenues from organizational activities	8224			
NPO amounts received		+		

Other revenue

* Other revenue	8230			
Foreign exchange gains/losses	8231			
Income/loss of subsidiaries/affiliates	8232			
Income/loss of other divisions	8233			
Income/loss of joint ventures	8234			
Income/loss of partnerships	8235			
Realization of deferred revenues	8236			
Royalty income other than resource	8237			
Alberta royalty tax credits	8238			
Management and administration fees	8239			
Telecommunications revenue	8240			
Consulting fees	8241			
Subsidies and grants	8242			
Sale of by-products	8243			
Deposit services	8244			
Credit services	8245			
Card services	8246			
Patronage dividends	8247			
Insurance recoveries	8248			
Expense recoveries	8249			
Bad debt recoveries	8250			
Other revenue		+		

Total revenue	8299	=	573,270	537,856

* Generic item

Operating Expenses

Form identifier 9367

Account	Description	GIFI		Amount	Prior year
	Advertising and promotion				
	* Advertising and promotion	8520			
	Advertising	8521			
	Donations	8522			
	Meals and entertainment	8523			
	Promotion	8524			
	Advertising and promotion		+		
	* Amortization of intangible assets	8570	+		
	* Goodwill impairment loss	8571	+		
	* Bad debt expense	8590	+		
	Loan losses				
	* Loan losses	8610			
	Provision for loan losses	8611			
	Loan losses		+		
	Employee benefits				
	* Employee benefits	8620			
	Group insurance benefits	8621			
	Employer's portion of employee benefits	8622			
	Contributions to deferred income plans	8623			
	Employee benefits		+		
	* Amortization of natural resource assets	8650	+		
	* Amortization of tangible assets	8670	+	180,794	192,468
	Insurance				
	* Insurance	8690			
	Life insurance on executives	8691			
	Insurance		+		
	Interest and bank charges				
	* Interest and bank charges	8710		390,329	430,753
	Interest on short-term debt	8711			
	Interest on bonds and debentures	8712			
	Interest on mortgages	8713			
	Interest on long-term debt	8714			
	Bank charges	8715			
	Credit card charges	8716			
	Collection and credit costs	8717			
	Interest and bank charges		+	390,329	430,753

Interest paid (financial institutions)

*	Interest paid (financial institutions)	8740		
	Interest paid on deposits	8741		
	Interest paid on bonds and debentures	8742		
	Interest paid (financial institutions)	+		

Business taxes, licences, and memberships

*	Business taxes, licences, and memberships	8760		
	Memberships	8761		
	Business taxes	8762		
	Franchise fees	8763		
	Government fees	8764		
	Business taxes, licences, and memberships	+		

*	New Brunswick tax on large corporations	8780	+	

*	Nova Scotia tax on large corporations	8790	+	

Office expenses

*	Office expenses	8810		
	Office stationery and supplies	8811		
	Office utilities	8812		
	Data processing	8813		
	Office expenses	+		

Professional fees

*	Professional fees	8860		
	Legal fees	8861		
	Accounting fees	8862		
	Consulting fees	8863		
	Architect fees	8864		
	Appraisal fees	8865		
	Laboratory fees	8866		
	Medical fees	8867		
	Veterinary fees	8868		
	Brokerage fees	8869		
	Transfer fees	8870		
	Management and administration fees	8871	102,469	173,345
	Refining and assay	8872		
	Registrar and transfer agent fees	8873		
	Restructuring costs	8874		
	Security commission fees	8875		
	Training expense	8876		
	Studio and recording	8877		
	Professional fees	+	102,469	173,345

Rental

*	Rental	8910		
	Real estate rental	8911		
	Occupancy costs	8912		
	Condominium fees	8913		
	Equipment rental	8914		
	Motor vehicle rentals	8915		
	Moorage (boat)	8916		
	Storage	8917		
	Quota rental	8918		
	Rental		+	

Repairs and maintenance

*	Repairs and maintenance	8960		
	Repairs and maintenance – buildings	8961		
	Repairs and maintenance – vehicles	8962		
	Repairs and maintenance – boats	8963		
	Repairs and maintenance – machinery and equipment	8964		
	Repairs and maintenance		+	

Other repairs and maintenance

*	Other repairs and maintenance	9010		
	Machine shop expense	9011		
	Road costs	9012		
	Security	9013		
	Garbage removal	9014		
	Other repairs and maintenance		+	

Salaries and wages

*	Salaries and wages	9060		
	Commissions	9061		
	Crew share	9062		
	Bonuses	9063		
	Directors fees	9064		
	Management salaries	9065		
	Employee salaries	9066		
	Salaries and wages		+	

*	Sub-contracts	9110	+	

Supplies

*	Supplies	9130		
	Small tools	9131		
	Shop expense	9132		
	Uniforms	9133		
	Laundry	9134		
	Food and catering	9135		
	Fishing gear	9136		
	Nets and traps	9137		
	Salt, bait, and ice	9138		
	Camp supplies	9139		
	Computer-related expenses	9150		
	Upgrade	9151		
	Internet	9152		
	Supplies		+	

	* Property taxes	9180	+		

Travel expenses

	* Travel expenses	9200			
	Meetings and conventions	9201			
	Travel expenses		+		

Utilities

	* Utilities	9220			
	Electricity	9221			
	Water	9222			
	Heat	9223			
	Fuel costs	9224			
	Telephone et telecommunications	9225			
	Utilities		+		

Other expenses

	* Other expenses	9270			
	Cash over/short	9271			
	Reimbursement of parent company expense	9272			
	Selling expenses	9273			
	Shipping and warehouse expense	9274			
	Delivery, freight and express	9275			
	Warranty expenses	9276			
	Royalty expenses – resident	9277			
	Royalty expenses – non-resident	9278			
	Dumping charges	9279			
	Land fill fees	9280			
	Vehicle expenses	9281			
	Research and development	9282			
	Withholding taxes	9283			
	General and administrative expenses	9284			
	Interdivisional expenses	9285			
	Interfund transfer	9286			
	Other expenses		+		

	Total operating expenses	9367	=	673,592	796,566

* Generic item

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SCHEDULE 141

NOTES CHECKLIST

Corporation's name	Business Number	Tax year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2006-12-31

- This schedule should be completed from the perspective of the person who prepared or reported on the **financial statements**. This person is referred to as the "accounting practitioner", in this schedule.
- For more information, see RC4088, *Guide to the General Index of Financial Information (GIFI) for Corporations* and T4012, *T2 Corporation – Income Tax Guide*.
- Attach a copy of this schedule, along with any Notes to the financial statements, to the GIFI.

Part 1 – Accounting practitioner information

Does the accounting practitioner have a professional designation?	095	1 Yes	X	2 No	
Is the accounting practitioner connected* with the corporation?	097	1 Yes		2 No	X

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note
If the accounting practitioner does not have a professional designation **or** is connected with the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4.

Part 2 – Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner: **198**

Completed an auditor's report	1	X
Completed a review engagement report	2	
Conducted a compilation engagement	3	

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation?	099	1 Yes		2 No	X

Part 4 – Other information

Were notes to the financial statements prepared?	101	1 Yes	X	2 No	
If *Yes*, complete lines 102 to 107 below:					
Are any values presented at other than cost?	102	1 Yes		2 No	X
Has there been a change in accounting policies since the last return?	103	1 Yes		2 No	X
Are subsequent events mentioned in the notes?	104	1 Yes		2 No	X
Is re-evaluation of asset information mentioned in the notes?	105	1 Yes		2 No	X
Is contingent liability information mentioned in the notes?	106	1 Yes		2 No	X
Is information regarding commitments mentioned in the notes?	107	1 Yes		2 No	X
Does the corporation have investments in joint venture(s) or partnership(s)?	108	1 Yes		2 No	X
If *Yes*, complete line 109 below:					
Are you filing financial statements of the joint venture(s) or partnership(s)?	109	1 Yes		2 No	

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SCHEDULE 1

NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Corporation's name	Business Number	Tax year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2006-12-31

- 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. For more information, see the T2 *Corporation Income Tax Guide*.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items per financial statements				-102,322 A
Add:				
Provision for income taxes – current	101	19,000		
Provision for income taxes – deferred	102	-17,000		
Amortization of tangible assets	104	180,794		
Subtotal of additions		182,794	▶	182,794
Other additions:				
Miscellaneous other additions:				
Subtotal of other additions	199	0	▶	0
Total additions	500	182,794	▶	182,794
Deduct:				
Capital cost allowance from Schedule 8	403	237,793		
Subtotal of deductions		237,793	▶	237,793
Other deductions:				
Miscellaneous other deductions:				
Subtotal of other deductions	499	0	▶	0
Total deductions	510	237,793	▶	237,793
Net income (loss) for income tax purposes – enter on line 300 of the T2 return				-157,321

T2 SCH 1 E (06)

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SCHEDULE 4

CORPORATION LOSS CONTINUITY AND APPLICATION

Name of corporation	Business Number	Tax year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2006-12-31

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to previous years.
- The corporation can choose whether or not to deduct an available loss from income in a tax year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- In accordance with subsection 111(4) of the Income Tax Act, when control has been acquired no amount of capital loss incurred for a tax year ending (TYE) before that time is deductible in computing taxable income in a TYE after that time AND no amount of capital loss incurred in a TYE after that time is deductible in computing taxable income of a TYE before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) & (b).
- For information on these losses, see the *T2 Corporation – Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the federal *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-157,321
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)		
Taxable dividends deductible under sections 112, 113, or subsection 138(6)		
Amount of Part VI.1 tax deductible		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)		
Subtotal (if positive, enter "0")		-157,321
Deduct: (increase a loss)		
Section 110.5 and/or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions		
Subtotal		-157,321
Add: (decrease a loss)		
Current-year farm loss		
Current-year non-capital loss (if positive, enter "0")		-157,321

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of preceding tax year		570,340	
Deduct: Non-capital loss expired *	100		
Non-capital losses at beginning of tax year	102	570,340	
Add: Non-capital losses transferred on an amalgamation or the windup of a subsidiary corporation	105		
Current-year non-capital loss (from calculation above)	110	157,321	727,661
Deduct:			
Other adjustments (includes adjustments for an acquisition of control)	150		
Section 80 – Adjustments for forgiven amounts	140		
Subsection 111(10) – Adjustments for fuel tax rebate			
Deduct:			
Amount applied against taxable income (enter on line 331 of the T2 return)	130		
Amount applied against taxable dividends subject to Part IV tax	135		
		Subtotal	727,661
Deduct – Request to carry back non-capital loss to:			
First preceding tax year to reduce taxable income	901		
Second preceding tax year to reduce taxable income	902		
Third preceding tax year to reduce taxable income	903		
First preceding tax year to reduce taxable dividends subject to Part IV tax	911		
Second preceding tax year to reduce taxable dividends subject to Part IV tax	912		
Third preceding tax year to reduce taxable dividends subject to Part IV tax	913		
Non-capital losses – Closing balance		180	727,661

* A non-capital loss expires as follows:
- After **7** tax years if it arose in a tax year ending before March 23, 2004;
- After **10** tax years if it arose in a tax year ending after March 22, 2004 and ending before 2006; or
- After **20** tax years if it arose in a tax year ending in 2006 and later.

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator . . . . . **190** Yes ☐

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

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

Capital losses at end of preceding tax year	200		
Capital losses transferred on an amalgamation or the windup of a subsidiary corporation	205		
Deduct:			
Other adjustments (includes adjustments for an acquisition of control)	250		
Section 80 – Adjustments for forgiven amounts	240		
		Subtotal	
Add:			
Current-year capital loss (from Schedule 6 calculation)	210		
Non capital losses from a preceding tax year* that expired this year		A	
Allowable business investment losses (ABIL) incurred in the same preceding tax year* referred to at line A		B	
Enter amount from line A or B, whichever is less	215		
Allowable business investment loss expired as non-capital loss: line 215 divided by inclusion rate** 75.0000 %	220		
		Subtotal	
Deduct: Amount applied against current-year capital gain (see Note 1)	225		
		Subtotal	

Note: If there has been an amalgamation or a windup of a subsidiary, do a separate calculation of the allowable business investment loss expired as non-capital loss for each predecessor or subsidiary. Add all these amounts and enter the total at line 220 above.

Deduct – Request to carry back capital loss to: (see Note 2)

	Capital gain (100%)		Amount carried back (100%)
First preceding tax year		951	
Second preceding tax year		952	
Third preceding tax year		953	

Capital losses – Closing balance 280

Note 1

On line 332 of the T2 return, enter the amount from line 225 multiplied by 50%.

Note 2

Enter on lines 225, 951, 952, or 953, whichever applies, the actual amount of the loss. At the time of the application of the loss carryback, the net capital loss amount will be calculated at the inclusion rate of the year to which the net capital loss is applied.

* Losses from a preceding tax year to be entered at line A and line B are the following:

- If the loss was incurred in a tax year ending before March 23, 2004, enter the loss from the 8th preceding tax year, which has expired this year;
- If the loss was incurred in a tax year ending after March 22, 2004 and before 2006, enter the loss from the 11th preceding tax year, which has expired this year.
- If the loss was incurred in a tax year ending in 2006 and later, enter the loss from the 21th preceding tax year, which has expired this year.

** The inclusion rate is the one that you used to calculate your ABIL referred to at line B. Therefore, use one of the following inclusion rates, whichever applies:

- For ABILs incurred in 1999 and preceding tax years, use 0.75.
- For ABILs incurred in 2000 and 2001 tax years, the inclusion rate is equal to amount M on Schedule 6 - version T2SCH6(01).
- For ABILs incurred in 2002 and later tax years, use 0.5.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at end of preceding tax year			
Deduct: Farm loss expired after 10 tax years	300		
Farm losses at beginning of tax year	302		
Add: Farm losses transferred on an amalgamation or the windup of a subsidiary corporation	305		
Current-year farm loss	310		
Deduct:			
Other adjustments (includes adjustments for an acquisition of control)	350		
Section 80 – Adjustments for forgiven amounts	340		
Amount applied against taxable income (enter on line 334 of the T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
		Subtotal	
Deduct – Request to carry back farm loss to:			
First preceding tax year to reduce taxable income	921		
Second preceding tax year to reduce taxable income	922		
Third preceding tax year to reduce taxable income	923		
First preceding tax year to reduce taxable dividends subject to Part IV tax	931		
Second preceding tax year to reduce taxable dividends subject to Part IV tax	932		
Third preceding tax year to reduce taxable dividends subject to Part IV tax	933		
Farm losses – Closing balance		380	

Part 4 – Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business		485		C
Minus the deductible farm loss:				
$2,500 plus D or E, whichever is less	$ 2,500			
(Amount C above _____ − $2,500) divided by 2 =	D			
	$ 6,250 E		2,500	F
Current-year restricted farm loss (amount C minus amount F) (enter this amount on line 410)				

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at end of preceding tax year			
Deduct: Restricted farm loss expired after 10 tax years	400		
Restricted farm losses at beginning of tax year	402		
Add: Restricted farm losses transferred on an amalgamation or the windup of a subsidiary corporation	405		
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410		
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430		
Section 80 – Adjustments for forgiven amounts	440		
Other adjustments	450		
		Subtotal	
Deduct – Request to carry back restricted farm loss to:			
First preceding tax year to reduce farming income	941		
Second preceding tax year to reduce farming income	942		
Third preceding tax year to reduce farming income	943		
Restricted farm losses – Closing balance		480	

Note

The total losses for the year from all farming businesses are calculated without including scientific research expenses.

Part 5 – Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at end of preceding tax year			
Deduct: Listed personal property loss expired after seven tax years		500	
Listed personal property losses at beginning of tax year		502	
Add: Current-year listed personal property loss (from Schedule 6)		510	
		Subtotal	
Deduct:			
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530		
Other adjustments	550		
		Subtotal	
Deduct – Request to carry back listed personal property loss to:			
First preceding tax year to reduce listed personal property gains	961		
Second preceding tax year to reduce listed personal property gains	962		
Third preceding tax year to reduce listed personal property gains	963		
Listed personal property losses – Closing balance		580	

Part 7 – Limited partnership losses

Current-year limited partnership losses						
1	2	3	4	5	6	7
Partnership identifier 600	Fiscal period ending 602	Corporation's share of limited partnership loss 604	Corporation's at-risk amount 606	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses 608	Column 4 **minus** column 5 If negative, enter "0".	Current-year limited partnership losses Column 3 - 6 620

Total (enter this amount on line 222 of Schedule 1) _____

Limited partnership losses from prior tax years that may be applied in the current year						
1	2	3	4	5	6	7
Partnership identifier 630	Fiscal period ending 632	Limited partnership losses at end of preceding tax year 634	Corporation's at-risk amount 636	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses 638	Column 4 **minus** column 5 If negative, enter "0".	Limited partnership losses that may be applied in the year. The lesser of columns 3 and 6 650

Continuity of limited partnership losses that can be carried forward to future tax years					
Partnership identifier 660	Limited partnership losses at end of preceding tax year 662	Limited partnership losses transferred on an amalgamation or the windup of a subsidiary 664	Current-year limited partnership losses (from column 620) 670	Limited partnership losses applied (cannot exceed column 650) 675	Limited partnership losses closing balance (662 + 664 + 670 - 675) 680

Total (enter this amount on line 335 of the T2 return) _____

Non-Capital Loss Continuity Workchart

Part 6 – Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce: Taxable income	Applied to reduce: Part IV tax	Balance at end of year
Current	N/A	157,321			N/A		157,321
2005	344,575	N/A		N/A			344,575
2004	225,765	N/A		N/A			225,765
2003		N/A		N/A			
2002		N/A		N/A			
2001		N/A		N/A			
2000		N/A		N/A			
1999		N/A		N/A			*
Total	570,340	157,321					727,661

Farm losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce: Taxable income	Applied to reduce: Part IV tax	Balance at end of year
Current	N/A				N/A		
2005		N/A		N/A			
2004		N/A		N/A			
2003		N/A		N/A			
2002		N/A		N/A			
2001		N/A		N/A			
2000		N/A		N/A			
1999		N/A		N/A			
1998		N/A		N/A			
1997		N/A		N/A			
1996		N/A		N/A			*
Total							

Restricted farm losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce: Taxable income	Applied to reduce: Part IV tax	Balance at end of year
Current	N/A				N/A	N/A	
2005		N/A		N/A		N/A	
2004		N/A		N/A		N/A	
2003		N/A		N/A		N/A	
2002		N/A		N/A		N/A	
2001		N/A		N/A		N/A	
2000		N/A		N/A		N/A	
1999		N/A		N/A		N/A	
1998		N/A		N/A		N/A	
1997		N/A		N/A		N/A	
1996		N/A		N/A		N/A	*
Total						N/A	

* **This balance expires this year and will not be available next year.**

Canada Revenue Agency | Agence du revenu du Canada

SCHEDULE 8

CAPITAL COST ALLOWANCE (CCA)

Name of corporation	Business Number	Tax year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2006-12-31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

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

	1 Class number **200**	Description	2 Undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of last year) **201**	3 Cost of acquisitions during the year (new property must be available for use)* **203**	4 Net adjustments** **205**	5 Proceeds of dispositions during the year (amount not to exceed the capital cost) **207**	6 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)*** **211**	7 Reduced undepreciated capital cost	8 CCA rate % **212**	9 Recapture of capital cost allowance (line 107 of Schedule 1) **213**	10 Terminal loss (line 404 of Schedule 1) **215**	11 Capital cost allowance (column 7 **multiplied** by column 8; or a lower amount) (line 403 of Schedule 1)**** **217**	12 Undepreciated capital cost at the end of the year (column 6 **plus** column 7 **minus** column 11) **220**
1	1	Building and Transfo	5,944,817			0		5,944,817	4	0	0	237,793	5,707,024
		Total	5,944,817					5,944,817				237,793	5,707,024

* 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).

** Include amounts transferred under section 85, or on amalgamation and winding-up of a subsidiary. See the *T2 Corporation Income Tax Guide* for other examples of adjustments to include in column 4.

*** The net cost of acquisitions is the cost of acquisitions (column 3) plus or minus certain adjustments from column 4. For exceptions to the 50% rule, see Interpretation Bulletin IT-285, *Capital Cost Allowance – General Comments*.

**** If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the *T2 Corporation Income Tax Guide* for more information.

T2 SCH 8 (06)

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SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Niagara West Transformation Corporation	87681 9301 RC0001	2006-12-31

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

		Provide only one number per shareholder				
	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) **100**	Business Number **200**	Social insurance number **300**	Trust number **350**	Percentage common shares **400**	Percentage preferred shares **500**
1	Niagara Power Inc.	86880 5920 RC0001			50.000	
2	Peninsula West Power Inc.	89108 9419 RC0001			50.000	
3						
4						
5						
6						
7						
8						
9						
10						

Ontario

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

2006 CT23 Corporations Tax and Annual Return

For taxation years commencing after December 31, 2003

Corporations Tax Act – Ministry of Finance (MOF)
Corporations Information Act – Ministry of Government Services (MGS)

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

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

Ministry Use

MGS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* [X] Yes [ ] No

Corporation's Legal Name *(including punctuation)*
Niagara West Transformation Corporation

Ontario Corporations Tax Account No. (MOF)
1800380

Mailing Address
4548 Ontario Street
Beamsville
ON CA L0R 1B5

This Return covers the Taxation Year
Start: year month day 2006-01-01
End: year month day 2006-12-31

Has the mailing address changed since last filed CT23 Return? [ ] Yes | Date of Change: year month day

Date of Incorporation or Amalgamation: year month day 2003-09-05

Registered/Head Office Address
4548 Ontario Street
Beamsville
ON CA L0R 1B5

Ontario Corporation No. (MGS): 1586499

Location of Books and Records
4548 Ontario Street
Beamsville
ON CA L0R 1B5

Canada Revenue Agency Business No.
If applicable, enter: 87681 9301 RC0001

Name of person to contact regarding this CT23 Return	Telephone No.	Fax No.
KAREN BUBISH	(905) 563-5550	

Jurisdiction Incorporated: Ontario

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MGS)
Ontario Canada

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
[X] *Not Applicable*

Former Corporation Name *(Extra-Provincial Corporations only)* [X] *Not Applicable* (MGS)

Information on Directors/Officers/Administrators must be completed on MGS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MGS). ▶

No. of Schedule(s)

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MGS, please check (X) this box. Schedule(s) A and K are not required (MGS). ▶ [X] **No Change**

Preferred Language / *Langue de préférence*
[X] English *anglais* [ ] French *français*

Ministry Use

Certification (MGS)

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

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

Title: D [ ] Director O [X] Officer P [ ] Other individuals having knowledge of the Corporation's business activities

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Please check applicable (X) **box(es) and complete required information.**

Type of corporation

1

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

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other *(specify)* ▼

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100 %

2

1 [ ] Family Farm corporation s.1(2)

2 [ ] Family Fishing corporation s.1(2)

3 [ ] Mortgage Investment corporation s.47

4 [ ] Credit Union s.51

5 [ ] Bank Mortgage subsidiary s.61(4)

6 [ ] Bank s.1(2)

7 [ ] Loan and Trust corporation s.61(4)

8 [ ] Non-resident corporation s.2(2)(a) or (b)

9 [ ] Non-resident corporation s.2(2)(c)

10 [ ] Mutual Fund corporation s.48

11 [ ] Non-resident owned Investment corporation s.49

12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)

14 [ ] Bare Trustee corporation

15 [ ] Branch of Non-resident s.63(1)

16 [ ] Financial institution prescribed by Regulation only

17 [ ] Investment Dealer

18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale

19 [X] Hydro successor, municipal electrical utility or subsidiary of either

20 [ ] Producer and seller of steam for uses other than for the generation of electricity

21 [ ] Insurance Exchange s.74.4

22 [ ] Farm Feeder Finance Co-operative corporation

23 [ ] Professional corporation (incorporated professionals only)

[ ] This is the first year filing after incorporation or an amalgamation (If checked, attach Ontario Schedule 24.)

[ ] Amended Return

[ ] Taxation year end change – Canada Revenue Agency approval required

[ ] Final taxation year up to dissolution *(Note: for discontinued businesses, see guide.)*

[ ] Final taxation year before amalgamation

[ ] The corporation has a floating fiscal year end

[ ] There has been a transfer or receipt of asset(s) involving a corporation having a Canadian permanent establishment outside Ontario

[ ] There was an acquisition of control to which subsection 249(4) of the federal *Income Tax Act* (ITA) applies since the previous taxation year

If checked, date control was acquired year month day

[ ] The corporation was involved in a transaction where all or substantially all (90% or more) of the assets of a non-arm's length corporation were received in the taxation year and subsection 85(1) or 85(2) of the federal ITA applied to the transaction (If checked, attach Ontario Schedule 44.)

[ ] First year filing of a parent corporation after winding-up a subsidiary corporation(s) under section 88 of the federal ITA during the taxation year. (If checked, attach Ontario Schedule 24.)

[ ] Section 83.1 of the CTA applies (redirection of payments for certain electricity corporations)

Yes	No	
[ ]	[X]	Was the corporation inactive throughout the taxation year?
[X]	[ ]	Has the corporation's Federal T2 Return been filed with the Canada Revenue Agency?

Are you requesting a refund due to:

[ ]	[X]	the Carry-back of a Loss?
[X]	[ ]	an Overpayment?
[ ]	[X]	a Specified Refundable Tax Credit?
[ ]	[X]	Are you a member of a Partnership or Joint Venture?

Complete if applicable

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

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

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	-157,321
Subtract: Charitable donations	–	1	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–	2	
Subtract: Taxable dividends deductible, per federal Schedule 3	–	3	
Subtract: Ontario political contributions *(Attach Schedule 2A)* (Int.B. 3002R)	–	4	
Subtract: Federal Part VI.1 tax _____ x 3	–	5	
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	
Net capital losses (page 16) From 715 _____ x inclusion rate 50.000000 % =	–	714	
Farm losses	–	From 724	
Restricted farm losses	–	From 734	
Limited partnership losses	–	From 754	
Taxable Income (Non-capital loss)	=	10	-157,321

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 _____

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable) _____ x 30 100.0000 % (Ontario Allocation) x 12.5 % x [Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 _____ ÷ Total Days: 73 365] = + 29 _____

From 10 (or 20 if applicable) _____ x 30 100.0000 % (Ontario Allocation) x 14 % x [Days after Dec. 31, 2003: 34 365 ÷ Total Days: 73 365] = + 32 _____

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 _____

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 taxation year? (X) ☐ Yes ☒ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51		
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		
	=	54	
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)	55	300,000	

Ontario Business Limit Calculation

320,000 x [Days after Dec. 31, 2002 and before Jan. 1, 2004: 31 _____ ÷ ** 365] = + 46 _____

400,000 x [Days after Dec. 31, 2003: 34 365 ÷ ** 365] = + 47 400,000

Business Limit for Ontario purposes 46 + 47 = 44 400,000 x [Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated.: 48 100.0000 %] = 45 400,000

Income eligible for the IDSBC From 30 100.0000 % (***Ontario Allocation) x 56 _____ (Least of 50 , 54 or 45) = 60 _____

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

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

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

continued on Page 5

Income Tax *continued from Page 4*

Number of Days in Taxation Year

Calculation of IDSBC Rate 7 % x [31] (Days after Dec. 31, 2002 and before Jan. 1, 2004) ÷ [73] 365 (Total Days) = + [89] .

8.5 % x [34] 365 (Days after Dec. 31, 2003) ÷ [73] 365 (Total Days) = + [90] 8.5000

IDSBC Rate for Taxation Year [89] + [90] = [78] 8.5000

Claim From [60] x From [78] 8.5000 % = [70]

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 400,000 in [114] below.

Surtax on Canadian-controlled Private Corporations (s.41.1)

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

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]

If you are a member of an associated group (X) [81] (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End		* Taxable Income (if loss, enter nil)
			+ 82	
			+ 83	
			+ 84	

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85]

Number of Days in Taxation Year

320,000 x [31] (Days after Dec. 31, 2002 and before Jan. 1, 2004) ÷ [73] 365 (Total Days) = + [115]

400,000 x [34] 365 (Days after Dec. 31, 2003) ÷ [73] 365 (Total Days) = + [116] 400,000

[115] + [116] = 400,000 – [114] 400,000

(If negative, enter nil) = [86]

Number of Days in Taxation Year

Calculation of Specified Rate for Surtax 4.6670 % x [38] 365 (Days after Dec. 31, 2002) ÷ [73] 365 (Total Days) = + [97] 4.6670

From [86] x From [97] 4.6670 % = [87]

From [87] x From [60] ÷ From [114] 400,000 = [88]

Surtax Lesser of [70] or [88] = [100]

**** Note: 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.

continued on Page 6

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* - - - - - - - - - - - - 110 _____

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

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

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

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

Eligible Canadian Profits - + 120 _____

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - - - – From 56 _____

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 _____ ÷ From 30 100.0000 % ÷ From 78 8.5000 % = 121 _____

*Ontario Allocation

Lesser of 56 or 121 - + 122 _____

120 – 56 + 122 - = 130 _____

Taxable Income - + From 10 -157,321

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - - - – From 56 _____

Add: Adjustments for Surtax on Canadian-controlled private corporations - - - - - - - - - - - - - + From 122 _____

Subtract: Taxable Income 10 -157,321 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 _____

Claim

Number of Days in Taxation Year

143 _____ X From 30 100.0000 % X 1.5 % X (Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 _____ ÷ Total Days 73 365) = + 154 _____

Lesser of 130 or 142 — Ontario Allocation

143 _____ X From 30 100.0000 % X 2 % X (Days after Dec. 31, 2003: 34 365 ÷ Total Days 73 365) = + 156 _____

Lesser of 130 or 142 — Ontario Allocation

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

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

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161 _____

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity - - - - - - - - - - = 162 _____

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). *(Attach schedule).* - 170 _____

Credit for Investment in Small Business Development Corporations (SBDC)

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

Eligible Credit 175 _____ Credit Claimed 180 _____

Subtotal of Income Tax 40 – 70 + 100 – 110 – 160 – 161 – 162 – 170 – 180 - - - - = 190 _____

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to scientific research and experimental development in Ontario.
Eligible Credit From 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 CT23 Schedule 113 *(Attach Schedule 113)* + 192 .

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. 204 Name of Production
Eligible Credit From 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 193 .

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596
Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005. 194
Eligible Credit From 6598 CT23 Schedule 115 (*Attach Schedule 115*) + 195 .

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 196 .

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 197 .

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* + 198 .

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
Eligible Credit From 7300 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 199 .

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 200 .

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 201 .

Apprenticeship Training Tax Credit (ATTC) (s.43.13) No. of Apprentices From 5896
Applies to employment of eligible apprentices. 202
Eligible Credit From 5898 CT23 Schedule 114 (*Attach Schedule 114*) + 203 .

Other (specify) _____ + 203.1 .

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 + 203.1 = 220 .

Specified Tax Credits ***Applied to reduce Income Tax*** = 225 .

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* = 230 .

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8.** If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on **Page 17.**

OR

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

DOLLARS ONLY

Total Assets of the corporation + 240 7,556,210 .

Total Revenue of the corporation + 241 573,270 .

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

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

Name of associated corporation (Canadian & foreign) *(if insufficient space attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Total Assets	Total Revenue
			+ 243 .	+ 244 .
			+ 245 .	+ 246 .
			+ 247 .	+ 248 .

Aggregate Total Assets 240 + 243 + 245 + 247 , etc. = 249 7,556,210 .

Aggregate Total Revenue 241 + 244 + 246 + 248 , etc. = 250 573,270 .

Determination of Applicability

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

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

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

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

Calculation: CMT *(Attach Schedule 101.)*

Gross CMT Payable - - CMT Base From Schedule 101 2136 . (If negative, enter zero) X From 30 100.0000 % (Ontario Allocation) X 4 % = 276 .

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

Subtract: Income Tax – From 190 .

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 **Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.**

CMT Credit Carryover available From Schedule 101 From 2333 .

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) + From 190 .

Gross CMT Payable + From 276 .

Subtract: Foreign Tax Credit for CMT purposes – From 277 .

If 276 – 277 is negative, enter NIL in 290 = . – 290 .

Income Tax eligible for CMT Credit = 300 .

B. Income Tax (after deduction of specified credits) + From 230 .

Subtract: CMT credit used to reduce income taxes – 310 .

Income Tax = 320 .

Transfer to page 17

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

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

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

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 the Gross Revenue and Total Assets as calculated on page 10 in 480 *and* 430 *are both $3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in* 550 *on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.*

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017R).

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

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

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

Paid-up Capital

Paid-up capital stock (Int.B. 3012R and 3015R)	+	350	2,400,100
Retained earnings (if deficit, deduct) (Int.B. 3012R)	±	351	-1,060,633
Capital and other surpluses, excluding appraisal surplus (Int.B.3012R)	+	352	
Loans and advances *(Attach schedule)* (Int.B. 3013R)	+	353	5,732,000
Bank loans (Int.B. 3013R)	+	354	
Bankers acceptances (Int.B. 3013R)	+	355	
Bonds and debentures payable (Int.B. 3013R)	+	356	
Mortgages payable (Int.B. 3013R)	+	357	
Lien notes payable (Int.B. 3013R)	+	358	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R)	+	359	397,000
Contingent, investment, inventory and similar reserves (Int.B. 3012R)	+	360	
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012R)	+	361	
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017R)	+	362	
Subtotal	=	370	7,468,467
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012R)	–	371	1,203,881
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R)	–	372	
Total Paid-up Capital	=	380	6,264,586
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R)	–	381	
Electrical Generating Corporations Only – All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the *Corporations Tax Act*, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	–	382	
Net Paid-up Capital	=	390	6,264,586

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

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

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

continued on Page 10

Total Assets (Int.B. 3015R) ***DOLLARS ONLY***

Total Assets per balance sheet	+	420	7,556,210
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	7,556,210
Amounts in 360 and 361 (if deducted from assets)	+	440	
Subtract: Amounts in 371, 372 and 381	–	441	1,203,881
Subtract: Appraisal surplus if booked	–	442	
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	
Total Assets	=	450	6,352,329

Investment Allowance (410 ÷ 450) x 390 **Not to exceed** 410 = 460

Taxable Capital 390 – 460 = 470 6,264,586

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) 480 573,270

Total Assets (as adjusted) From 430 7,556,210

Calculation of Capital Tax for all Corporations except Financial Institutions

Note: *This version (2006) of the CT23 may only be used for a taxation year that commenced after December 31, 2003.*

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, complete Section B below, then review only the Capital Tax calculations in Section C below, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.

OR If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the CT23 Guide for additional instructions before completing the Capital Tax section.

SECTION A

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

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

SECTION B

Calculation of Taxable Capital Deduction (TCD)

Number of Days in Taxation Year

		Days before Jan. 1, 2005		Total Days				
5,000,000	x	35	÷	73	365	= +	500	
		Days after Dec. 31, 2004 and before Jan. 1, 2006		Total Days				
7,500,000	x	36	÷	73	365	= +	501	
		Days after Dec. 31, 2005 and before Jan. 1, 2007		Total Days				
10,000,000	x	37 365	÷	73	365	= +	502	10,000,000

Taxable Capital Deduction (TCD) 500 + 501 + 502 = 503 10,000,000

SECTION C

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

C1. If 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.

C2. If Taxable Capital in 470 is **equal to or less than the TCD** in 503, enter NIL in 550 on page 12 and complete the return from that point.

C3. If Taxable Capital in 470 **exceeds the TCD** in 503, complete the following calculation and transfer the amount from 523 to 543 on page 12, and complete the return from that point.

+ From 470 6,264,586

– From 503 10,000,000

= 471 _____ x From 30 100.0000 % x 0.3 % x 555 365 = + 523 _____

Ontario Allocation

Days in taxation year: 365 (366 if leap year)

If floating taxation year, refer to Guide.

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

continued on Page 11

Capital Tax Calculation

continued from Page 10

SECTION D

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

D1. ☐ 509 (X if applicable)

All corporations that you are associated with do **not** have a permanent establishment in Canada.

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

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

D2. ☐ 524 (X if applicable)

One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.

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

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

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

Calculation

Do **not** complete this calculation if ss.69(2.1) election is filed

Taxable Capital From 470 on page 10 - + From 470 _____ .

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding Financial Institutions and corporations exempt from Capital Tax) having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End		Taxable Capital
			+ 531	.
			+ 532	.
			+ 533	.

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

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

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

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

From 470 _____ . ÷ From 540 _____ . x From 503 _____ . = 541 _____ .

Transfer to 542 *in Section E on page 12*

Ss.69(2.1) Election Filed

☐ 591 (X if applicable) **Election filed**. *Attach a copy of Schedule 591 with this CT23 Return.*
Proceed to **Section F** on page 12.

continued on Page 12

DOLLARS ONLY

Capital Tax Calculation *continued from Page 11*

SECTION E

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 the TCD 503 on page 10.

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

+ From 470 _____ .
– 542 _____ .
= 471 _____ . x From 30 100.0000 % x 0.3 % x 555 365 - - - - - - - = + 523 _____ .

Ontario Allocation

Days in taxation year

* 365 (366 if leap year)

Total Capital Tax for the taxation year

Transfer to 543 *and complete the return from that point*

SECTION F

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 30 100.0000 % x 0.3 % - - - - - - - - - - - - = + 561 _____ .

Ontario Allocation

– Capital tax deduction from 995 relating to **your corporation's** Capital Tax deduction, on Schedule 591 - - – From 995 _____ .
= 562 _____ .

Capital Tax - - - - - - - - 562 _____ . x 555 365 - - - - - = 563 _____ .

Days in taxation year

* 365 (366 if leap year)

Total Capital Tax for the taxation year

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 _____ .

Transfer to Page 17

continued on Page 13

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

1.1 Credit Unions only

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

1.2 Other than Credit Unions

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

565 _____ (Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1) x 0.6 % x From 30 100.0000 % (Ontario Allocation) x 555 365 (Days in taxation year) ÷ * 365 (366 if leap year) = + 569 _____

570 _____ (Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount) x 571 _____ (Capital Tax Rate *(Refer to Guide)*) x From 30 100.0000 % (Ontario Allocation) x 555 365 (Days in taxation year) ÷ * 365 (366 if leap year) = + 574 _____

Capital Tax for Financial Institutions – other than Credit Unions (before Section 2) 569 + 574 - - = 575 _____

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

2. 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)? (X) ☐ Yes

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

DOLLARS ONLY

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

Net Income (loss) for federal income tax purposes, per federal T2 Schedule 1 ± 600 -157,321
Transfer to Page 15

Add:

Federal capital cost allowance	601	237,793
Federal cumulative eligible capital deduction	602	
Ontario taxable capital gain	603	
Federal non-allowable reserves. Balance beginning of year	604	
Federal allowable reserves. Balance end of year	605	
Ontario non-allowable reserves. Balance end of year	606	
Ontario allowable reserves. Balance beginning of year	607	
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	608	
Federal resource allowance *(Refer to Guide)*	609	
Federal depletion allowance	610	
Federal foreign exploration and development expenses	611	
All Crown charges, royalties, rentals, etc. deducted for Federal purposes *(Refer to Guide)*	617	

Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼

Number of Days in Taxation Year

612		x 5 / 12.5 x	Days after Dec. 31, 2002 and before Jan. 1, 2004	33		÷ 73	Total Days 365	= +	633	
612		x 5 / 14 x	Days after Dec. 31, 2003	34	365	÷ 73	Total Days 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

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 = 237,793 ▶ 640 237,793
Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	650	237,793
Ontario cumulative eligible capital deduction	651	
Federal taxable capital gain	652	
Ontario non-allowable reserves. Balance beginning of year	653	
Ontario allowable reserves. Balance end of year	654	
Federal non-allowable reserves. Balance end of year	655	
Federal allowable reserves. Balance beginning of year	656	
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	657	
Ontario depletion allowance	658	
Ontario resource allowance *(Refer to Guide)*	659	
Ontario current cost adjustment *(Attach schedule)*	661	
CCA on assets used to generate electricity from natural gas, alternative or renewable resources.	675	

Subtotal of deductions for this page 650 to 659 + 661 + 675 681 237,793
Transfer to Page 15

continued on 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 Schedule 1 - - - - - - - - - - - - - - - - From ± 600 -157,321

Total of Additions on page 14 - From = 640 237,793

Sub Total of deductions on page 14 - From = 681 237,793

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 662 _____ x (Gross-up of CCA) 100 / (From 30 100.0000 Ontario Allocation)] – From 662 _____ = 663

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

Qualifying expenditures: [665 _____ x 30 % x 100 / (From 30 100.0000 Ontario allocation)] = 666

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

Qualifying expenditures: [667 _____ x 100 % x 100 / (From 30 100.0000 Ontario allocation)] = 668

Number of Employees accommodated 669 _____

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

Qualifying expenditures: [670 _____ x 30 % x 100 / (From 30 100.0000 Ontario allocation)] = 671

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

Qualifying expenditures: [672 _____ x 15 % x 100 / (From 30 100.0000 Ontario allocation)] = 673

Ontario allowable business investment loss - - - - - - - - - - - - - - - + 678

Ontario Scientific Research Expenses claimed in year in 477 **from Ont. CT23 Schedule 161** + 679

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) - - - - - - - - - + 677

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

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 = 237,793 ▶ 680 237,793

Net income (loss) for Ontario Purposes 600 + 640 – 680 - - - - - - - - - - - - - - - - = 690 -157,321

Transfer to Page 4

DOLLARS ONLY

Continuity of Losses Carried Forward

		Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year		700 (2) 570,340	710 (2)	720 (2)	730	740	750
Add:	Current year's losses (7)	701 157,321	711	721	731	741	751
	Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal		703 157,321	713	723	733	743	753
Subtract:	Utilized during the year to reduce taxable income	704 (2)	715 (2) (4)	724 (2)	734 (2) (4)	744 (4)	754 (4)
	Expired during the year	705		725	735	745	
	Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17	716 (2) to Page 17	726 (2) to Page 17	736 (2) to Page 17	746	
Subtotal		707	717	727	737	747	757
Balance at End of Year		709 (8) 727,661	719	729	739	749	759

Analysis of Balance at End of Year by Year of Origin

Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800 9th preceding taxation year 1997-12-31	817 (9)	860 (9)		850	870
801 8th preceding taxation year 1998-12-31	818 (9)	861 (9)		851	871
802 7th preceding taxation year 1999-12-31	819 (9)	862 (9)		852	872
803 6th preceding taxation year 2000-12-31	820	830	840	853	873
804 5th preceding taxation year 2001-12-31	821	831	841	854	874
805 4th preceding taxation year 2002-12-31	822	832	842	855	875
806 3rd preceding taxation year 2003-12-31	823	833	843	856	876
807 2nd preceding taxation year 2004-12-31	824 225,765	834	844	857	877
808 1st preceding taxation year 2005-12-31	825 344,575	835	845	858	878
809 Current taxation year 2006-12-31	826 157,321	836	846	859	879
Total	829 727,661	839	849	869	889

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

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

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

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) 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

	Predecessor Ontario Corporation's Tax Account No. (MOF)		Taxation Year Ending year month day	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss				910 157,321	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income							
i) 3rd preceding		901	2003-12-31	911	921	931	941
ii) 2nd preceding		902	2004-12-31	912	922	932	942
iii) 1st preceding		903	2005-12-31	913	923	933	943
Total loss to be carried back				From 706	From 716	From 726	From 736
Balance of loss available for carry-forward				919 157,321	929	939	949

Summary

Income Tax	+ From 230 or 320		
Corporate Minimum Tax	+ From 280		
Capital Tax	+ From 550		
Premium Tax	+ From 590		
Total Tax Payable	= 950		
Subtract: Payments	– 960	4,770	
Capital Gains Refund (s.48)	– 965		
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	– 985		
Specified Tax Credits *(Refer to Guide)*	– 955		
Other, specify	–		
Balance	= 970	-4,770	
If payment due	Enclosed * 990		
If overpayment: Refund *(Refer to Guide)*	= 975	4,770	
Apply to year month day	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 cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

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

Name *(please print)*

KAREN BUBISH

Title

OFFICER

Full Residence Address

Signature | Date

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

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

Part 1: Calculation of CMT Base

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

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

Net Income/Loss (unconsolidated, determined in accordance with GAAP)				± 2100	-102,322
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes / benefit of current income taxes	+ 2101				
Provision for deferred income taxes (credits) / benefit of future income taxes	+ 2102	17,000			
Equity income from corporations	+ 2103				
Share of partnership(s)/joint venture(s) income	+ 2104				
Dividends received/receivable deductible under fed.s.112	+ 2105				
Dividends received/receivable deductible under fed.s.113	+ 2106				
Dividends received/receivable deductible under fed.s.83(2)	+ 2107				
Dividends received/receivable deductible under fed.s.138(6)	+ 2108				
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) ____ x 3	+ 2109				
Subtotal	=	17,000	▶	– 2110	17,000
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current income taxes	+ 2111	19,000			
Provision for deferred income taxes (debits) / cost of future income taxes	+ 2112				
Equity losses from corporations	+ 2113				
Share of partnership(s)/joint venture(s) losses	+ 2114				
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2115				
Subtotal	=	19,000	▶	+ 2116	19,000
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
** Fed.s.85	+ 2117		or – 2118		
** Fed.s.85.1	+ 2119		or – 2120		
** Fed.s.97	+ 2121		or – 2122		
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2123		or – 2124		
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2125		or – 2126		
** Amounts relating to s.57.10 election/regulations for replacement re fed.s13(4), 14(6) and 44 for current/prior years	+ 2127		or – 2128		
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income			– 2150		
Subtotal (Additions)	=		▶	+ 2129	
Subtotal (Subtractions)	=		▶	– 2130	
** Other adjustments				± 2131	
Subtotal ± 2100 – 2110 + 2116 + 2129 – 2130 ± 2131				= 2132	-100,322
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss				± 2133	
Adjusted net income (loss) (if loss, transfer to 2202 in ***Part 2: Continuity of CMT Losses Carried Forward***.)				= 2134	-100,322
Deduct: * CMT losses: pre-1994 Loss	+ From 2210				
* CMT losses: other eligible losses	+ 2211				
	=		▶	– 2135	

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

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

CMT Base = 2136

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

Corporate Minimum Tax (CMT)

CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

Part 2: Continuity of CMT Losses Carried Forward

Balance at Beginning of year NOTES (1), (2)				+ 2201	506,934
Add: Current year's losses	+ 2202	100,322			
Losses from predecessor corporations on amalgamation NOTE (3)	+ 2203				
Losses from predecessor corporations on wind-up NOTE (3)	+ 2204				
Amalgamation (X) 2205 ☐ Yes Wind-up (X) 2206 ☐ Yes					
Subtotal	=	100,322	▶	+ 2207	100,322
Adjustments (attach schedule)				± 2208	
CMT losses available 2201 + 2207 ± 2208				= 2209	607,256
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210				
Other eligible losses utilized during the year to reduce adjusted net income NOTE (4)	+ 2211				
Losses expired during the year	+ 2212				
Subtotal	=		▶	– 2213	
Balances at End of Year NOTE (5) 2209 – 2213				= 2214	607,256

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occured, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

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

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

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 1997-12-31	2260	2280
2241	8th preceding taxation year 1998-12-31	2261	2281
2242	7th preceding taxation year 1999-12-31	2262	2282
2243	6th preceding taxation year 2000-12-31	2263	2283
2244	5th preceding taxation year 2001-12-31	2264	2284
2245	4th preceding taxation year 2002-12-31	2265	2285
2246	3rd preceding taxation year 2003-12-31	2266 6,264	2286
2247	2nd preceding taxation year 2004-12-31	2267 241,960	2287
2248	1st preceding taxation year 2005-12-31	2268 258,710	2288
2249	Current taxation year 2006-12-31	2269 100,322	2289
Totals		2270 607,256	2290

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

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) . . . . . + 2301 .

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

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

Subtract Income Tax (190 on page 6 of the CT23 or page 4 of the CT8) . . . . . – From 190 .

Subtotal (If negative, enter NIL) . . . = ▶ – 2305 .

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

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

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

Subtotal 2301 + 2310 + 2325 . . . . . = 2330 .

Adjustments *(Attach schedule)* . . . . . ± 2332 .

CMT Credit Carryover available 2330 ± 2332 . . . . . = 2333 .

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

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

CMT Credit expired during the year . . . . . + 2334 .

Subtotal . . . . . = ▶ – 2335 .

Balances at End of Year NOTE (4) 2333 – 2335 . . . . . = 2336 .

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).

(3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(4) Amount in 2336 must equal sum of 2370 + 2390 .

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

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 1997-12-31	2360	2380
2341	8th preceding taxation year 1998-12-31	2361	2381
2342	7th preceding taxation year 1999-12-31	2362	2382
2343	6th preceding taxation year 2000-12-31	2363	2383
2344	5th preceding taxation year 2001-12-31	2364	2384
2345	4th preceding taxation year 2002-12-31	2365	2385
2346	3rd preceding taxation year 2003-12-31	2366	2386
2347	2nd preceding taxation year 2004-12-31	2367	2387
2348	1st preceding taxation year 2005-12-31	2368	2388
2349	Current taxation year 2006-12-31	2369	2389
Totals		2370	2390

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

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

CMT Losses Carried Forward Workchart

(i) Continuity of Pre-1994 CMT Losses

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

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

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1996-12-31					
9th Prior Year	1997-12-31					
8th Prior Year	1998-12-31					
7th Prior Year	1999-12-31					
6th Prior Year	2000-12-31					
5th Prior Year	2001-12-31					
4th Prior Year	2002-12-31					
3rd Prior Year	2003-12-31	6,264				6,264
2nd Prior Year	2004-12-31	241,960				241,960
1st Prior Year	2005-12-31	258,710				258,710
	Total	506,934				506,934

Predecessor Corporations Only – Amalgamation

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
Total						

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

CMT Losses Carried Forward Workchart (continued)

Predecessor Corporations Only – Wind-Up

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
Total						

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

CMT Credit Carryovers Workchart

Filing Corporation

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1996-12-31					
9th Prior Year	1997-12-31					
8th Prior Year	1998-12-31					
7th Prior Year	1999-12-31					
6th Prior Year	2000-12-31					
5th Prior Year	2001-12-31					
4th Prior Year	2002-12-31					
3rd Prior Year	2003-12-31					
2nd Prior Year	2004-12-31					
1st Prior Year	2005-12-31					
	Total					

Predecessor Corporations Only – Amalgamation

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
Total						

Predecessor Corporations Only – Wind-Up

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1996-12-31						
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
Total						

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

Ontario Capital Cost Allowance
Schedule 8

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

Is the corporation electing under regulation 1101(5q)? 1 [ ] Yes 2 [X] No

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	5,944,817			0	5,944,817		5,944,817	4	0	0	237,793	5,707,024
Totals	5,944,817				5,944,817		5,944,817				237,793	5,707,024

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

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

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

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

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

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

Ontario Scientific Research and Experimental Development Expenditures
CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

This schedule is used to calculate Ontario Scientific Research and Experimental Development Expenditures (SR & ED). The rules used in the calculation of Ontario SR & ED follow the federal rules with the exception of the new Ontario measure introduced in the 2001 Ontario Budget and implemented in Bill 127 which received Royal Assent on December 5, 2001.

This schedule must be completed by all corporations performing qualified Ontario SR & ED in a "specified taxation year" or in the taxation year immediately preceding the first specified taxation year of the corporation and filed with the current CT23 or CT8. Other corporations may use this schedule, if they have claimed or are claiming a different SR & ED amount for Ontario than for federal income tax purposes.

- **"Specified Taxation Year" (STY)** is the taxation year of the corporation that begins after February 29, 2000 **and** ends after December 31, 2000.
- **"Investment Tax Credit Amount" (ITC)** means, in respect of a corporation for a taxation year, an amount deducted by the corporation for a preceding taxation year under subsection 127(5) or (6) of the *Income Tax Act* (Canada) (ITA).
- **"Qualified Ontario SR & ED Expenditure" (QORD)** means,
  - A. A qualified expenditure within the meaning of subsection 12(1) of the *Corporations Tax Act* (CTA) that is made or incurred by a corporation in a STY or in the taxation year immediately preceding the first STY of the corporation, or
  - B. An expenditure made or incurred by a partnership in a fiscal period that ends in a STY of a corporation if,
    - the corporation is member of the partnership at any time in the STY, and
    - the expenditure would be a qualified expenditure within the meaning of subsection 12(1) of the CTA if it were made by a corporation.
- **"Ontario Allocation Factor" (OAF)** has the meaning given to that expression by subsection 12(1) of the CTA.

- If a corporation includes a federal ITC amount in determining the amount of the Ontario pool of deductible SR & ED expenditures for a STY, the following amounts are adjusted by the OAF:
  - Amount of recaptured federal ITC relating to QORD for property disposed of in the preceding taxation year in 442 on page 2.
  - Amount of federal ITC relating to QORD claimed federally in the preceding taxation year(s) in 462 on page 2.
  - Amount of federal ITC relating to QORD allocated from partnerships in the current taxation year in 465 on page 2.

- Federal ITCs earned on shared-use equipment (SUE) reduce the capital cost of the property acquired for federal and Ontario income tax purposes in the taxation year after the taxation year in which the ITC is claimed federally. The amount of the federal ITC that relates to QORD on SUE is added to the SR & ED pool for Ontario purposes in the taxation year after the taxation year in which the ITC is claimed federally.

Ontario Scientific Research and Experimental Development Expenditures CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

Ontario Pool of Deductible SR & ED Expenditures for the current taxation year

Total allowable SR & ED expenditures (capital and current)
(From line 400 federal T661 (T2 SCH32)) . . . . . + 400 .

Less: Government and non-government assistance
(From line 430 federal T661 (T2 SCH32)) . . . . . – 430 .

Preceding year's amount of federal ITC claimed for SR & ED
(From line 435 federal T661 (T2 SCH32)) . . . . . – 435 .

Sale of SR & ED capital assets and other deductions
(From line 440 federal T661 (T2 SCH32)) . . . . . – 440 .

Amount of recaptured federal ITC (From line 453 federal T661 (T2 SCH32))
relating to QORD for property disposed of in the preceding taxation year 442 .

Gross-up for Ontario allocation factor From 442 . ÷ 100.0000 % - - - = – 444 .
(From 30 of the CT23 or CT8)

Subtotal: 400 – 430 – 435 – 440 – 444 . . . . . = 445 .

Add: Repayments of government and non-government assistance
(From line 445 federal T661 (T2 SCH32)) . . . . . + 446 .

SR & ED expenditure pool transferred on amalgamation or wind-up
(From line 452 federal T661 (T2 SCH32)) . . . . . + 452 .

Amount of federal ITC recaptured in the preceding taxation year
(From line 453 federal T661 (T2 SCH32)) . . . . . + 453 .

Preceding year's balance in pool of deductible Ontario SR & ED expenditures
(From 480 of the preceding taxation year) . . . . . + 460 1,476,831 .

Federal ITC relating to QORD **claimed** federally in the preceding
taxation year(s) . . . . . + 462 .
(From 575 on Page 3)

Amount of federal ITC relating to QORD allocated from partnerships
in the current taxation year . . . . . + 465 .

Subtotal 462 + 465 . . . . . = 468 .

Gross-up for Ontario allocation factor From 468 . ÷ 100.0000 % - - - = + 470 .
(From 30 of the CT23 or CT8)

Subtotal: 445 + 446 + 452 + 453 + 460 + 470

(If the amount in 473 is negative, enter zero, in 475 , 477 and add 473 to 615 of the 2002 CT23 or CT8
or 616 of the 2003 or later CT23 or CT8. If the amount in 473 is positive, enter the amount in 475 .) = 473 1,476,831 .

Amount available for deduction . . . . . = 475 .

Deduction claimed in the taxation year for Ontario
(Enter the SR & ED expenditure pool deduction claimed in the taxation year in 679 of the CT23 or CT8) . . . . – 477 .

Ontario current taxation year closing balance
in pool of deductible SR & ED expenditures 475 – 477 . . . . . = 480 .

(Transfer this amount to 460 as the carry
forward amount for the next taxation year.)

Ontario Scientific Research and Experimental Development Expenditures CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

Calculation of Preceding Taxation Year Amount and Account Balances - Federal ITC from SR & ED Expenditures relating to QORD.

- This page is used to calculate the amount of the federal ITC that relates to SR & ED performed in Ontario for certain taxation years and is used to increase the amount of the Ontario SR & ED pool on page 2.
- All amounts on this page are based on the preceding taxation year since the amount of the federal ITC that relates to QORD can only be used to increase the Ontario pool for SR & ED in the current taxation year if there was a federal ITC claimed for federal purposes in the preceding taxation year that related to QORD.
- **Do not include amounts** of federal ITCs that relate to QORD that were **allocated from a partnership.** These amounts are added to your SR & ED pool for Ontario in the taxation year that they are allocated from a partnership to a corporation, not in the year after they are claimed federally.

Opening Balance:

(Enter amount 590 from Schedule 161 of the preceding taxation year, if any) . . . . . + 500 63,458.

Add: Amount of federal ITC earned, relating to QORD
(QORD portion of line 540 federal T2 SCH31 for the preceding taxation year) . . . . . + 510 .

Amount of federal ITC earned, relating to QORD, transferred on amalgamation or wind-up
(QORD portion of line 530 federal T2 SCH31 for the preceding taxation year) . . . . . + 520 .

Subtotal: 500 + 510 + 520 . . . . . = 535 63,458.

Deduct: Amount of federal ITC, relating to QORD, claimed federally
(QORD portion of line 560 federal T2 SCH31 for the preceding taxation year) . . . . . + 540 .

Amount of federal ITC, relating to QORD, carried back federally to a preceding taxation year(s)
(QORD portion of line P federal T2 SCH31 for the preceding taxation year . . . . . + 550 .

A refund of federal ITC, relating to QORD, claimed federally
(QORD portion of line 610 federal T2 SCH31 for the preceding taxation year) . . . . . + 560 .

Amount of federal ITC, relating to QORD, deemed as a remittance of co-op corporations
(QORD portion of line 510 federal T2 SCH31 for the preceding taxation year) . . . . . + 570 .

Subtotal: 540 + 550 + 560 + 570 . . . . . = 575 .

(Transfer this amount to 462 on Page 2)

Deduct: Amount of federal ITC, relating to QORD, expired per the ITA after 10 taxation years . . . . . .
(QORD portion of line 515 federal T2 SCH31 for the preceding taxation year) . . . . . – 580 .

Closing Balance: 535 – 575 – 580 . . . . . = 590 63,458.

(Transfer this amount to 500 as the opening balance for the next taxation year.)

Ontario Scientific Research and Experimental Development Expenditures
CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

Continuity Schedule for Federal ITC relating to SR & ED Expenditures for the Preceding Taxation Year

- All amounts on this page are based on the preceding taxation year.
- Amounts on this page should tie into Part 11 of federal T2 SCH31 completed for the preceding taxation year.

Yr. of Origin (Oldest yr. first) yyyy mm dd	Opening Balance	Additions	Deductions (other than amounts that were allocated from a partnership)	Deductions (only amounts that were allocated from a partnership)	Closing Balance
1995-12-31					
1996-12-31					
1997-12-31					
1998-12-31					
1999-12-31					
2000-12-31					
2001-12-31					
2002-12-31					
2003-12-31	63,458				63,458
2004-12-31					
2005-12-31					
Totals (see note 1, 2 and 3)	725 63,458	740	755	770	785 63,458

Notes:

1. The amount in 725 should equal the amount of the investment tax credit at the end of the preceding taxation year less line 515 in Part 12 of the federal T2 SCH31 for the preceding taxation year.
2. The amount in 785 should equal the closing balance in line 620 in Part 12 of the federal T2 SCH31 for the preceding taxation year.
3. It is important that the amounts in the deductions columns on this page correctly reflect the year of origin of the federal ITC claimed because only amounts relating to QORD can be used to increase the Ontario SR & ED pool.

Ontario Scientific Research and Experimental Development Expenditures CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2006-12-31

Continuity Schedule for the Amount of Federal ITC from SR & ED Expenditures relating to QORD for the Preceding Taxation Year

- This page is required to record the amount of the ITC that relates to QORD by year of origin.
- All amounts on this page are based on the preceding taxation year.
- **Do not** include amounts of federal ITCs that relate to QORD that were **allocated from a partnership** (see text at the top of page 3).

Yr. of Origin (Oldest yr. first) yyyy mm dd	Opening Balance	Additions	Deductions	Closing Balance
2000-12-31				
2001-12-31				
2002-12-31				
2003-12-31	63,458			63,458
2004-12-31				
2005-12-31				
Totals (see note 1 - 6)	825 63,458	840	855	870 63,458

Notes:

1. The amount in 825 should equal 500 on page 3.
2. The amount in 840 should equal the total of 510 and 520 on page 3.
3. The amount in 855 should equal 575 on page 3.
4. The amount in 870 should equal 590 on page 3.
5. Any deductions that are recorded in the deduction column on this page must be taken out of the same year of origin as indicated in the deduction column on page 4. These deductions must be related to QORD and must not have been allocated from a partnership.
6. The amount of federal ITC relating to QORD will expire if the federal ITC it relates to expires before it is claimed federally.

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Canada Revenue Agency / Agence du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

EXEMPT FROM TAX

055 Do not use this area

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

Parts, sections, subsections, and paragraphs mentioned on this return refer to the federal *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing.

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 tax year.

For more information see **www.cra.gc.ca** or the *T2 Corporation – Income Tax Guide* (T4012).

Identification

Business Number (BN) 001 87681 9301 RC0001

Corporation's name

002 NIAGARA WEST TRANSFORMATION CORPORATION

Has the corporation changed its name since the last time you filed your T2 return? 003 1 Yes ☐ 2 No ☒

If **yes**, do you have a copy of the articles of amendment? ***(Do not submit)*** 004 1 Yes ☐ 2 No ☐

Address of head office

Has this address changed since the last time you filed your T2 return? 010 1 Yes ☐ 2 No ☒

(If **yes**, complete lines 011 to 018)

011 2-4548 ONTARIO ST

012

City: 015 BEAMSVILLE

Province, territory, or state: 016 ON

Country (other than Canada): 017

Postal code/Zip code: 018 L0R 1B5

Mailing address (if different from head office address)

Has this address changed since the last time you filed your T2 return? 020 1 Yes ☐ 2 No ☒

(If **yes**, complete lines 021 to 028)

021 c/o

022

023

City: 025

Province, territory, or state: 026

Country (other than Canada): 027

Postal code/Zip code: 028

Location of books and records

Has the location of books and records changed since the last time you filed your T2 return? 030 1 Yes ☒ 2 No ☐

(If **yes**, complete lines 031 to 038)

031 28 LAKE ST.

032

City: 035 BEAMSVILLE

Province,territory, or state: 036 ON

Country (other than Canada): 037

Postal code/Zip code: 038 L3M 2G7

040 **Type of corporation at the end of the tax year**

1 ☐ Canadian-controlled private corporation (CCPC)

2 ☐ Other private corporation

3 ☐ Public corporation

4 ☐ Corporation controlled by a public corporation

5 ☒ Other corporation (specify, below)

Exempt from tax

If the type of corporation changed during the tax year, provide the effective date of the change. 043 _____ YYYY MM DD

To which tax year does this return apply?

Tax year start 060 2007-01-01 YYYY MM DD

Tax year-end 061 2007-12-31 YYYY MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous tax year? 063 1 Yes ☐ 2 No ☒

If **yes**, provide the date control was acquired 065 _____ YYYY MM DD

Is the date on line 061 a deemed tax year-end in accordance with subsection 249(3.1)? 066 1 Yes ☐ 2 No ☒

Is the corporation a professional corporation that is a member of a partnership? 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? 070 1 Yes ☐ 2 No ☒

Amalgamation? 071 1 Yes ☐ 2 No ☒

If **yes**, complete lines 030 to 038 and attach Schedule 24.

Has there been a wind-up of a subsidiary under section 88 during the current tax year? 072 1 Yes ☐ 2 No ☒

If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If **no**, give the country of residence on line 081 and **complete and attach** Schedule 97.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? 082 1 Yes ☐ 2 No ☒

If **yes**, complete and attach Schedule 91.

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

085

1 ☐ Exempt under paragraph 149(1)(e) or (l)

2 ☐ Exempt under paragraph 149(1)(j)

3 ☐ Exempt under paragraph 149(1)(t)

4 ☒ Exempt under other paragraphs of section 149

Do not use this area

091	092	093	094	095	096
100					

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.
Schedules – Answer the following questions. For each *Yes* response, **attach** to the T2 return the schedule that applies.

		Yes	Schedule
Is the corporation related to any other corporations?	150		9
Is the corporation an associated CCPC?	160		23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders?	151		19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
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		44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
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		22
Did the corporation have any foreign affiliates during the year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal *Income Tax Regulations*?	170		29
Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172		—
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; gifts of cultural or ecological property; or gifts of medicine?	202		2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
Is the corporation claiming any type of losses?	204		4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), 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		7
Does the corporation have any property that is eligible for capital cost allowance?	208		8
Does the corporation have any property that is eligible capital property?	210		10
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming reserves of any kind?	213		13
Is the corporation claiming a patronage dividend deduction?	216		16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
Is the corporation an investment corporation or a mutual fund corporation?	218		18
Was the corporation carrying on business in Canada as a non-resident corporation?	220		20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
Does the corporation have any Canadian manufacturing and processing profits?	227		27
Is the corporation claiming an investment tax credit?	231		31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232		T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over $10,000,000?	233		—
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234		—
Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236		36
Is the corporation claiming a surtax credit?	237		37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
Is the corporation claiming a Part I tax credit?	242		42
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		43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
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		39
Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131
Is the corporation claiming a film or video production services tax credit refund?	254		T1177

Attachments – continued from page 2

		Yes	Schedule
Is the corporation subject to Part XIII.1 tax?	255		92 *
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256		T1134-A
Did the corporation have any controlled foreign affiliates?	258		T1134-B
Did the corporation own specified foreign property in the year with a cost amount over $100,000?	259		T1135
Did the corporation transfer or loan property to a non-resident trust?	260		T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261		T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262		T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263		T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264		T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265		55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266		T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267		T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268		53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269		54

* We do not print this schedule.

Additional information

Is the corporation inactive? 280 1 Yes ☐ 2 No ☒

Has the major business activity changed since the last return was filed? (enter **yes** for first-time filers) 281 1 Yes ☐ 2 No ☒

What is the corporation's major business activity? 282 _____
(Only complete if **yes** was entered at line 281)

If the major business activity involves the resale of goods, show whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	ELECTRICITY DISTRIB.	285	100.000 %
286		287	%
288		289	%

Did the corporation immigrate to Canada during the tax year? 291 1 Yes ☐ 2 No ☒

Did the corporation emigrate from Canada during the tax year? 292 1 Yes ☐ 2 No ☒

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI. 300 _____ A

Deduct:

Charitable donations from Schedule 2	311	
Gifts to Canada, a province, or a territory from Schedule 2	312	
Cultural gifts from Schedule 2	313	
Ecological gifts from Schedule 2	314	
Gifts of medicine from Schedule 2	315	
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	
Part VI.1 tax deduction *	325	
Non-capital losses of previous tax years from Schedule 4	331	
Net capital losses of previous tax years from Schedule 4	332	
Restricted farm losses of previous tax years from Schedule 4	333	
Farm losses of previous tax years from Schedule 4	334	
Limited partnership losses of previous tax years from Schedule 4	335	
Taxable capital gains or taxable dividends allocated from a central credit union	340	
Prospector's and grubstaker's shares	350	
Subtotal		▶ _____ B

Subtotal (amount A **minus** amount B) (if negative, enter "0") _____ C

Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions 355 _____ D

Taxable income (amount C **plus** amount D) 360 _____

Income exempt under paragraph 149(1)(t) 370 _____

Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370) _____ Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income from active business carried on in Canada from Schedule 7 . . . . . **400** _____ A

Taxable income from line 360, **minus** 10/3 of the amount on line 632*, **minus** 3 times the amount on line 636**, and **minus** any amount that, because of federal law, is exempt form Part I tax . . . . . **405** _____ B

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

300,000 x Number of days in the tax year in 2005 and in 2006 / Number of days in the tax year (365) = ... _____ 1

400,000 x Number of days in the tax year after 2006 (365) / Number of days in the tax year (365) = ... 400,000 2

Add amounts at lines 1 and 2 400,000 4

Business limit (see notes 1 and 2 below) . . . . . **410** _____ C

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

Business limit reduction:

Amount C _____ x **415** *** _____ / 11,250 D = ... _____ E

Reduced business limit (amount C **minus** amount E) (if negative, enter "0") . . . . . **425** _____ F

Small business deduction

Amount A, B, C, or F whichever is the least _____ x Number of days in the tax year before January 1, 2008 / Number of days in the tax year (365) x 16 % = _____ 5

Amount A, B, C, or F whichever is the least _____ x Number of days in the tax year after December 31, 2007 and before January 1, 2009 / Number of days in the tax year (365) x 17 % = _____ 6

Amount A, B, C, or F whichever is the least _____ x Number of days in the tax year after December 31, 2008 / Number of days in the tax year (365) x 17 % = _____ 7

Total of amounts 5, 6, and 7 – enter on line 9 **430** _____ G

* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

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

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and the previous tax years, the amount to be entered at line 415 is: (Total taxable capital employed in Canada for the **prior year** minus $10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered at line 415 is: (Total taxable capital employed in Canada for the **current year** minus $10,000,000) x 0.225%
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)] . . . . . **435** _____ H

Amount H _____ x Number of days in the tax year in 2005 / Number of days in the tax year (365) x 3 % = _____ I

Amount H _____ x Number of days in the tax year in 2006 / Number of days in the tax year (365) x 5 % = _____ J

Amount H _____ x Number of days in the tax year in 2007 / Number of days in the tax year (365) x 7 % = _____ K

Resource deduction – total of amounts I, J and K . . . . . **438** _____ L

Enter amount L on line 10.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360			A
Amount Z1 from Part 9 of Schedule 27	B		
Amount QQ from Part 13 of Schedule 27	C		
Taxable resource income from line 435	D		
Amount used to calculate the credit union deduction (from Schedule 17)	E		
Amount from line 400, 405, 410, or 425, whichever is the least	F		
Aggregate investment income from line 440	G		
Total of amounts B, C, D, E, F, and G		▶	H
Amount A **minus** amount H (if negative, enter "0")			I

Amount I		x	Number of days in the tax year before January 1, 2008 / Number of days in the tax year	365 / 365	x 7 %	=	J
Amount I		x	Number of days in the tax year after December 31, 2007 and before January 1, 2009 / Number of days in the tax year	/ 365	x 8.5 %	=	K
Amount I		x	Number of days in the tax year after December 31, 2008 and before January 1, 2010 / Number of days in the tax year	/ 365	x 9 %	=	K1
Amount I		x	Number of days in the tax year after December 31, 2009 and before January 1, 2011 / Number of days in the tax year	/ 365	x 10 %	=	K2

General tax reduction for Canadian-controlled private corporations – total of amounts J, K, K1, and K2 L
Enter amount L on line 638.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation, and for tax years starting after May 1, 2006, any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 (for tax years starting after May 1, 2006, amount Z)			M
Amount Z1 from Part 9 of Schedule 27	N		
Amount QQ from Part 13 of Schedule 27	O		
Taxable resource income from line 435	P		
Amount used to calculate the credit union deduction (from Schedule 17)	Q		
Total of amounts N, O, P, and Q		▶	R
Amount M **minus** amount R (if negative, enter "0")			S

Amount S		x	Number of days in the tax year before January 1, 2008 / Number of days in the tax year	365 / 365	x 7 %	=	T
Amount S		x	Number of days in the tax year after December 31, 2007 and before January 1, 2009 / Number of days in the tax year	/ 365	x 8.5 %	=	U
Amount S		x	Number of days in the tax year after December 31, 2008 and before January 1, 2010 / Number of days in the tax year	/ 365	x 9 %	=	U1
Amount S		x	Number of days in the tax year after December 31, 2009 and before January 1, 2011 / Number of days in the tax year	/ 365	x 10 %	=	U2

General tax reduction – total of amounts T, U, U1, and U2 V
Enter amount V on line 639.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income (from Schedule 7) . . . . . 440 _____ x 26 2 / 3 % = ... _____ A

Foreign non-business income tax credit from line 632 . . . . . _____

Deduct:

Foreign investment income (from Schedule 7) . . . . . 445 _____ x 9 1 / 3 % = _____
(if negative, enter "0") _____ ▶ _____ B

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

Taxable income from line 360 . . . . . _____

Deduct:

Amount from line 400, 405, 410, or 425, whichever is the least . . . . . _____

Foreign non-business income tax credit from line 632 . . . . . _____ x 25 / 9 = _____

Foreign business income tax credit from line 636 . . . . . _____ x 3 = _____
_____ ▶ _____
x 26 2 / 3 % = _____ D

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780) . . . . . _____

Deduct: Corporate surtax from line 600 . . . . . _____

Net amount . . . . . _____ ▶ _____ E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least . . . . . 450 _____ F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year . . . . . 460 _____

Deduct: Dividend refund for the previous tax year . . . . . 465 _____
_____ ▶ _____ G

Add the total of:

Refundable portion of Part I tax from line 450 above . . . . . _____

Total Part IV tax payable from Schedule 3 . . . . . _____

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation . . . . . 480 _____
_____ ▶ _____ H

Refundable dividend tax on hand at the end of the tax year – Amount G **plus** amount H . . . . . 485 _____

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 of Schedule 3 . . . . . _____ x 1 / 3 _____ I

Refundable dividend tax on hand at the end of the tax year from line 485 above . . . . . _____ J

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784) . . . . . _____

Part I tax

Base amount of Part I tax – taxable income (line 360 or amount Z, whichever applies) **multiplied** by 38.00 % . . . . . **550** _____ A

Corporate surtax calculation

Base amount from line A above . . . . . _____ 1

Deduct:

10 % of taxable income (line 360 or amount Z, whichever applies) . . . . . _____ 2

Investment corporation deduction from line 620 below . . . . . _____ 3

Federal logging tax credit from line 640 below . . . . . _____ 4

Federal qualifying environmental trust tax credit from line 648 below . . . . . _____ 5

For a mutual fund corporation or an investment corporation throughout the tax year, enter amount a, b, or c below on line 6, whichever is the least:

28.00 % of taxable income from line 360 . . . . . _____ a

28.00 % of taxed capital gains . . . . . _____ b

Part I tax otherwise payable . . . . . _____ c

(line A **plus** lines C and D **minus** line F)

_____ 6

Total of lines 2 to 6 . . . . . _____ 7

Net amount (line 1 **minus** line 7) . . . . . _____ 8

Corporate surtax*

Line 8 _____ x Number of days in the tax year before January 1, 2008 / Number of days in the tax year 365/365 x 4 % = **600** _____ B

* The corporate surtax is zero effective January 1, 2008.

Recapture of investment tax credit from Schedule 31 . . . . . **602** _____ C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 . . . . . _____ i

Taxable income from line 360 . . . . . _____

Deduct:

Amount from line 400, 405, 410, or 425, whichever is the least . . . . . _____

Net amount . . . . . _____ ▶ _____ ii

Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount i or ii . . . . . **604** _____ D

Subtotal (**add** lines A, B, C, and D) _____ E

Deduct:

Small business deduction from line 430 . . . . . _____ 9

Federal tax abatement . . . . . **608** _____

Manufacturing and processing profits deduction from Schedule 27 . . . . . **616** _____

Investment corporation deduction . . . . . **620** _____

(taxed capital gains **624** _____)

Additional deduction – credit unions from Schedule 17 . . . . . **628** _____

Federal foreign non-business income tax credit from Schedule 21 . . . . . **632** _____

Federal foreign business income tax credit from Schedule 21 . . . . . **636** _____

Resource deduction from line 438 . . . . . _____ 10

General tax reduction for CCPCs from amount L . . . . . **638** _____

General tax reduction from amount V . . . . . **639** _____

Federal logging tax credit from Schedule 21 . . . . . **640** _____

Federal political contribution tax credit . . . . . **644** _____

Federal political contributions **646** _____

Federal qualifying environmental trust tax credit . . . . . **648** _____

Investment tax credit from Schedule 31 . . . . . **652** _____

Subtotal _____ ▶ _____ F

Part I tax payable – Line E **minus** line F . . . . . _____ G
Enter amount G on line 700.

Summary of tax and credits

Federal tax

Part I tax payable	700	
Part I.3 tax payable from Schedule 33, 34, or 35	704	
Part II surtax payable from Schedule 46	708	
Part III.1 tax payable from Schedule 55	710	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		

Add provincial or territorial tax:

Provincial or territorial jurisdiction 750 Ontario
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Québec, Ontario, and Alberta)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	
Total tax payable	770	A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit refund (Form T1131)	796	
Film or video production services tax credit refund (Form T1177)	797	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Tax instalments paid	840	
Total credits	890	B

Refund code 894 ☐ Overpayment

Balance (line A **minus** line B)

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.
Generally, we do not charge or refund a difference of $2 or less.

Balance unpaid

Enclosed payment 898

Direct deposit request

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

☐ Start ☐ Change information 910 Branch number

914 Institution number 918 Account number

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes ☐ 2 No ☒

Certification

I, 950 WOODLAND (Last name in block letters) 951 RUSS (First name in block letters) 954 DIRECTOR (Position, office, or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this tax year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 Date (yyyy/mm/dd) Signature of the authorized signing officer of the corporation 956 (905) 309-0611 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 in block letters 959 Telephone number

Language of correspondence – Langue de correspondance

990 Indicate your language of correspondence by entering **1** for English or **2** for French.
Indiquez votre langue de correspondance en inscrivant **1** pour anglais ou **2** pour français.

1 English / Anglais ☒ 2 Français / French ☐

Canada Revenue Agency / Agence du revenu du Canada

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 100

Name of corporation	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2007-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
Assets					
	Total current assets	1599	+	441,595	495,313
	Total tangible capital assets	2008	+	7,626,628	7,626,628
	Total accumulated amortization of tangible capital assets	2009	–	746,524	565,731
	Total intangible capital assets	2178	+		
	Total accumulated amortization of intangible capital assets	2179	–		
	Total long-term assets	2589	+		
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	7,321,699	7,556,210
Liabilities					
	Total current liabilities	3139	+	451,118	87,743
	Total long-term liabilities	3450	+	5,868,000	6,129,000
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	6,319,118	6,216,743
Shareholder equity					
	Total shareholder equity (mandatory field)	3620	+	1,002,581	1,339,467
	Total liabilities and shareholder equity	3640	=	7,321,699	7,556,210
Retained earnings					
	Retained earnings/deficit – end (mandatory field)	3849	=	-1,397,519	-1,060,633

* Generic item

Current Assets

Form identifier 1599

Account	Description	GIFI		Current year	Prior year
Cash and deposits					
	* Cash and deposits	1000		373,892	355,089
	Cash	1001			
	Deposits in Canadian banks and institutions – Canadian currency	1002			
	Deposits in Canadian banks and institutions – foreign currency	1003			
	Deposits in foreign banks – Canadian currency	1004			
	Deposits in foreign banks – foreign currency	1005			
	Credit union central deposits	1006			
	Other cash like instruments	1007			
	Cash and deposits		+	373,892	355,089
Accounts receivable					
	* Accounts receivable	1060		63,442	133,862
	Trade accounts receivable	1062			
	Trade accounts receivable from related parties	1064			
	Taxes receivable	1066			4,770
	Interest receivable	1067			
	Holdbacks receivable	1068			
	Leases receivable	1069			
	Accounts receivable from employees	1071			
	Amounts receivable from members of NPOs	1073			
	Accounts receivable		+	63,442	138,632
Allowance for doubtful accounts					
	* Allowance for doubtful accounts	1061			
	Allowance for doubtful trade accounts receivable	1063			
	Allowance for doubtful trade accounts receivable from related parties	1065			
	Allowance for doubtful amounts contained in leases receivable	1070			
	Allowance for doubtful accounts receivable from employees	1072			
	Allowance for doubtful accounts		–		
Inventories					
	* Inventories	1120			
	Inventory of goods for sale	1121			
	Inventory parts and supplies	1122			
	Inventory properties	1123			
	Inventory of aggregates	1124			
	Work in progress	1125			
	Raw materials	1126			
	Inventory of securities	1127			
	Inventories		+		
Short-term investments					
	* Short-term investments	1180			
	Canadian term deposits	1181			
	Canadian shares	1182			
	Canadian bonds	1183			
	Canadian treasury bills	1184			
	Securities purchased under resale agreements	1185			
	Other short-term Canadian investments	1186			
	Short-term foreign investments	1187			
	Short-term investments		+		

Loans and notes receivable

* Loans and notes receivable	1240			
Demand loans receivable	1241			
Other loans receivable	1242			
Notes receivable	1243			
Mortgages receivable	1244			
Loans and notes receivable		+		

Due from shareholder(s)/director(s)

* Due from shareholder(s)/director(s)	1300			
Due from individual shareholder(s)	1301			
Due from corporate shareholder(s)	1302			
Due from director(s)	1303			
Due from shareholder(s)/director(s)		+		

* Investment in joint venture(s)/partnership(s)	1360	+		

* Due from joint venture(s)/partnership(s)	1380	+		

Due from/investment in related parties

* Due from/investment in related parties	1400			
Demand notes from related parties	1401			
Interest receivable from related parties	1402			
Loans/advances due from related parties	1403			
Due from/investment in related parties		+		

* Customers' liability under acceptances	1460	+		

Other current assets

* Other current assets	1480			
Future (deferred) income taxes	1481			
Accrued investment income	1482			
Taxes recoverable/refundable	1483			
Prepaid expenses	1484		4,261	1,592
Drilling advances	1485			
Security/tender deposits	1486			
Other current assets		+	4,261	1,592

Total current assets	1599	=	441,595	495,313

* Generic item

Tangible Capital Assets and Accumulated Amortization

Form identifier 2008/2009

Account	Description	GIFI		Tangible capital assets		Accumulated amortization	Prior year
Land							
	* Land	1600	+				
	Land improvements	1601	+				
	Accumulated amortization of land improvements	1602			–		
	Total						
Depletable assets							
	* Depletable assets	1620	+	7,626,628			7,626,628
	*Accumulated amortization of depletable assets	1621			–	746,524	565,731
	Petroleum and natural gas properties	1622	+				
	Accumulated amortization of petroleum and natural gas properties	1623			–		
	Mining properties	1624	+				
	Accumulated amortization of mining properties	1625			–		
	Deferred exploration and development charges	1626	+				
	Accumulated amortization of deferred exploration and development charges	1627			–		
	Quarries	1628	+				
	Accumulated amortization of quarries	1629			–		
	Gravel pits	1630	+				
	Accumulated amortization of gravel pits	1631			–		
	Timber limits	1632	+				
	Accumulated amortization of timber limits	1633			–		
	Total			7,626,628		746,524	
Buildings							
	* Buildings	1680	+				
	*Accumulated amortization of buildings	1681			–		
	Manufacturing and processing plant	1682	+				
	Accumulated amortization of manufacturing and processing plant	1683			–		
	Buildings under construction	1684	+				
	Total						
Machinery, equipment, furniture and fixtures							
	* Machinery, equipment, furniture, and fixtures	1740	+				
	*Accumulated amortization of machinery, equipment, furniture, and fixtures	1741			–		
	Motor vehicles	1742	+				
	Accumulated amortization of motor vehicles	1743			–		
	Tools and dies	1744	+				
	Accumulated amortization of tools and dies	1745			–		
	Construction and excavating equipment	1746	+				
	Accumulated amortization of construction and excavating equipment	1747			–		
	Forestry and logging equipment	1748	+				
	Accumulated amortization of forestry and logging equipment	1749			–		
	Fishing gear and nets	1750	+				
	Accumulated amortization of fishing gear and nets	1751			–		
	Mining equipment	1752	+				
	Accumulated amortization of mining equipment	1753			–		
	Oil and gas systems	1754	+				

Machinery, equipment, furniture and fixtures (continued)

Accumulated amortization of oil and gas systems	1755		–		
Production equipment for resource industries	1756	+			
Accumulated amortization of production equipment for resource industries	1757		–		
Production equipment for other than resource industries	1758	+			
Accumulated amortization of production equipment for other than resource industries	1759		–		
Exploration equipment	1760	+			
Accumulated amortization of exploration equipment	1761		–		
Shipping equipment	1762	+			
Accumulated amortization of shipping equipment	1763		–		
Ships and boats	1764	+			
Accumulated amortization of ships and boats	1765		–		
Aircraft	1766	+			
Accumulated amortization of aircraft	1767		–		
Signs	1768	+			
Accumulated amortization of signs	1769		–		
Small tools	1770	+			
Accumulated amortization of small tools	1771		–		
Radio and communication equipment	1772	+			
Accumulated amortization of radio and communication equipment	1773		–		
Computer equipment/software	1774	+			
Accumulated amortization of computer equipment/software	1775		–		
Musical instruments	1776	+			
Accumulated amortization of musical instruments	1777		–		
Satellites	1778	+			
Accumulated amortization of satellites	1779		–		
Earth stations	1780	+			
Accumulated amortization of earth stations	1781		–		
Machinery and equipment under construction	1782	+			
Transportation equipment	1783	+			
Accumulated amortization of transportation equipment	1784		–		
Other machinery and equipment	1785	+			
Accumulated amortization of other machinery and equipment	1786		–		
Furniture and fixtures	1787	+			
Accumulated amortization of furniture and fixtures	1788		–		
Total					

Other tangible capital assets

*Other tangible capital assets	1900	+			
*Accumulated amortization of other tangible capital assets	1901		–		
Logging roads	1902	+			
Accumulated amortization of logging roads	1903		–		
Asphalt and parking areas	1904	+			
Accumulated amortization of asphalt and parking areas	1905		–		
Wharves	1906	+			
Accumulated amortization of wharves	1907		–		

Other tangible capital assets (continued)

Fences	1908	+			
Accumulated amortization of fences	1909			–	
Capital leases – buildings	1910	+			
Accumulated amortization of capital leases – buildings	1911			–	
Capital leases – equipment	1912	+			
Accumulated amortization of capital leases – equipment	1913			–	
Capital leases – vehicles	1914	+			
Accumulated amortization of capital leases – vehicles	1915			–	
Capital leases – others	1916	+			
Accumulated amortization of capital leases – others	1917			–	
Leasehold improvements	1918	+			
Accumulated amortization of leasehold improvements	1919			–	
Other capital assets under construction	1920	+			
Campsites	1921	+			
Accumulated amortization of campsites	1922			–	
Total					

Total tangible capital assets	2008	=	7,626,628		7,626,628

Total accumulated amortization of tangible capital assets	2009			= 746,524	565,731

* Generic item

Current Liabilities

Form identifier 3139

Account	Description	GIFI		Current year	Prior year
	* Bank overdraft	2600	+		
Amounts payable and accrued liabilities					
	* Amounts payable and accrued liabilities	2620		451,118	87,743
	Trade payables	2621			
	Trade payables to related parties	2622			
	Holdbacks payable	2623			
	Wages payable	2624			
	Management fees payable	2625			
	Bonuses payable	2626			
	Employee deductions payable	2627			
	Withholding taxes payable	2628			
	Interest payable	2629			
	Amounts payable to members of NPOs	2630			
	Amounts payable and accrued liabilities		+	451,118	87,743
	* Taxes payable	2680	+		
Short-term debt					
	* Short-term debt	2700			
	Loans from Canadian banks	2701			
	Liability for securities sold short	2702			
	Liability for securities sold under repurchase agreements	2703			
	Gold and silver certificates	2704			
	Cheques and other items in transit	2705			
	Lien notes	2706			
	Credit card loans	2707			
	Short-term debt		+		
	* Deferred income	2770	+		
Due to shareholder(s)/director(s)					
	* Due to shareholder(s)/director(s)	2780			
	Due to individual shareholder(s)	2781			
	Due to corporate shareholder(s)	2782			
	Due to director(s)	2783			
	Due to shareholder(s)/director(s)		+		
	* Due to joint venture(s)/partnership(s)	2840	+		
Due to related parties					
	* Due to related parties	2860			
	Demand notes due to related parties	2861			
	Interest payable to related parties	2862			
	Advances due to related parties	2863			
	Due to related parties		+		

* Current portion of long-term liability	2920	+		

* Bankers' acceptances	2940	+		

Other current liabilities

* Other current liabilities	2960			
Deposits received	2961			
Dividends payable	2962			
Future (deferred) income taxes	2963			
Reserves for guarantees, warranties, or indemnities	2964			
General provisions/reserves	2965			
Crew shares	2966			
Other current liabilities		+		

Total current liabilities	3139	=	451,118	87,743

* Generic item

Long-term Liabilities

Form identifier 3450

Account	Description	GIFI	Current year	Prior year
	Long-term debt			
	* Long-term debt	3140	5,571,000	5,732,000
	Mortgages	3141		
	Farm credit corporation loan	3142		
	Chartered bank loan	3143		
	Credit Union/Caisse Populaire loan	3144		
	Provincial government loan	3145		
	Supply company loan	3146		
	Private loan	3147		
	Central, league, and federation loans	3148		
	Line of credit	3149		
	Liability for securities sold short	3150		
	Liability for securities sold under repurchase agreements	3151		
	Lien notes	3152		
	Long-term debt	+	5,571,000	5,732,000
	* Deposit liabilities of financial institutions	3200 +		
	* Bonds and debentures	3210 +		
	* Deferred income	3220 +		
	* Future (deferred) income taxes	3240 +	297,000	397,000
	Due to shareholder(s)/director(s)			
	* Due to shareholder(s)/director(s)	3260		
	Due to individual shareholder(s)	3261		
	Due to corporate shareholder(s)	3262		
	Due to director(s)	3263		
	Due to shareholder(s)/director(s)	+		
	* Due to members	3270 +		
	* Due to joint venture(s)/partnership(s)	3280 +		
	Due to related parties			
	* Due to related parties	3300		
	Amounts owing to related Canadian parties	3301		
	Amounts owing to related foreign parties	3302		
	Due to related parties	+		

Other long-term liabilities

* Other long-term liabilities	3320			
Long-term obligations/commitments/capital leases	3321			
Reserves for guarantees, warranties, or indemnities	3322			
Provision for site restoration	3323			
Contributions to qualifying environmental trust	3324			
General provisions/reserves	3325			
Preference shares restated	3326			
Member allocations	3327			
Deferred revenue from incomplete contracts	3328			
Other long-term liabilities		+		

Total long-term liabilities	3450	=	5,868,000	6,129,000

* Generic item

Shareholder Equity

Form identifier 3620

Account	Description	GIFI		Current year	Prior year
	* Common shares	3500	+	100	100
	* Preferred shares	3520	+	2,400,000	2,400,000
Contributed and other surplus					
	* Contributed and other surplus	3540			
	Contributed surplus	3541			
	Appraisal surplus	3542			
	General reserve	3543			
	Contributed and other surplus		+		
	* Head office account	3570	+		
	* Retained earnings/deficit	3600	+	-1,397,519	-1,060,633
	Total shareholder equity	3620	=	1,002,581	1,339,467

* Generic item

Retained Earnings/Deficit

Form identifier 3849

Account	Description	GIFI		Current year	Prior year
	* Retained earnings/deficit – start	3660	+	-1,060,633	-958,311
	* Net income/loss	3680	+	184,881	-102,322
	Dividends declared				
	* Dividends declared	3700			
	Cash dividends	3701			
	Patronage dividends	3702			
	Dividends declared		–		
	* Prior period adjustments	3720	+		
	Other items affecting retained earnings				
	* Other items affecting retained earnings	3740		-521,767	
	Share redemptions	3741			
	Special reserves	3742			
	Currency adjustments	3743			
	Unusual revenue items	3744			
	Interfund transfer	3745			
	Other items affecting retained earnings		+	-521,767	
	Retained earnings/deficit – end	3849	=	-1,397,519	-1,060,633

* Generic item

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GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 125

Name of corporation	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2007-12-31

Income statement information

Description	GIFI

Operating name	0001	
Description of the operation	0002	
Sequence Number	0003	01

Account	Description	GIFI		Current year	Prior year
Income statement information					
	Total sales of goods and services	8089	+	659,789	558,210
	Cost of sales	8518	–		
	Gross profit/loss	8519	=	659,789	558,210
	Cost of sales	8518	+		
	Total operating expenses	9367	+	586,675	673,592
	Total expenses (mandatory field)	9368	=	586,675	673,592
	Total revenue (mandatory field)	8299	+	671,556	573,270
	Total expenses (mandatory field)	9368	–	586,675	673,592
	Net non-farming income	9369	=	84,881	-100,322
Farming income statement information					
	Total farm revenue (mandatory field)	9659	+		
	Total farm expenses (mandatory field)	9898	–		
	Net farm income	9899	=		
	Net income/loss before taxes and extraordinary items	9970	=	84,881	-100,322
Extraordinary items and income (linked to Schedule 140)					
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–		
	Current income taxes	9990	–		19,000
	Deferred income tax provision	9995	–	-100,000	-17,000
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	184,881	-102,322

Revenue

Form identifier 8299

Account	Description	GIFI		Current year	Prior year
	* Trade sales of goods and services	8000	+	659,789	558,210
	* Sales of goods and services to related parties	8020	+		
	* Interdivisional sales	8030	+		
Sales from resource properties					
	* Sales from resource properties	8040			
	Petroleum and natural gas sales	8041			
	Petroleum and natural gas sales to related parties	8042			
	Gas marketing	8043			
	Processing revenue	8044			
	Pipeline revenue	8045			
	Seismic sales	8046			
	Mining revenue	8047			
	Coal revenue	8048			
	Oil sands revenue	8049			
	Royalty income	8050			
	Oil and gas partnership/joint venture income/loss	8051			
	Mining partnership/joint venture income/loss	8052			
	Other production revenue	8053			
	Sales from resource properties		+		
	Total sales of goods and services	8089	=	659,789	558,210
Investment revenue					
	* Investment revenue	8090			
	Interest from foreign sources	8091			
	Interest from Canadian bonds and debentures	8092			
	Interest from Canadian mortgage loans	8093			
	Interest from other Canadian sources	8094			
	Dividend income	8095			
	Dividends from Canadian sources	8096			
	Dividends from foreign sources	8097			
	Investment revenue		+		
Interest income (financial institutions)					
	* Interest income (financial institutions)	8100			
	Loan interest	8101			
	Securities interest	8102			
	Deposits with banks interest	8103			
	Interest income (financial institutions)		+		
Commission revenue					
	* Commission revenue	8120			
	Commission income on real estate transactions	8121			
	Commission revenue		+		

Rental revenue

* Rental revenue	8140			
Real estate rental revenue	8141			
Film rental revenue	8142			
Rental revenue		+		

* Vehicle leasing	8150	+		

Fishing revenue

* Fishing revenue	8160			
Fish products	8161			
Other marine products	8162			
Fishing grants, credits, and rebates	8163			
Fishing subsidies	8164			
Compensation for loss of fishing income or property	8165			
Sharesman income	8166			
Fishing revenue		+		

Realized gains/losses on disposal of assets

* Realized gains/losses on disposal of assets	8210			
Realized gains/losses on sale of investments	8211			
Realized gains/losses on sale of resource properties	8212			
Realized gains/losses on disposal of assets		+		

NPO amounts received

* Non-Profit organizations amounts received	8220			
Membership fees	8221			
Assessments	8222			
Gifts	8223			
Gross sales and revenues from organizational activities	8224			
NPO amounts received		+		

Other revenue

* Other revenue	8230		11,767	15,060
Foreign exchange gains/losses	8231			
Income/loss of subsidiaries/affiliates	8232			
Income/loss of other divisions	8233			
Income/loss of joint ventures	8234			
Income/loss of partnerships	8235			
Realization of deferred revenues	8236			
Royalty income other than resource	8237			
Alberta royalty tax credits	8238			
Management and administration fees	8239			
Telecommunications revenue	8240			
Consulting fees	8241			
Subsidies and grants	8242			
Sale of by-products	8243			
Deposit services	8244			
Credit services	8245			
Card services	8246			
Patronage dividends	8247			
Insurance recoveries	8248			
Expense recoveries	8249			
Bad debt recoveries	8250			
Other revenue		+	11,767	15,060

Total revenue	8299	=	671,556	573,270

* Generic item

Operating Expenses

Form identifier 9367

Account	Description	GIFI		Current year	Prior year
	Advertising and promotion				
	* Advertising and promotion	8520			
	Advertising	8521			
	Donations	8522			
	Meals and entertainment	8523			
	Promotion	8524			
	Advertising and promotion		+		
	* Amortization of intangible assets	8570	+		
	* Goodwill impairment loss	8571	+		
	* Bad debt expense	8590	+		
	Loan losses				
	* Loan losses	8610			
	Provision for loan losses	8611			
	Loan losses		+		
	Employee benefits				
	* Employee benefits	8620			
	Group insurance benefits	8621			
	Employer's portion of employee benefits	8622			
	Contributions to deferred income plans	8623			
	Employee benefits		+		
	* Amortization of natural resource assets	8650	+		
	* Amortization of tangible assets	8670	+	180,793	180,794
	Insurance				
	* Insurance	8690			
	Life insurance on executives	8691			
	Insurance		+		
	Interest and bank charges				
	* Interest and bank charges	8710		272,255	390,329
	Interest on short-term debt	8711			
	Interest on bonds and debentures	8712			
	Interest on mortgages	8713			
	Interest on long-term debt	8714			
	Bank charges	8715			
	Credit card charges	8716			
	Collection and credit costs	8717			
	Interest and bank charges		+	272,255	390,329

Interest paid (financial institutions)

* Interest paid (financial institutions)	8740		
Interest paid on deposits	8741		
Interest paid on bonds and debentures	8742		
Interest paid (financial institutions)	+		

Business taxes, licences, and memberships

* Business taxes, licences, and memberships	8760		
Memberships	8761		
Business taxes	8762		
Franchise fees	8763		
Government fees	8764		
Business taxes, licences, and memberships	+		

* New Brunswick tax on large corporations	8780	+	

* Nova Scotia tax on large corporations	8790	+	

Office expenses

* Office expenses	8810		
Office stationery and supplies	8811		
Office utilities	8812		
Data processing	8813		
Office expenses	+		

Professional fees

* Professional fees	8860		
Legal fees	8861		
Accounting fees	8862		
Consulting fees	8863		
Architect fees	8864		
Appraisal fees	8865		
Laboratory fees	8866		
Medical fees	8867		
Veterinary fees	8868		
Brokerage fees	8869		
Transfer fees	8870		
Management and administration fees	8871		
Refining and assay	8872		
Registrar and transfer agent fees	8873		
Restructuring costs	8874		
Security commission fees	8875		
Training expense	8876		
Studio and recording	8877		
Professional fees	+		

Rental

* Rental	8910		
Real estate rental	8911		
Occupancy costs	8912		
Condominium fees	8913		
Equipment rental	8914		
Motor vehicle rentals	8915		
Moorage (boat)	8916		
Storage	8917		
Quota rental	8918		
Rental	+		

Repairs and maintenance

* Repairs and maintenance	8960		
Repairs and maintenance – buildings	8961		
Repairs and maintenance – vehicles	8962		
Repairs and maintenance – boats	8963		
Repairs and maintenance – machinery and equipment	8964		
Repairs and maintenance	+		

Other repairs and maintenance

* Other repairs and maintenance	9010		
Machine shop expense	9011		
Road costs	9012		
Security	9013		
Garbage removal	9014		
Other repairs and maintenance	+		

Salaries and wages

* Salaries and wages	9060		
Commissions	9061		
Crew share	9062		
Bonuses	9063		
Directors fees	9064		
Management salaries	9065		
Employee salaries	9066		
Salaries and wages	+		

* Sub-contracts	9110	+	

Supplies

* Supplies	9130		
Small tools	9131		
Shop expense	9132		
Uniforms	9133		
Laundry	9134		
Food and catering	9135		
Fishing gear	9136		
Nets and traps	9137		
Salt, bait, and ice	9138		
Camp supplies	9139		
Computer-related expenses	9150		
Upgrade	9151		
Internet	9152		
Supplies	+		

* Property taxes	9180	+		

Travel expenses

* Travel expenses	9200			
Meetings and conventions	9201			
Travel expenses		+		

Utilities

* Utilities	9220			
Electricity	9221			
Water	9222			
Heat	9223			
Fuel costs	9224			
Telephone et telecommunications	9225			
Utilities		+		

Other expenses

* Other expenses	9270			
Cash over/short	9271			
Reimbursement of parent company expense	9272			
Selling expenses	9273			
Shipping and warehouse expense	9274			
Delivery, freight and express	9275			
Warranty expenses	9276			
Royalty expenses – resident	9277			
Royalty expenses – non-resident	9278			
Dumping charges	9279			
Land fill fees	9280			
Vehicle expenses	9281			
Research and development	9282			
Withholding taxes	9283			
General and administrative expenses	9284		133,627	102,469
Interdivisional expenses	9285			
Interfund transfer	9286			
Other expenses		+	133,627	102,469

Total operating expenses	9367	=	586,675	673,592

* Generic item

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SCHEDULE 141

NOTES CHECKLIST

Corporation's name	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2007-12-31

- This schedule should be completed from the perspective of the person who prepared or reported on the **financial statements**. This person is referred to as the "accounting practitioner", in this schedule.
- For more information, see RC4088, *Guide to the General Index of Financial Information (GIFI) for Corporations* and T4012, *T2 Corporation – Income Tax Guide*.
- Attach a copy of this schedule, along with any Notes to the financial statements, to the GIFI.

Part 1 – Accounting practitioner information

Does the accounting practitioner have a professional designation? . . . . . **095** 1 Yes [X] 2 No [ ]

Is the accounting practitioner connected* with the corporation? . . . . . **097** 1 Yes [ ] 2 No [X]

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note
If the accounting practitioner does not have a professional designation **or** is connected with the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4.

Part 2 – Type of involvement

Choose the option that represents the highest level of involvement of the accounting practitioner: **198**

Completed an auditor's report	1	[X]
Completed a review engagement report	2	[ ]
Conducted a compilation engagement	3	[ ]

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement** above, answer the following question:

Has the accounting practitioner expressed a reservation? . . . . . **099** 1 Yes [ ] 2 No [X]

Part 4 – Other information

Were notes to the financial statements prepared? . . . . . **101** 1 Yes [X] 2 No [ ]

If *Yes*, complete lines 102 to 107 below:

Are any values presented at other than cost? . . . . . **102** 1 Yes [ ] 2 No [X]

Has there been a change in accounting policies since the last return? . . . . . **103** 1 Yes [X] 2 No [ ]

Are subsequent events mentioned in the notes? . . . . . **104** 1 Yes [ ] 2 No [X]

Is re-evaluation of asset information mentioned in the notes? . . . . . **105** 1 Yes [ ] 2 No [X]

Is contingent liability information mentioned in the notes? . . . . . **106** 1 Yes [ ] 2 No [X]

Is information regarding commitments mentioned in the notes? . . . . . **107** 1 Yes [ ] 2 No [X]

Does the corporation have investments in joint venture(s) or partnership(s)? . . . . . **108** 1 Yes [ ] 2 No [X]

If *Yes*, complete line 109 below:

Are you filing financial statements of the joint venture(s) or partnership(s)? . . . . . **109** 1 Yes [ ] 2 No [ ]

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

SCHEDULE 1

Corporation's name	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2007-12-31

- 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. For more information, see the T2 *Corporation Income Tax Guide*.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items per financial statements			184,881 A
Add:			
Provision for income taxes – deferred	102	-100,000	
Amortization of tangible assets	104	180,793	
Subtotal of additions		80,793 ▶	80,793
Other additions:			
Miscellaneous other additions:			
Subtotal of other additions	199	0 ▶	0
Total additions	500	80,793 ▶	80,793
Deduct:			
Subtotal of deductions		▶	
Other deductions:			
Miscellaneous other deductions:			
700 Exempt under section 149	390	265,674	
Total	394		
Subtotal of other deductions	499	265,674 ▶	265,674
Total deductions	510	265,674 ▶	265,674
Net income (loss) for income tax purposes – enter on line 300 of the T2 return			0

* For reference purposes only

T2 SCH 1 E (08)

Canada

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2007-12-31

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

		Provide only one number per shareholder				
	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business Number 200	Social insurance number 300	Trust number 350	Percentage common shares 400	Percentage preferred shares 500
1	GRIMSBY POWER INC.	86487 4839 RC0001			50.000	
2	PENINSULA WEST POWER INC.	89108 9419 RC0001			50.000	
3						
4						
5						
6						
7						
8						
9						
10						

T2 SCH 50 (06)

Canada

Ontario

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

2007 CT23 Corporations Tax and Annual Return

CLIENT COPY

For taxation years commencing after December 31, 2004

Corporations Tax Act – Ministry of Finance (MOF)
Corporations Information Act – Ministry of Government Services (MGS)

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

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

Ministry Use

MGS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* [X] Yes [ ] No

Corporation's Legal Name *(including punctuation)*
Niagara West Transformation Corporation

Ontario Corporations Tax Account No. (MOF)
1800380

Mailing Address
RUSS WOODLAND
28 LAKE ST.

GRIMSBY
ON CA L3M 2G7

This Return covers the Taxation Year
Start: year month day 2007-01-01
End: year month day 2007-12-31

Has the mailing address changed since last filed CT23 Return? [ ] Yes | Date of Change: year month day

Date of Incorporation or Amalgamation: year month day 2003-09-05

Registered/Head Office Address
4548 Ontario Street

Beamsville
ON CA L0R 1B5

Ontario Corporation No. (MGS): 1586499

Location of Books and Records
28 LAKE ST

GRIMSBY
ON CA L3M 2G7

Canada Revenue Agency Business No.
If applicable, enter: 87681 9301 RC0001

Name of person to contact regarding this CT23 Return: RUSS WOODLAND
Telephone No.: (905) 309-0611
Fax No.:

Jurisdiction Incorporated: Ontario

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MGS)

Ontario Canada

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced: year month day
Ceased: year month day
[X] *Not Applicable*

Former Corporation Name *(Extra-Provincial Corporations only)* [X] *Not Applicable* (MGS)

Information on Directors/Officers/Administrators must be completed on MGS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MGS). ▶

No. of Schedule(s)

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MGS, please check (X) this box. Schedule(s) A and K are not required (MGS). ▶ [X] No Change

Preferred Language / *Langue de préférence*
[X] English *anglais* [ ] French *français*

Ministry Use

Certification (MGS)

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

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

Title: [ ] Director (D) [X] Officer (O) [ ] Other individuals having knowledge of the Corporation's business activities (P)

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Please check applicable (X) box(es) and complete required information.

Type of corporation

1

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

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [ ] Other *(specify)* ▼

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100 %

2

1 [ ] Family Farm corporation s.1(2)

2 [ ] Family Fishing corporation s.1(2)

3 [ ] Mortgage Investment corporation s.47

4 [ ] Credit Union s.51

5 [ ] Bank Mortgage subsidiary s.61(4)

6 [ ] Bank s.1(2)

7 [ ] Loan and Trust corporation s.61(4)

8 [ ] Non-resident corporation s.2(2)(a) or (b)

9 [ ] Non-resident corporation s.2(2)(c)

10 [ ] Mutual Fund corporation s.48

11 [ ] Non-resident owned Investment corporation s.49

12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)

14 [ ] Bare Trustee corporation

15 [ ] Branch of Non-resident s.63(1)

16 [ ] Financial institution prescribed by Regulation only

17 [ ] Investment Dealer

18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale

19 [X] Hydro successor, municipal electrical utility or subsidiary of either

20 [ ] Producer and seller of steam for uses other than for the generation of electricity

21 [ ] Insurance Exchange s.74.4

22 [ ] Farm Feeder Finance Co-operative corporation

23 [ ] Professional corporation (incorporated professionals only)

[ ] This is the first year filing after incorporation or an amalgamation (If checked, attach Ontario Schedule 24.)

[ ] Amended Return

[ ] Taxation year end change – Canada Revenue Agency approval required

[ ] Final taxation year up to dissolution *(Note: for discontinued businesses, see guide.)*

[ ] Final taxation year before amalgamation

[ ] The corporation has a floating fiscal year end

[ ] There has been a transfer or receipt of asset(s) involving a corporation having a Canadian permanent establishment outside Ontario

[ ] There was an acquisition of control to which subsection 249(4) of the federal *Income Tax Act* (ITA) applies since the previous taxation year

If checked, date control was acquired year month day

[ ] The corporation was involved in a transaction where all or substantially all (90% or more) of the assets of a non-arm's length corporation were received in the taxation year and subsection 85(1) or 85(2) of the federal ITA applied to the transaction (If checked, attach Ontario Schedule 44.)

[ ] First year filing of a parent corporation after winding-up a subsidiary corporation(s) under section 88 of the federal ITA during the taxation year. (If checked, attach Ontario Schedule 24.)

[ ] Section 83.1 of the CTA applies (redirection of payments for certain electricity corporations)

Yes	No	
[ ]	[X]	Was the corporation inactive throughout the taxation year?
[X]	[ ]	Has the corporation's Federal T2 Return been filed with the Canada Revenue Agency?

Are you requesting a refund due to:

[ ]	[X]	the Carry-back of a Loss?
[ ]	[X]	an Overpayment?
[ ]	[X]	a Specified Refundable Tax Credit?
[ ]	[X]	Are you a member of a Partnership or Joint Venture?

Complete if applicable

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

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

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	177,812
Subtract: Charitable donations	–	1	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–	2	
Subtract: Taxable dividends deductible, per federal Schedule 3	–	3	
Subtract: Ontario political contributions *(Attach Schedule 2A)* (Int.B. 3002R)	–	4	
Subtract: Federal Part VI.1 tax _____ x 3	–	5	
Subtract: Prior years' losses applied – Non-capital losses From 715	–	From 704	177,812
Net capital losses (page 16) _____ x inclusion rate 50.000000 % =	–	714	
Farm losses	–	From 724	
Restricted farm losses	–	From 734	
Limited partnership losses	–	From 754	
Taxable Income (Non-capital loss)	=	10	

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 _____

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable) _____ x 30 100.0000 % (Ontario Allocation) x 12.5 % x [Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 _____ ÷ Total Days: 73 365] = + 29 _____

From 10 (or 20 if applicable) _____ x 30 100.0000 % (Ontario Allocation) x 14 % x [Days after Dec 31, 2003: 34 365 ÷ Total Days: 73 365] = + 32 _____

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 _____

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 taxation year? (X) ☐ Yes ☒ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51		
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		
	=	54	
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)		55	400,000

Ontario Business Limit Calculation

320,000 x [Days after Dec. 31, 2002 and before Jan 1, 2004: 31 _____ ÷ ** 365] = + 46 _____

400,000 x [Days after Dec 31, 2003: 34 365 ÷ ** 365] = + 47 400,000

Business Limit for Ontario purposes 46 + 47 = 44 400,000 x [Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated.: 48 100.0000 %] = 45 400,000

Income eligible for the IDSBC From 30 100.0000 % (***Ontario Allocation) x 56 _____ = 60 _____ (Least of 50, 54 or 45)

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

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

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

continued on Page 5

Income Tax *continued from Page 4*

Number of Days In Taxation Year

Calculation of IDSBC Rate 7 % x [31] (Days after Dec. 31, 2002 and before Jan. 1, 2004) ÷ [73] 365 (Total Days) = + [89] .

8.5 % x [34] 365 (Days after Dec. 31, 2003) ÷ [73] 365 (Total Days) = + [90] 8.5000

IDSBC Rate for Taxation Year [89] + [90] = [78] 8.5000

Claim From [60] . x From [78] 8.5000 % = [70] .

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 400,000 in [114] below.

Surtax on Canadian-controlled Private Corporations (s.41.1)

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

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] .

If you are a member of an associated group (X) [81] ☐ (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	* Taxable Income (if loss, enter nil)
			+ [82] .
			+ [83] .
			+ [84] .

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85] .

Number of Days In Taxation Year

320,000 x [31] (Days after Dec. 31, 2002 and before Jan. 1, 2004) ÷ [73] 365 (Total Days) = + [115] .

400,000 x [34] 365 (Days after Dec. 31, 2003) ÷ [73] 365 (Total Days) = + [116] 400,000 .

[115] + [116] = 400,000 . − [114] 400,000 .

(If negative, enter nil) = [86] .

Number of Days In Taxation Year

Calculation of Specified Rate for Surtax 4.6670 % x [38] 365 (Days after Dec. 31, 2002) ÷ [73] 365 (Total Days) = + [97] 4.6670

From [86] . x From [97] 4.6670 % = [87] .

From [87] . x From [60] . ÷ From [114] 400,000 . = [88] .

Surtax Lesser of [70] or [88] = [100]

*** *Note: 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.

continued on Page 6

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* - - - - - - - - - - - - 110 _____ .

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

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

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

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

Eligible Canadian Profits - + 120 _____ .

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - - - - – From 56 _____ .

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 _____ . ÷ From 30 100.0000 % ÷ From 78 8.5000 % = 121 _____ .
*Ontario Allocation

Lesser of 56 or 121 - + 122 _____ .

120 – 56 + 122 - = 130 _____ .

Taxable Income - + From 10 _____ .

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - - - – From 56 _____ .

Add: Adjustments for Surtax on Canadian-controlled private corporations - - - - - - - - - - - - - - + From 122 _____ .

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 _____ .

Claim

143 _____ . Lesser of 130 or 142	X	From 30	100.0000 % Ontario Allocation	X	1.5 %	X	Days after Dec 31, 2002 and before Jan. 1, 2004: 33 _____ ÷	73	Total Days 365	= +	154 _____ .
143 _____ . Lesser of 130 or 142	X	From 30	100.0000 % Ontario Allocation	X	2 %	X	Days after Dec. 31, 2003: 34 365 ÷	73	Total Days 365	= +	156 _____ .

Number of Days in Taxation Year

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

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

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161 _____ .

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity - - - - - - - - - - - = 162 _____ .

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). *(Attach schedule)* - 170 _____ .

Credit for Investment in Small Business Development Corporations (SBDC)

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

Eligible Credit 175 _____ . Credit Claimed 180 _____ .

Subtotal of Income Tax 40 – 70 + 100 – 110 – 160 – 161 – 162 – 170 – 180 - - - - = 190 _____ .

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to scientific research and experimental development in Ontario.
Eligible Credit From 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 CT23 Schedule 113 *(Attach Schedule 113)* + 192 _____

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)
Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. Name of Production 204 _____
Eligible Credit From 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 193 _____

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596
Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005. 194 _____
Eligible Credit From 6598 CT23 Schedule 115 *(Attach Schedule 115)* + 195 _____

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)
Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.
Eligible Credit From 6900 OBPTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 196 _____

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)
Applies to labour relating to computer animation and special effects on an eligible production.
Eligible Credit From 6700 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 197 _____

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)
Applies to qualifying R&D expenditures under an eligible research institute contract.
Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* + 198 _____

Ontario Production Services Tax Credit (OPSTC) (s.43.10)
Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.
Eligible Credit From 7300 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 199 _____

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)
Applies to qualifying labour expenditures of eligible products for the taxation year.
Eligible Credit From 7400 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)
(Attach the original Certificate of Eligibility) + 200 _____

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)
Applies to qualifying expenditures in respect of eligible Canadian sound recordings.
Eligible Credit From 7500 OSRTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 201 _____

Apprenticeship Training Tax Credit (ATTC) (s.43.13) No. of Apprentices From 5896
Applies to employment of eligible apprentices. 202 _____
Eligible Credit From 5898 CT23 Schedule 114 *(Attach Schedule 114)* + 203 _____

Other (specify) _____ + 203.1 _____

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 + 203.1 = 220 _____

Specified Tax Credits ***Applied to reduce Income Tax*** = 225 _____

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* = 230 _____

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8**. If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on **Page 17**.

OR

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

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Total Assets of the corporation	+ 240	7,321,699
Total Revenue of the corporation	+ 241	671,556

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

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

Name of associated corporation (Canadian & foreign) *(if insufficient space attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Total Assets	Total Revenue
			+ 243	+ 244
			+ 245	+ 246
			+ 247	+ 248

Aggregate Total Assets	240 + 243 + 245 + 247, etc.	= 249 7,321,699
Aggregate Total Revenue	241 + 244 + 246 + 248, etc.	= 250 671,556

Determination of Applicability

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

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

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

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

Calculation: CMT *(Attach Schedule 101.)*

Gross CMT Payable - - CMT Base From Schedule 101 2136 _____ (If negative, enter zero) x From 30 100.0000 % (Ontario Allocation) X 4 % = 276 _____

Subtract: Foreign Tax Credit for CMT purposes *(Attach Schedule)*	–	277
Subtract: Income Tax	– From	190

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 Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.**

CMT Credit Carryover available From Schedule 101 From 2333 _____

Application of CMT Credit Carryovers

A.

Income Tax (before deduction of specified credits)	+ From	190
Gross CMT Payable + From 276 _____		
Subtract: Foreign Tax Credit for CMT purposes – From 277 _____		
If 276 – 277 is negative, enter NIL in 290 = _____ ▶	–	290
Income Tax eligible for CMT Credit	=	300

B.

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

Transfer to page 17

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

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

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

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 the Gross Revenue and Total Assets as calculated on page 10 in 480 *and* 430 *are both $3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in* 550 *on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.*

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017R).

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

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

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

Paid-up Capital

Paid-up capital stock (Int.B. 3012R and 3015R)	+	350	2,400,100
Retained earnings (if deficit, deduct) (Int.B. 3012R)	±	351	-1,397,519
Capital and other surpluses, excluding appraisal surplus (Int.B.3012R)	+	352	
Loans and advances *(Attach schedule)* (Int.B. 3013R)	+	353	5,571,000
Bank loans (Int.B. 3013R)	+	354	
Bankers acceptances (Int.B. 3013R)	+	355	
Bonds and debentures payable (Int.B. 3013R)	+	356	
Mortgages payable (Int.B. 3013R)	+	357	
Lien notes payable (Int.B. 3013R)	+	358	
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R)	+	359	297,000
Contingent, investment, inventory and similar reserves (Int.B. 3012R)	+	360	
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012R)	+	361	
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017R)	+	362	
Subtotal	=	370	6,870,581
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012R)	−	371	1,023,088
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R)	−	372	
Total Paid-up Capital	=	380	5,847,493
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R)	−	381	
Electrical Generating Corporations Only – All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the *Corporations Tax Act*, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	−	382	
Net Paid-up Capital	=	390	5,847,493

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

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

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

continued on Page 10

Total Assets (Int.B. 3015R) *DOLLARS ONLY*

Total Assets per balance sheet	+	420	7,321,699
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	7,321,699
Amounts in 360 and 361 (if deducted from assets)	+	440	
Subtract: Amounts in 371, 372 and 381	–	441	1,023,088
Subtract: Appraisal surplus if booked	–	442	
Add or Subtract: Other adjustments (specify on an attached schedule)	±	443	
Total Assets	=	450	6,298,611

Investment Allowance (410 ÷ 450) x 390 Not to exceed 410 = 460

Taxable Capital 390 – 460 = 470 5,847,493

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) 480 671,556

Total Assets (as adjusted) From 430 7,321,699

Calculation of Capital Tax for all Corporations except Financial Institutions

***Note:** This version (2007) of the CT23 may only be used for a taxation year that commenced after December 31, 2004.*

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, complete Section B below, then review only the Capital Tax calculations in Section C on page 11, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.

OR If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the 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

B1. Calculation of Taxable Capital Deduction (TCD)

Number of Days in Taxation Year

		Days	Total Days			
7,500,000	x	36	÷ 73 365	= +	501	
10,000,000	x	37	÷ 73 365	= +	502	
12,500,000	x	38 365	÷ 73 365	= +	504	12,500,000
15,000,000	x	39	÷ 73 365	= +	505	

Taxable Capital Deduction (TCD) 501 + 502 + 504 + 505 = 503 12,500,000

B2. This section applies to corporations to calculate the prorated capital tax rate.

Calculation of Capital Tax Rate

Number of Days in Taxation Year

		Days	Total Days			
0.3 %	x	556	÷ 73 365	= +	511	%
0.285 %	x	557 365	÷ 73 365	= +	512	0.2250 %

Capital Tax Rate 511 + 512 = 516 0.2250 %

continued on Page 11

Capital Tax Calculation *continued from Page 10*

SECTION C

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

C1. If [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.

C2. If Taxable Capital in [470] is **equal to or less than the TCD** in [503], enter NIL in [550] on page 12 and complete the return from that point.

C3. If Taxable Capital in [470] **exceeds the TCD** in [503], complete the following calculation and transfer the amount from [523] to [543] on page 12, and complete the return from that point.

+ From [470] 5,847,493 .
− From [503] 12,500,000 .
= [471] _____ . x From [30] 100.0000 % (Ontario Allocation) x From [516] 0.2250 % (Capital Tax Rate) x [555] 365 / 365 (366 if leap year) (Days in taxation year) = + [523] _____ .

If floating taxation year, refer to Guide.

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

SECTION D

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

D1. ☐ [509] (X if applicable)

All corporations that you are associated with do **not** have a permanent establishment in Canada.

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

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

D2. ☐ [524] (X if applicable)

One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.

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

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

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

D2. Calculation is on next page

continued on Page 12

Capital Tax Calculation *continued from Page 11*

DOLLARS ONLY

D2. Calculation Do not complete this calculation if ss.69(2.1) election is filed

Taxable Capital From 470 on page 10 - + From 470 _____ .

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding Financial Institutions and corporations exempt from Capital Tax) having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
			+ 531 _____ .
			+ 532 _____ .
			+ 533 _____ .

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

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

Enter NIL in 523 in section E below, as applicable.

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

From 470 _____ . ÷ From 540 _____ . x From 503 _____ . = 541 _____ .

Transfer to 542 *in Section E below*

Ss.69(2.1) Election Filed

☐ 591 (X if applicable) **Election filed.** *Attach a copy of Schedule 591 with this CT23 Return.* Proceed to **Section F** below.

SECTION E

This section applies if the corporation **is** a member of an associated group and/or partnership whose total **aggregate** Taxable Capital 540 above, exceeds the TCD 503 on page 10.

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

+ From 470 _____ .
− 542 _____ .
= 471 _____ . x From 30 100.0000 % (Ontario Allocation) x From 516 0.2250 % (Capital Tax Rate) x 555 365 (Days in taxation year) / * 365 (366 if leap year) = + 523 _____ . **Total Capital Tax for the taxation year**

Transfer to 543 *and complete the return from that point*

SECTION F

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 30 100.0000 % (Ontario Allocation) x From 516 0.2250 % (Capital Tax Rate) - - - - - - - = + 561 _____ .

− Capital tax deduction from 995 relating to **your corporation's** Capital Tax deduction, on Schedule 591 - - − From 995 _____ .
= 562 _____ .

Capital Tax - - - - - - - - 562 _____ . x 555 365 (Days in taxation year) / * 365 (366 if leap year) - - - - - = 563 _____ . **Total Capital Tax for the taxation year**

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 _____ .

Transfer to Page 17

continued on Page 13

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

1.1 Credit Unions only

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

1.2 Other than Credit Unions

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

[565] ________ x [567] ____ % x From [30] 100.0000 % x [555] 365 (Days in taxation year) / * 365 (366 if leap year) = + [569] ________

Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1 — Capital Tax Rate (1) (Refer to Guide) — Ontario Allocation

[570] ________ x [571] ____ % x From [30] 100.0000 % x [555] 365 (Days in taxation year) / * 365 (366 if leap year) = + [574] ________

Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount — Capital Tax Rate (2) (Refer to Guide) — Ontario Allocation

Capital Tax for Financial Institutions – other than Credit Unions (before Section 2) [569] + [574] = [575] ________

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

2. 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)? (X) ☐ Yes

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*

DOLLARS ONLY

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

Net Income (loss) for federal income tax purposes, per federal T2 Schedule 1 - - - - - - - ± 600 177,812 .
Transfer to Page 15

Add:

Federal capital cost allowance	+ 601	.
Federal cumulative eligible capital deduction	+ 602	.
Ontario taxable capital gain	+ 603	.
Federal non-allowable reserves. Balance beginning of year	+ 604	.
Federal allowable reserves. Balance end of year	+ 605	.
Ontario non-allowable reserves. Balance end of year	+ 606	.
Ontario allowable reserves. Balance beginning of year	+ 607	.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	.
Federal resource allowance *(Refer to Guide)*	+ 609	.
Federal depletion allowance	+ 610	.
Federal foreign exploration and development expenses	+ 611	.
Crown charges, royalties, rentals, etc. deducted for Federal purposes *(Refer to Guide)*	+ 617	.

Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼

Number of Days In Taxation Year

612	.	x 5 / 12.5 x	33 (Days after Dec. 31, 2002 and before Jan. 1, 2004)	÷ 73 (Total Days) 365	= +	633	.
612	.	x 5 / 14 x	34 (Days after Dec. 31, 2003) 365	÷ 73 (Total Days) 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 .

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 - - - = . ▶ 640 .
Transfer to Page 15

Deduct:

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

Subtotal of deductions for this page 650 to 659 + 661 + 675 - - - - - - - 681 .
Transfer to Page 15

continued on 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 Schedule 1 - - - - - - - - - - - - - - - From ± 600 177,812 .

Total of Additions on page 14 - From = 640 .

Sub Total of deductions on page 14 - From = 681 .

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(***Applies*** only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - 662 .

ONTTI Gross-up deduction calculation:

Gross-up of CCA

[From 662 . x 100 / From 30 100.0000 Ontario Allocation] – From 662 . = 663 .

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

Qualifying expenditures: [665 . x 30 % x 100 / From 30 100.0000 Ontario allocation] = 666 .

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

Qualifying expenditures: [667 . x 100 % x 100 / From 30 100.0000 Ontario allocation] = 668 .

Number of Employees accommodated 669

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

Qualifying expenditures: [670 . x 30 % x 100 / From 30 100.0000 Ontario allocation] = 671 .

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

Qualifying expenditures: [672 . x 15 % x 100 / From 30 100.0000 Ontario allocation] = 673 .

Ontario allowable business investment loss - - - - - - - - - - - - - - - + 678 .

Ontario Scientific Research Expenses claimed in year in 477 **from Ont. CT23 Schedule 161** + 679 .

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) - - - - - - - - - + 677 .

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

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 = . ▶ 680 .

Net income (loss) for Ontario Purposes 600 + 640 – 680 - - - - - - - - - - - - - - - - - - = 690 177,812 .
Transfer to Page 4

Continuity of Losses Carried Forward

DOLLARS ONLY

		Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year		700 (2) 727,661	710 (2)	720 (2)	730	740	750
Add:	Current year's losses (7)	701	711	721	731	741	751
	Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal		703	713	723	733	743	753
Subtract:	Utilized during the year to reduce taxable income	704 (2) 177,812	715 (2) (4)	724 (2)	734 (2) (4)	744 (4)	754 (4)
	Expired during the year	705		725	735	745	
	Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17	716 (2) to Page 17	726 (2) to Page 17	736 (2) to Page 17	746	
Subtotal		707 177,812	717	727	737	747	757
Balance at End of Year		709 (8) 549,849	719	729	739	749	759

Analysis of Balance at End of Year by Year of Origin

	Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800	9th preceding taxation year 1998-12-31	817 (9)	860 (9)		850	870
801	8th preceding taxation year 1999-12-31	818 (9)	861 (9)		851	871
802	7th preceding taxation year 2000-12-31	819 (9)	862 (9)		852	872
803	6th preceding taxation year 2001-12-31	820	830	840	853	873
804	5th preceding taxation year 2002-12-31	821	831	841	854	874
805	4th preceding taxation year 2003-12-31	822	832	842	855	875
806	3rd preceding taxation year 2004-12-31	823 47,953	833	843	856	876
807	2nd preceding taxation year 2005-12-31	824 344,575	834	844	857	877
808	1st preceding taxation year 2006-12-31	825 157,321	835	845	858	878
809	Current taxation year 2007-12-31	826	836	846	859	879
Total		829 549,849	839	849	869	889

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

DOLLARS ONLY

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

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

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) 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

	Predecessor Ontario Corporation's Tax Account No. (MOF)	Taxation Year Ending year month day	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						
i) 3rd preceding	901	2004-12-31	911	921	931	941
ii) 2nd preceding	902	2005-12-31	912	922	932	942
iii) 1st preceding	903	2006-12-31	913	923	933	943
Total loss to be carried back			From 706	From 716	From 726	From 736
Balance of loss available for carry-forward			919	929	939	949

Summary

Income Tax	+ From 230 or 320		
Corporate Minimum Tax	+ From 280		
Capital Tax	+ From 550		
Premium Tax	+ From 590		
Total Tax Payable	= 950		
Subtract: Payments	– 960		
Capital Gains Refund (s.48)	– 965		
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	– 985		
Specified Tax Credits *(Refer to Guide)*	– 955		
Other, specify	–		
Balance	= 970		
If payment due	Enclosed * 990		
If overpayment: Refund *(Refer to Guide)*	= 975		
Apply to (year month day)	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 cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

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

Name *(please print)*

RUSS WOODLAND

Title

DIRECTOR

Full Residence Address

Signature | Date

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

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

Part 1: Calculation of CMT Base

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

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

Net Income/Loss (unconsolidated, determined in accordance with GAAP)	± 2100	184,881	
Subtract (to the extent reflected in net income/loss):			
Provision for recovery of income taxes / benefit of current income taxes	+ 2101		
Provision for deferred income taxes (credits) / benefit of future income taxes	+ 2102	100,000	
Equity income from corporations	+ 2103		
Share of partnership(s)/joint venture(s) income	+ 2104		
Dividends received/receivable deductible under fed.s.112	+ 2105		
Dividends received/receivable deductible under fed.s.113	+ 2106		
Dividends received/receivable deductible under fed.s.83(2)	+ 2107		
Dividends received/receivable deductible under fed.s.138(6)	+ 2108		
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) ____ x 3	+ 2109		
Subtotal	=	100,000 ▶	– 2110 100,000
Add (to extent reflected in net income/loss):			
Provision for current taxes / cost of current income taxes	+ 2111		
Provision for deferred income taxes (debits) / cost of future income taxes	+ 2112		
Equity losses from corporations	+ 2113		
Share of partnership(s)/joint venture(s) losses	+ 2114		
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2115		
Subtotal	=	▶	+ 2116
Add/Subtract:			
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years			
** Fed.s.85	+ 2117	or – 2118	
** Fed.s.85.1	+ 2119	or – 2120	
** Fed.s.97	+ 2121	or – 2122	
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2123	or – 2124	
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2125	or – 2126	
** Amounts relating to s.57.10 election/regulations for replacement re fed.s13(4), 14(6) and 44 for current/prior years	+ 2127	or – 2128	
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income		– 2150	
Capital gains on eligible donations of publicly-listed securities and ecologically sensitive land made after May 1, 2006 (to the extent reflected in net income/loss)		– 2155	
Subtotal (Additions) =	▶		+ 2129
Subtotal (Subtractions)	=	▶	– 2130
** Other adjustments			± 2131
Subtotal ± 2100 – 2110 + 2116 + 2129 – 2130 ± 2131			= 2132 84,881
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss			± 2133
Adjusted net income (loss) (if loss, transfer to 2202 in *Part 2: Continuity of CMT Losses Carried Forward.*)			= 2134 84,881
Deduct: * CMT losses: pre-1994 Loss	+ From 2210		
* CMT losses: other eligible losses	+ 2211	84,881	
	=	84,881 ▶	– 2135 84,881

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

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

CMT Base = 2136

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

Corporate Minimum Tax (CMT)

CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

Part 2: Continuity of CMT Losses Carried Forward

Balance at Beginning of year NOTES (1), (2)				+ 2201	607,256
Add: Current year's losses	+ 2202				
Losses from predecessor corporations on amalgamation NOTE (3)	+ 2203				
Losses from predecessor corporations on wind-up NOTE (3)	+ 2204				
Amalgamation (X) 2205 ☐ Yes Wind-up (X) 2206 ☐ Yes					
Subtotal	=		▶	+ 2207	
Adjustments (attach schedule)				± 2208	
CMT losses available 2201 + 2207 ± 2208				= 2209	607,256
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210				
Other eligible losses utilized during the year to reduce adjusted net income NOTE (4)	+ 2211	84,881			
Losses expired during the year	+ 2212				
Subtotal	=	84,881	▶	− 2213	84,881
Balances at End of Year NOTE (5) 2209 − 2213				= 2214	522,375

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

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

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

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 1998-12-31	2260	2280
2241	8th preceding taxation year 1999-12-31	2261	2281
2242	7th preceding taxation year 2000-12-31	2262	2282
2243	6th preceding taxation year 2001-12-31	2263	2283
2244	5th preceding taxation year 2002-12-31	2264	2284
2245	4th preceding taxation year 2003-12-31	2265	2285
2246	3rd preceding taxation year 2004-12-31	2266 163,343	2286
2247	2nd preceding taxation year 2005-12-31	2267 258,710	2287
2248	1st preceding taxation year 2006-12-31	2268 100,322	2288
2249	Current taxation year 2007-12-31	2269	2289
Totals		2270 522,375	2290

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

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) . . . . . + 2301 .

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

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

Subtract Income Tax (190 on page 6 of the CT23 or page 4 of the CT8) . . . . . − From 190 .

Subtotal (If negative, enter NIL) . . . = . ▶ − 2305 .

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

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

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

Subtotal 2301 + 2310 + 2325 . . . . . = 2330 .

Adjustments *(Attach schedule)* . . . . . ± 2332 .

CMT Credit Carryover available 2330 ± 2332 . . . . . = 2333 .

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

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

CMT Credit expired during the year . . . . . + 2334 .

Subtotal . . . . . = . ▶ − 2335 .

Balance at End of Year NOTE (4) 2333 − 2335 . . . . . = 2336 .

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).

(3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(4) Amount in 2336 must equal sum of 2370 + 2390 .

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

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 1998-12-31	2360	2380
2341	8th preceding taxation year 1999-12-31	2361	2381
2342	7th preceding taxation year 2000-12-31	2362	2382
2343	6th preceding taxation year 2001-12-31	2363	2383
2344	5th preceding taxation year 2002-12-31	2364	2384
2345	4th preceding taxation year 2003-12-31	2365	2385
2346	3rd preceding taxation year 2004-12-31	2366	2386
2347	2nd preceding taxation year 2005-12-31	2367	2387
2348	1st preceding taxation year 2006-12-31	2368	2388
2349	Current taxation year 2007-12-31	2369	2389
Totals		2370	2390

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

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

CMT Losses Carried Forward Workchart

(i) Continuity of Pre-1994 CMT Losses

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

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

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1997-12-31					
9th Prior Year	1998-12-31					
8th Prior Year	1999-12-31					
7th Prior Year	2000-12-31					
6th Prior Year	2001-12-31					
5th Prior Year	2002-12-31					
4th Prior Year	2003-12-31	6,264		6,264		
3rd Prior Year	2004-12-31	241,960		78,617		163,343
2nd Prior Year	2005-12-31	258,710				258,710
1st Prior Year	2006-12-31	100,322				100,322
	Total	607,256		84,881		522,375

Predecessor Corporations Only – Amalgamation

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
2006-12-31						
Total						

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

CMT Losses Carried Forward Workchart (continued)

Predecessor Corporations Only – Wind-Up

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
2006-12-31						
Total						

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

CMT Credit Carryovers Workchart

Filing Corporation

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1997-12-31					
9th Prior Year	1998-12-31					
8th Prior Year	1999-12-31					
7th Prior Year	2000-12-31					
6th Prior Year	2001-12-31					
5th Prior Year	2002-12-31					
4th Prior Year	2003-12-31					
3rd Prior Year	2004-12-31					
2nd Prior Year	2005-12-31					
1st Prior Year	2006-12-31					
	Total					

Predecessor Corporations Only – Amalgamation

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
2006-12-31						
Total						

Predecessor Corporations Only – Wind-Up

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1997-12-31						
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
2006-12-31						
Total						

Non-Capital Loss Continuity Workchart – Ontario

Non-capital losses

Year	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce taxable income	Balance at end of year
Current	N/A				N/A	
2006	157,321	N/A		N/A		157,321
2005	344,575	N/A		N/A		344,575
2004	225,765	N/A		N/A	177,812	47,953
2003		N/A		N/A		
2002		N/A		N/A		
2001		N/A		N/A		
2000		N/A		N/A		*
Total	727,661				177,812	549,849

Farm losses

Year	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce taxable income	Balance at end of year
Current	N/A				N/A	
2006		N/A		N/A		
2005		N/A		N/A		
2004		N/A		N/A		
2003		N/A		N/A		
2002		N/A		N/A		
2001		N/A		N/A		
2000		N/A		N/A		
1999		N/A		N/A		
1998		N/A		N/A		
1997		N/A		N/A		*
Total						

Restricted farm losses

Year	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce taxable income	Balance at end of year
Current	N/A				N/A	
2006		N/A		N/A		
2005		N/A		N/A		
2004		N/A		N/A		
2003		N/A		N/A		
2002		N/A		N/A		
2001		N/A		N/A		
2000		N/A		N/A		
1999		N/A		N/A		
1998		N/A		N/A		
1997		N/A		N/A		*
Total						

* This balance expires this year and will not be available next year.

Ontario

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

Ontario Capital Cost Allowance
Schedule 8

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

Is the corporation electing under regulation 1101(5q)? 1 [ ] Yes 2 [X] No

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	5,707,024			0	5,707,024		5,707,024	4	0	0		5,707,024
Totals	5,707,024				5,707,024		5,707,024					5,707,024

Enter in boxes [650] . . . . [650] . . . . [650] on the CT23.

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

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

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

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

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

Ontario Scientific Research and Experimental Development Expenditures CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

This schedule is used to calculate Ontario Scientific Research and Experimental Development Expenditures (SR & ED). The rules used in the calculation of Ontario SR & ED follow the federal rules with the exception of the new Ontario measure introduced in the 2001 Ontario Budget and implemented in Bill 127 which received Royal Assent on December 5, 2001.

This schedule must be completed by all corporations performing qualified Ontario SR & ED in a "specified taxation year" or in the taxation year immediately preceding the first specified taxation year of the corporation and filed with the current CT23 or CT8. Other corporations may use this schedule, if they have claimed or are claiming a different SR & ED amount for Ontario than for federal income tax purposes.

- **"Specified Taxation Year" (STY)** is the taxation year of the corporation that begins after February 29, 2000 **and** ends after December 31, 2000.
- **"Investment Tax Credit Amount" (ITC)** means, in respect of a corporation for a taxation year, an amount deducted by the corporation for a preceding taxation year under subsection 127(5) or (6) of the *Income Tax Act* (Canada) (ITA).
- **"Qualified Ontario SR & ED Expenditure" (QORD)** means,
  - A. A qualified expenditure within the meaning of subsection 12(1) of the *Corporations Tax Act* (CTA) that is made or incurred by a corporation in a STY or in the taxation year immediately preceding the first STY of the corporation, or
  - B. An expenditure made or incurred by a partnership in a fiscal period that ends in a STY of a corporation if,
    - the corporation is member of the partnership at any time in the STY, and
    - the expenditure would be a qualified expenditure within the meaning of subsection 12(1) of the CTA if it were made by a corporation.
- **"Ontario Allocation Factor" (OAF)** has the meaning given to that expression by subsection 12(1) of the CTA.

- If a corporation includes a federal ITC amount in determining the amount of the Ontario pool of deductible SR & ED expenditures for a STY, the following amounts are adjusted by the OAF:
  - Amount of recaptured federal ITC relating to QORD for property disposed of in the preceding taxation year in [442] on page 2.
  - Amount of federal ITC relating to QORD claimed federally in the preceding taxation year(s) in [462] on page 2.
  - Amount of federal ITC relating to QORD allocated from partnerships in the current taxation year in [465] on page 2.

- Federal ITCs earned on shared-use equipment (SUE) reduce the capital cost of the property acquired for federal and Ontario income tax purposes in the taxation year after the taxation year in which the ITC is claimed federally. The amount of the federal ITC that relates to QORD on SUE is added to the SR & ED pool for Ontario purposes in the taxation year after the taxation year in which the ITC is claimed federally.

Ontario Scientific Research and Experimental Development Expenditures
CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

Ontario Pool of Deductible SR & ED Expenditures for the current taxation year

Total allowable SR & ED expenditures (capital and current)
(From line 400 federal T661 (T2 SCH32)) . . . . . + 400 [ ]

Less: Government and non-government assistance
(From line 430 federal T661 (T2 SCH32)) . . . . . − 430 [ ]

Preceding year's amount of federal ITC claimed for SR & ED
(From line 435 federal T661 (T2 SCH32)) . . . . . − 435 [ ]

Sale of SR & ED capital assets and other deductions
(From line 440 federal T661 (T2 SCH32)) . . . . . − 440 [ ]

Amount of recaptured federal ITC (From line 453 federal T661 (T2 SCH32)) relating to QORD for property disposed of in the preceding taxation year 442 [ ]

Gross-up for Ontario allocation factor From 442 [ ] ÷ 100.0000 % - - - = − 444 [ ]
(From 30 of the CT23 or CT8)

Subtotal: 400 − 430 − 435 − 440 − 444 . . . . . = 445 [ ]

Add: Repayments of government and non-government assistance
(From line 445 federal T661 (T2 SCH32)) . . . . . + 446 [ ]

SR & ED expenditure pool transferred on amalgamation or wind-up
(From line 452 federal T661 (T2 SCH32)) . . . . . + 452 [ ]

Amount of federal ITC recaptured in the preceding taxation year
(From line 453 federal T661 (T2 SCH32)) . . . . . + 453 [ ]

Preceding year's balance in pool of deductible Ontario SR & ED expenditures
(From 480 of the preceding taxation year) . . . . . + 460 [ ]

Federal ITC relating to QORD **claimed** federally in the preceding taxation year(s) . . . . . + 462 [ ]
(From 575 on Page 3)

Amount of federal ITC relating to QORD allocated from partnerships in the current taxation year . . . . . + 465 [ ]

Subtotal 462 + 465 . . . . . = 468 [ ]

Gross-up for Ontario allocation factor From 468 [ ] ÷ 100.0000 % - - - = + 470 [ ]
(From 30 of the CT23 or CT8)

Subtotal: 445 + 446 + 452 + 453 + 460 + 470

(If the amount in 473 is negative, enter zero, in 475 , 477 and add 473 to 615 of the 2002 CT23 or CT8 or 616 of the 2003 or later CT23 or CT8. If the amount in 473 is positive, enter the amount in 475 .) = 473 [ ]

Amount available for deduction . . . . . = 475 [ ]

Deduction claimed in the taxation year for Ontario
(Enter the SR & ED expenditure pool deduction claimed in the taxation year in 679 of the CT23 or CT8) . . . . − 477 [ ]

Ontario current taxation year closing balance in pool of deductible SR & ED expenditures 475 − 477 . . . . . = 480 [ ]

(Transfer this amount to 460 as the carry forward amount for the next taxation year.)

Ontario Scientific Research and Experimental Development Expenditures
CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

Calculation of Preceding Taxation Year Amount and Account Balances - Federal ITC from SR & ED Expenditures relating to QORD.

- This page is used to calculate the amount of the federal ITC that relates to SR & ED performed in Ontario for certain taxation years and is used to increase the amount of the Ontario SR & ED pool on page 2.
- All amounts on this page are based on the preceding taxation year since the amount of the federal ITC that relates to QORD can only be used to increase the Ontario pool for SR & ED in the current taxation year if there was a federal ITC claimed for federal purposes in the preceding taxation year that related to QORD.
- **Do not include amounts** of federal ITCs that relate to QORD that were **allocated from a partnership.** These amounts are added to your SR & ED pool for Ontario in the taxation year that they are allocated from a partnership to a corporation, not in the year after they are claimed federally.

Opening Balance:
(Enter amount 590 from Schedule 161 of the preceding taxation year, if any) . . . . . + 500 63,458.

Add: Amount of federal ITC earned, relating to QORD
(QORD portion of line 540 federal T2 SCH31 for the preceding taxation year) . . . . . + 510 .

Amount of federal ITC earned, relating to QORD, transferred on amalgamation or wind-up
(QORD portion of line 530 federal T2 SCH31 for the preceding taxation year) . . . . . + 520 .

Subtotal: 500 + 510 + 520 . . . . . = 535 63,458.

Deduct: Amount of federal ITC, relating to QORD, claimed federally
(QORD portion of line 560 federal T2 SCH31 for the preceding taxation year) . . . . . + 540 .

Amount of federal ITC, relating to QORD, carried back federally to a preceding taxation year(s)
(QORD portion of line P federal T2 SCH31 for the preceding taxation year . . . . . + 550 .

A refund of federal ITC, relating to QORD, claimed federally
(QORD portion of line 610 federal T2 SCH31 for the preceding taxation year) . . . . . + 560 .

Amount of federal ITC, relating to QORD, deemed as a remittance of co-op corporations
(QORD portion of line 510 federal T2 SCH31 for the preceding taxation year) . . . . . + 570 .

Subtotal: 540 + 550 + 560 + 570 . . . . . = 575 .

(Transfer this amount to 462 on Page 2)

Deduct: Amount of federal ITC, relating to QORD, expired per the ITA after 10 taxation years . . . . . .
(QORD portion of line 515 federal T2 SCH31 for the preceding taxation year) . . . . . − 580 .

Closing Balance: 535 − 575 − 580 . . . . . = 590 63,458.

(Transfer this amount to 500 as the opening balance for the next taxation year.)

Ontario Scientific Research and Experimental Development Expenditures
CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

Continuity Schedule for Federal ITC relating to SR & ED Expenditures for the Preceding Taxation Year

- All amounts on this page are based on the preceding taxation year.
- Amounts on this page should tie into Part 12 of federal T2 SCH31 completed for the preceding taxation year.

Yr. of Origin (Oldest yr. first) yyyy mm dd	Opening Balance	Additions	Deductions (other than amounts that were allocated from a partnership)	Deductions (only amounts that were allocated from a partnership)	Closing Balance
1996-12-31					
1997-12-31					
1998-12-31					
1999-12-31					
2000-12-31					
2001-12-31					
2002-12-31					
2003-12-31	63,458				63,458
2004-12-31					
2005-12-31					
2006-12-31					
Totals (see note 1, 2 and 3)	725 63,458	740	755	770	785 63,458

Notes:

1. The amount in 725 should equal the amount of the investment tax credit at the end of the preceding taxation year less line 515 in Part 12 of the federal T2 SCH31 for the preceding taxation year.
2. The amount in 785 should equal the closing balance in line 620 in Part 12 of the federal T2 SCH31 for the preceding taxation year.
3. It is important that the amounts in the deductions columns on this page correctly reflect the year of origin of the federal ITC claimed because only amounts relating to QORD can be used to increase the Ontario SR & ED pool.

Ontario Scientific Research and Experimental Development Expenditures CT23 Schedule 161

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
Niagara West Transformation Corporation	1800380	2007-12-31

Continuity Schedule for the Amount of Federal ITC from SR & ED Expenditures relating to QORD for the Preceding Taxation Year

- This page is required to record the amount of the ITC that relates to QORD by year of origin.
- All amounts on this page are based on the preceding taxation year.
- **Do not** include amounts of federal ITCs that relate to QORD that were **allocated from a partnership** (see text at the top of page 3).

Yr. of Origin (Oldest yr. first) yyyy mm dd	Opening Balance	Additions	Deductions	Closing Balance
2000-12-31				
2001-12-31				
2002-12-31				
2003-12-31	63,458			63,458
2004-12-31				
2005-12-31				
2006-12-31				
Totals (see note 1 - 6)	825 63,458	840	855	870 63,458

Notes:

1. The amount in 825 should equal 500 on page 3.
2. The amount in 840 should equal the total of 510 and 520 on page 3.
3. The amount in 855 should equal 575 on page 3.
4. The amount in 870 should equal 590 on page 3.
5. Any deductions that are recorded in the deduction column on this page must be taken out of the same year of origin as indicated in the deduction column on page 4. These deductions must be related to QORD and must not have been allocated from a partnership.
6. The amount of federal ITC relating to QORD will expire if the federal ITC it relates to expires before it is claimed federally.

July 6, 2009

PERSONAL AND CONFIDENTIAL

RUSS WOODLAND
DIRECTOR
NIAGARA WEST TRANSFORMATION CORPORATION
2-4548 ONTARIO ST
BEAMSVILLE ON L0R 1B5

Dear Sir,

Corporate Tax Return Filing Instructions

T2 - CORPORATION INCOME TAX RETURN (FEDERAL)

The T2 RSI, *Return and Schedule Information* is the format adopted by the Canada Revenue Agency (CRA) for corporate income tax returns produced by tax preparation software. The traditional federal forms no longer have to be filed. Furthermore, the CRA requires that the General Index of Financial Information (GIFI) be used to report financial statement information.

The T2 RSI includes information from your corporation's income tax return and all applicable schedules (traditional federal forms), including the GIFI.

Signature

✍ Form T2 RSI, *Return and Schedule Information*, Schedule 200 should be completed and signed.

Payment

No amount is payable for the 2008 taxation year.

Mailing

✉ A copy of the RSI schedules (and of any required federal form, such as Form RC59) should be sent to the Taxation Centre, 290 Empire Avenue, St. John's NL A1B 3Z1 as soon as possible.

CT23 - CORPORATIONS DFILE AND SCHEDULES (ONTARIO)

Signature

✍ CT23, *Electronic Filing Certificate*, should be completed and signed.

Payment

No amount is payable with the DFILE form *Electronic Filing Certificate* for the 2008 taxation year.

Mailing

✉ A copy of the DFILE form, *Electronic Filing Certificate*, along with the enclosed diskette or CD and any applicable Ontario schedules not included on the diskette or CD, and a copy of the corporation's financial statements must be received by the Ministry of Revenue, Corporations Tax, 33 King Street West, PO Box 642, Oshawa ON L1H 8T1, no later than June 30, 2009. The corporation's Ontario account number should be recorded on the computer diskette and on each of the paper documents submitted.

Attached to this letter is a schedule of corporate instalments for the Company's next fiscal year.

If you have any questions concerning the Company's corporate tax returns or the instalment schedule please do not hesitate to contact us.

Yours very truly,

Durward Jones Barkwell & Company LLP

Canada Revenue Agency / Agence du revenu du Canada

T2 CORPORATION INCOME TAX RETURN

200

EXEMPT FROM TAX

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Ontario (for tax years ending before 2009), Quebec, or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

Parts, sections, subsections, and paragraphs mentioned on this return refer to the federal *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing.

Send one completed copy of this return, including schedules and the *General Index of Financial Information* (GIFI), to your tax centre. You have to file the return within six months after the end of the corporation's tax year.

For more information see **www.cra.gc.ca** or the *T2 Corporation – Income Tax Guide*.

055 **Do not use this area**

Identification

Business Number (BN) 001 87681 9301 RC0001

Corporation's name

002 NIAGARA WEST TRANSFORMATION CORPORATION

Has the corporation changed its name since the last time you filed your T2 return? 003 1 Yes ☐ 2 No ☒

If **yes**, do you have a copy of the articles of amendment? ***(Do not submit)*** . . . . . 004 1 Yes ☐ 2 No ☐

Address of head office

Has this address changed since the last time you filed your T2 return? . . . . . 010 1 Yes ☐ 2 No ☒

(If **yes**, complete lines 011 to 018)

011 2-4548 ONTARIO ST

012

City: 015 BEAMSVILLE

Province, territory, or state: 016 ON

Country (other than Canada): 017

Postal code/Zip code: 018 L0R 1B5

To which tax year does this return apply?

Tax year start: 060 2008-01-01 (YYYY MM DD)

Tax year-end: 061 2008-12-31 (YYYY MM DD)

Has there been an acquisition of control to which subsection 249(4) applies since the previous tax year? . . . . . 063 1 Yes ☐ 2 No ☒

If **yes**, provide the date control was acquired . . . . . 065 _____ (YYYY MM DD)

Mailing address (if different from head office address)

Has this address changed since the last time you filed your T2 return? . . . . . 020 1 Yes ☐ 2 No ☒

(If **yes**, complete lines 021 to 028)

021 c/o

022

023

City: 025

Province, territory, or state: 026

Country (other than Canada): 027

Postal code/Zip code: 028

Is the date on line 061 a deemed tax year-end in accordance with subsection 249(3.1)? . . . . . 066 1 Yes ☐ 2 No ☒

Is the corporation a professional corporation that is a member of a partnership? . . . . . 067 1 Yes ☐ 2 No ☒

Is this the first year of filing after:

Incorporation? . . . . . 070 1 Yes ☐ 2 No ☒

Amalgamation? . . . . . 071 1 Yes ☐ 2 No ☒

If **yes**, complete lines 030 to 038 and attach Schedule 24.

Location of books and records

Has the location of books and records changed since the last time you filed your T2 return? . . . . . 030 1 Yes ☐ 2 No ☒

(If **yes**, complete lines 031 to 038)

031

032

City: 035

Province,territory, or state: 036

Country (other than Canada): 037

Postal code/Zip code: 038

Has there been a wind-up of a subsidiary under section 88 during the current tax year? . . . . . 072 1 Yes ☐ 2 No ☒

If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . . 076 1 Yes ☐ 2 No ☒

Is this the final return up to dissolution? . . . . . 078 1 Yes ☐ 2 No ☒

Is the corporation a resident of Canada?

080 1 Yes ☒ 2 No ☐ If **no**, give the country of residence on line 081 and complete and attach Schedule 97.

081

Is the non-resident corporation claiming an exemption under an income tax treaty? . . . . . 082 1 Yes ☐ 2 No ☒

If **yes**, complete and attach Schedule 91.

040 Type of corporation at the end of the tax year

1 ☐ Canadian-controlled private corporation (CCPC)

2 ☐ Other private corporation

3 ☐ Public corporation

4 ☐ Corporation controlled by a public corporation

5 ☒ Other corporation (specify, below)

EXEMPT FROM TAX

If the type of corporation changed during the tax year, provide the effective date of the change. 043 _____ (YYYY MM DD)

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

085

1 ☐ Exempt under paragraph 149(1)(e) or (l)

2 ☐ Exempt under paragraph 149(1)(j)

3 ☐ Exempt under paragraph 149(1)(t)

4 ☒ Exempt under other paragraphs of section 149

Do not use this area

091	092	093	094	095	096
100					

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.
Schedules – Answer the following questions. For each *Yes* response, **attach** to the T2 return the schedule that applies.

		Yes	Schedule
Is the corporation related to any other corporations?	150		9
Is the corporation an associated CCPC?	160		23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders?	151		19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents	162		11
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		44
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164		14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165		15
Is the corporation claiming a loss or deduction from a tax shelter acquired after August 31, 1989?	166		T5004
Is the corporation a member of a partnership for which a partnership identification number has been assigned?	167		T5013
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		22
Did the corporation have any foreign affiliates during the year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the federal *Income Tax Regulations*?	170		29
Has the corporation had any non-arm's length transactions with a non-resident?	171		T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	173	X	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	172		
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	201	X	1
Has the corporation made any charitable donations; gifts to Canada, a province, or a territory; gifts of cultural or ecological property; or gifts of medicine?	202		2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203		3
Is the corporation claiming any type of losses?	204	X	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	205		5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		6
i) Is the corporation claiming the small business deduction and reporting income from: a) property (other than dividends deductible on line 320 of the T2 return), 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		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any property that is eligible capital property?	210		10
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming reserves of any kind?	213		13
Is the corporation claiming a patronage dividend deduction?	216		16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	217		17
Is the corporation an investment corporation or a mutual fund corporation?	218		18
Is the corporation carrying on business in Canada as a non-resident corporation?	220		20
Is the corporation claiming any federal or provincial foreign tax credits, or any federal or provincial logging tax credits?	221		21
Does the corporation have any Canadian manufacturing and processing profits?	227		27
Is the corporation claiming an investment tax credit?	231		31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	232		T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over $10,000,000?	233		
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234		
Is the corporation a member of a related group with one or more members subject to gross Part I.3 tax?	236		36
Is the corporation claiming a surtax credit?	237		37
Is the corporation subject to gross Part VI tax on capital of financial institutions?	238		38
Is the corporation claiming a Part I tax credit?	242		42
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		43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	244		45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	249		46
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		39
Is the corporation claiming a Canadian film or video production tax credit refund?	253		T1131
Is the corporation claiming a film or video production services tax credit refund?	254		T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	255		92

Attachments – continued from page 2

		Yes	Schedule
Did the corporation have any foreign affiliates that are not controlled foreign affiliates?	256		T1134-A
Did the corporation have any controlled foreign affiliates?	258		T1134-B
Did the corporation own specified foreign property in the year with a cost amount over $100,000?	259		T1135
Did the corporation transfer or loan property to a non-resident trust?	260		T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year?	261		T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada?	262		T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts?	263		T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED?	264		T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year?	265		55
Has the corporation made an election under subsection 89(11) not to be a CCPC?	266		T2002
Has the corporation revoked any previous election made under subsection 89(11)?	267		T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year?	268		53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year?	269		54

Additional information

Is the corporation inactive?	280	1 Yes	2 No X
Has the major business activity changed since the last return was filed? (enter **yes** for first-time filers)	281	1 Yes	2 No X

What is the corporation's major business activity? 282 _____
(Only complete if **yes** was entered at line 281)

If the major business activity involves the resale of goods, show whether it is wholesale or retail 283 1 Wholesale ☐ 2 Retail ☐

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

284	ELECTRICITY DISTRIBUTOR	285	100.000 %
286		287	%
288		289	%

Did the corporation immigrate to Canada during the tax year?	291	1 Yes	2 No X
Did the corporation emigrate from Canada during the tax year?	292	1 Yes	2 No X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	1 Yes	2 No

If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible 294 _____ (YYYY MM DD)

If the corporation's major business activity is construction, did you have any sub-contractors during the tax year? 295 1 Yes ☐ 2 No ☐

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI. 300 -128,090 A

Deduct:

Charitable donations from Schedule 2	311	
Gifts to Canada, a province, or a territory from Schedule 2	312	
Cultural gifts from Schedule 2	313	
Ecological gifts from Schedule 2	314	
Gifts of medicine from Schedule 2	315	
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3	320	
Part VI.1 tax deduction *	325	
Non-capital losses of previous tax years from Schedule 4	331	
Net capital losses of previous tax years from Schedule 4	332	
Restricted farm losses of previous tax years from Schedule 4	333	
Farm losses of previous tax years from Schedule 4	334	
Limited partnership losses of previous tax years from Schedule 4	335	
Taxable capital gains or taxable dividends allocated from a central credit union	340	
Prospector's and grubstaker's shares	350	
Subtotal		B
Subtotal (amount A **minus** amount B) (if negative, enter "0")		C

Add: Section 110.5 additions or subparagraph 115(1)(a)(vii) additions 355 _____ D

Taxable income (amount C **plus** amount D) 360 _____

Income exempt under paragraph 149(1)(t) 370 _____

Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370) _____ Z

* This amount is equal to 3 times the Part VI.1 tax payable at line 724.

Small business deduction

Canadian-controlled private corporations (CCPCs) throughout the tax year

Income from active business carried on in Canada from Schedule 7 . . . . . **400** _____ A

Taxable income from line 360, **minus** 10/3 of the amount on line 632*, **minus** 3 times the amount on line 636**, and **minus** any amount that, because of federal law, is exempt form Part I tax . . . . . **405** _____ B

Calculation of the business limit:

For all CCPCs, calculate the amount at line 4 below.

300,000 x (Number of days in the tax year in 2006 / Number of days in the tax year: 366) = ... _____ 1

400,000 x (Number of days in the tax year after 2006 / Number of days in the tax year: 366 / 366) = ... 400,000 2

Add amounts at lines 1 and 2 400,000 4

Business limit (see notes 1 and 2 below) . . . . . **410** _____ C

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

Business limit reduction:

Amount C _____ x **415** *** _____ / 11,250 D = ... _____ E

Reduced business limit (amount C **minus** amount E) (if negative, enter "0") . . . . . **425** _____ F

Small business deduction

Amount A, B, C, or F whichever is the least _____ x (Number of days in the tax year before January 1, 2008 / Number of days in the tax year: 366) x 16 % = _____ 5

Amount A, B, C, or F whichever is the least _____ x (Number of days in the tax year after December 31, 2007, and before January 1, 2009 / Number of days in the tax year: 366 / 366) x 17 % = _____ 6

Amount A, B, C, or F whichever is the least _____ x (Number of days in the tax year after December 31, 2008 / Number of days in the tax year: 366) x 17 % = _____ 7

Total of amounts 5, 6, and 7 – enter on line 9 **430** _____ G

* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

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

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and the previous tax years, the amount to be entered at line 415 is: (Total taxable capital employed in Canada for the **prior year** minus $10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered at line 415 is: (Total taxable capital employed in Canada for the **current year** minus $10,000,000) x 0.225%
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

Resource deduction

Taxable resource income [as defined in subsection 125.11(1)] . . . . . **435** _____ H

Amount H _____ x (Number of days in the tax year in 2006 / Number of days in the tax year: 366) x 5 % = _____ I

Amount H _____ x (Number of days in the tax year in 2007 / Number of days in the tax year: 366) x 7 % = _____ J

Note: Resource deduction is no longer available for tax years starting after December 31, 2006.

Resource deduction – Total of amounts I and J . . . . . **438** _____ K
Enter amount K on line 10.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360			A
Amount Z1 from Part 9 of Schedule 27		B	
Amount QQ from Part 13 of Schedule 27		C	
Taxable resource income from line 435		D	
Amount used to calculate the credit union deduction from Schedule 17		E	
Amount from line 400, 405, 410, or 425, whichever is the least		F	
Aggregate investment income from line 440		G	
Total of amounts B, C, D, E, F, and G		▶	H
Amount A **minus** amount H (if negative, enter "0")			I

Amount I		Number of days in the tax year before January 1, 2008 / Number of days in the tax year	366	x 7 %	=		J
Amount I		Number of days in the tax year after December 31, 2007, and before January 1, 2009 / Number of days in the tax year	366 / 366	x 8.5 %	=		K
Amount I		Number of days in the tax year after December 31, 2008, and before January 1, 2010 / Number of days in the tax year	366	x 9 %	=		L
Amount I		Number of days in the tax year after December 31, 2009, and before January 1, 2011 / Number of days in the tax year	366	x 10 %	=		L1

General tax reduction for Canadian-controlled private corporations – Total of amounts J, K, L, and L1 . . . . . M
Enter amount M on line 638.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, or a mutual fund corporation, and for tax years starting after May 1, 2006, any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 (for tax years starting after May 1, 2006, amount Z)			N
Amount Z1 from Part 9 of Schedule 27		O	
Amount QQ from Part 13 of Schedule 27		P	
Taxable resource income from line 435		Q	
Amount used to calculate the credit union deduction from Schedule 17		R	
Total of amounts O, P, Q, and R		▶	S
Amount N **minus** amount S (if negative, enter "0")			T

Amount T		Number of days in the tax year before January 1, 2008 / Number of days in the tax year	366	x 7 %	=		U
Amount T		Number of days in the tax year after December 31, 2007, and before January 1, 2009 / Number of days in the tax year	366 / 366	x 8.5 %	=		V
Amount T		Number of days in the tax year after December 31, 2008, and before January 1, 2010 / Number of days in the tax year	366	x 9 %	=		W
Amount T		Number of days in the tax year after December 31, 2009, and before January 1, 2011 / Number of days in the tax year	366	x 10 %	=		W1

General tax reduction – Total of amounts U, V, W, and W1 X
Enter amount X on line 639.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 . . . . . **440** _____ x 26 2 / 3 % = ... _____ A

Foreign non-business income tax credit from line 632 . . . . . _____

Deduct:

Foreign investment income from Schedule 7 . . . . . **445** _____ x 9 1 / 3 % = _____
(if negative, enter "0") _____ ▶ _____ B

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

Taxable income from line 360 . . . . . _____

Deduct:

Amount from line 400, 405, 410, or 425, whichever is the least . . . . . _____

Foreign non-business income tax credit from line 632 . . . . . _____ x 25 / 9 = _____

Foreign business income tax credit from line 636 . . . . . _____ x 3 = _____
_____ ▶ _____
x 26 2 / 3 % = _____ D

Part I tax payable minus investment tax credit refund (line 700 **minus** line 780) . . . . . _____

Deduct: Corporate surtax from line 600 . . . . . _____

Net amount . . . . . _____ ▶ _____ E

Refundable portion of Part I tax – Amount C, D, or E, whichever is the least . . . . . **450** _____ F

Refundable dividend tax on hand

Refundable dividend tax on hand at the end of the previous tax year . . . . . **460** _____

Deduct: Dividend refund for the previous tax year . . . . . **465** _____
_____ ▶ _____ G

Add the total of:

Refundable portion of Part I tax from line 450 above . . . . . _____

Total Part IV tax payable from Schedule 3 . . . . . _____

Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation . . . . . **480** _____
_____ ▶ _____ H

Refundable dividend tax on hand at the end of the tax year – Amount G **plus** amount H . . . . . **485** _____

Dividend refund

Private and subject corporations at the time taxable dividends were paid in the tax year

Taxable dividends paid in the tax year from line 460 of Schedule 3 . . . . . _____ x 1 / 3 _____ I

Refundable dividend tax on hand at the end of the tax year from line 485 above . . . . . _____ J

Dividend refund – Amount I or J, whichever is less (enter this amount on line 784) . . . . . _____

Part I tax

Base amount of Part I tax – Taxable income (line 360 or amount Z, whichever applies) **multiplied** by 38.00 % . . . . . **550** _____ A

Corporate surtax calculation

Base amount from line A above . . . . . _____ 1

Deduct:

10 % of taxable income (line 360 or amount Z, whichever applies) . . . . . _____ 2

Investment corporation deduction from line 620 below . . . . . _____ 3

Federal logging tax credit from line 640 below . . . . . _____ 4

Federal qualifying environmental trust tax credit from line 648 below . . . . . _____ 5

For a mutual fund corporation or an investment corporation throughout the tax year, enter amount a, b, or c below on line 6, whichever is the least:

28.00 % of taxable income from line 360 . . . . . _____ a

28.00 % of taxed capital gains . . . . . _____ b

Part I tax otherwise payable . . . . . _____ c
(line A **plus** lines C and D **minus** line F)

_____ 6

Total of lines 2 to 6 . . . . . _____ 7

Net amount (line 1 **minus** line 7) . . . . . _____ 8

Corporate surtax*

Line 8 _____ x Number of days in the tax year before January 1, 2008 / Number of days in the tax year _____ / 366 x 4 % = **600** _____ B

* The corporate surtax is zero effective January 1, 2008.

Recapture of investment tax credit from Schedule 31 . . . . . **602** _____ C

Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income
(if it was a CCPC throughout the tax year)

Aggregate investment income from line 440 . . . . . _____ i

Taxable income from line 360 . . . . . _____

Deduct:

Amount from line 400, 405, 410, or 425, whichever is the least . . . . . _____

Net amount . . . . . _____ ▶ _____ ii

Refundable tax on CCPC's investment income – 6 2 / 3 % of whichever is less: amount i or ii . . . . . **604** _____ D

Subtotal (**add** lines A, B, C, and D) _____ E

Deduct:

Small business deduction from line 430 . . . . . _____ 9

Federal tax abatement . . . . . **608** _____

Manufacturing and processing profits deduction from Schedule 27 . . . . . **616** _____

Investment corporation deduction . . . . . **620** _____

Taxed capital gains **624** _____

Additional deduction – credit unions from Schedule 17 . . . . . **628** _____

Federal foreign non-business income tax credit from Schedule 21 . . . . . **632** _____

Federal foreign business income tax credit from Schedule 21 . . . . . **636** _____

Resource deduction from line 438 . . . . . _____ 10

General tax reduction for CCPCs from amount M . . . . . **638** _____

General tax reduction from amount X . . . . . **639** _____

Federal logging tax credit from Schedule 21 . . . . . **640** _____

Federal political contribution tax credit . . . . . **644** _____

Federal political contributions **646** _____

Federal qualifying environmental trust tax credit . . . . . **648** _____

Investment tax credit from Schedule 31 . . . . . **652** _____

Subtotal _____ ▶ _____ F

Part I tax payable – Line E **minus** line F . . . . . _____ G
Enter amount G on line 700.

Summary of tax and credits

Federal tax

Part I tax payable	700	
Part I.3 tax payable from Schedule 33, 34, or 35	704	
Part II surtax payable from Schedule 46	708	
Part III.1 tax payable from Schedule 55	710	
Part IV tax payable from Schedule 3	712	
Part IV.1 tax payable from Schedule 43	716	
Part VI tax payable from Schedule 38	720	
Part VI.1 tax payable from Schedule 43	724	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		

Add provincial or territorial tax:

Provincial or territorial jurisdiction . . . 750 Ontario
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Ontario [for tax years ending before 2009], Quebec, and Alberta)	760	
Provincial tax on large corporations (New Brunswick and Nova Scotia)	765	
Total tax payable	770	A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit refund (Form T1131)	796	
Film or video production services tax credit refund (Form T1177)	797	
Tax withheld at source	800	
Total payments on which tax has been withheld	801	
Provincial and territorial capital gains refund from Schedule 18	808	
Provincial and territorial refundable tax credits from Schedule 5	812	
Tax instalments paid	840	
Total credits	890	B

Refund code 894 ☐ Overpayment

Balance (line A **minus** line B)

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.

Generally, we do not charge or refund a difference of $2 or less.

Balance unpaid . . . . . .

Enclosed payment 898

Direct deposit request

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

☐ Start ☐ Change information

910 Branch number

914 Institution number

918 Account number

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? . . . . . 896 1 Yes ☐ 2 No ☒

Certification

I, 950 WOODLAND (Last name in block letters) 951 RUSS (First name in block letters) 954 DIRECTOR (Position, office, or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this tax year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

955 2009-07-06 (Date (yyyy/mm/dd))

Signature of the authorized signing officer of the corporation

956 (905) 309-0611 (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 in block letters

959 Telephone number

Language of correspondence – Langue de correspondance

Indicate your language of correspondence by entering **1** for English or **2** for French.
Indiquez votre langue de correspondance en inscrivant **1** pour anglais ou **2** pour français.

990 1

Canada Revenue Agency / Agence du revenu du Canada

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 100

Name of corporation	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2008-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
Assets					
	Total current assets	1599	+	366,004	441,595
	Total tangible capital assets	2008	+	7,626,628	7,626,628
	Total accumulated amortization of tangible capital assets	2009	–	927,318	746,524
	Total intangible capital assets	2178	+		
	Total accumulated amortization of intangible capital assets	2179	–		
	Total long-term assets	2589	+		
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	7,065,314	7,321,699
Liabilities					
	Total current liabilities	3139	+	632,335	451,118
	Total long-term liabilities	3450	+	5,333,000	5,868,000
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	5,965,335	6,319,118
Shareholder equity					
	Total shareholder equity (mandatory field)	3620	+	1,099,979	1,002,581
	Total liabilities and shareholder equity	3640	=	7,065,314	7,321,699
Retained earnings					
	Retained earnings/deficit – end (mandatory field)	3849	=	-1,300,121	-1,397,519

* Generic item

Canada Revenue Agency / Agence du revenu du Canada

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 125

Name of corporation	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2008-12-31

Income statement information

Description	GIFI

Operating name	0001	
Description of the operation	0002	
Sequence Number	0003	01

Account	Description	GIFI		Current year	Prior year
Income statement information					
	Total sales of goods and services	8089	+	649,937	659,789
	Cost of sales	8518	–		
	Gross profit/loss	8519	=	649,937	659,789
	Cost of sales	8518	+		
	Total operating expenses	9367	+	741,273	586,675
	Total expenses (mandatory field)	9368	=	741,273	586,675
	Total revenue (mandatory field)	8299	+	660,670	671,556
	Total expenses (mandatory field)	9368	–	741,273	586,675
	Net non-farming income	9369	=	-80,603	84,881
Farming income statement information					
	Total farm revenue (mandatory field)	9659	+		
	Total farm expenses (mandatory field)	9898	–		
	Net farm income	9899	=		
	Net income/loss before taxes and extraordinary items	9970	=	-80,603	84,881
Extraordinary items and income (linked to Schedule 140)					
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–		
	Current income taxes	9990	–		
	Deferred income tax provision	9995	–	-178,000	-100,000
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	97,397	184,881

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 141

NOTES CHECKLIST

Corporation's name	Business Number	Tax year-end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2008-12-31

- Parts 1, 2, and 3 of this schedule must be completed from the perspective of the person (referred to in these parts as the "accountant") who prepared or reported on the financial statements.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI) for Corporations* and Guide T4012, *T2 Corporation – Income Tax Guide*.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

If the person preparing the tax return is not the accountant referred to above, they must still complete Parts 1, 2, 3 and 4 as applicable.

Part 1 – Information on the accountant preparing or reporting on the financial statements

Does the accountant have a professional designation? . . . . . **095** 1 Yes [X] 2 No [ ]

Is the accountant connected* with the corporation? . . . . . **097** 1 Yes [ ] 2 No [X]

* A person connected with a corporation can be: (i) a shareholder of the corporation who owns more than 10% of the common shares; (ii) a director, an officer, or an employee of the corporation; or (iii) a person not dealing at arm's length with the corporation.

Note: If the accountant does not have a professional designation **or** is connected to the corporation, you do not have to complete Parts 2 and 3 of this schedule. However, you do have to complete Part 4 as applicable.

Part 2 – Type of involvement with the financial statements

Choose the option that represents the highest level of involvement of the accountant:

198

Completed an auditor's report . . . . . 1 [X]

Completed a review engagement report . . . . . 2 [ ]

Conducted a compilation engagement . . . . . 3 [ ]

Part 3 – Reservations

If you selected option "1" or "2" under **Type of involvement with the financial statements** above, answer the following question:

Has the accountant expressed a reservation? . . . . . **099** 1 Yes [ ] 2 No [X]

Part 4 – Other information

If you have a professional designation and are not the accountant associated with the financial statements in Part 1 above, choose one of the following options:

110

Prepared the tax return (financial statements prepared by client) . . . . . 1 [ ]

Prepared the tax return and the financial information contained therein (financial statements have not been prepared) . . . . . 2 [ ]

Were notes to the financial statements prepared? . . . . . **101** 1 Yes [X] 2 No [ ]

If **yes**, complete lines 102 to 107 below:

Are any values presented at other than cost? . . . . . **102** 1 Yes [X] 2 No [ ]

Has there been a change in accounting policies since the last return? . . . . . **103** 1 Yes [ ] 2 No [X]

Are subsequent events mentioned in the notes? . . . . . **104** 1 Yes [ ] 2 No [X]

Is re-evaluation of asset information mentioned in the notes? . . . . . **105** 1 Yes [ ] 2 No [X]

Is contingent liability information mentioned in the notes? . . . . . **106** 1 Yes [ ] 2 No [X]

Is information regarding commitments mentioned in the notes? . . . . . **107** 1 Yes [ ] 2 No [X]

Does the corporation have investments in joint venture(s) or partnership(s)? . . . . . **108** 1 Yes [ ] 2 No [X]

If **yes**, complete line 109 below:

Are you filing financial statements of the joint venture(s) or partnership(s)? . . . . . **109** 1 Yes [ ] 2 No [ ]

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NET INCOME (LOSS) FOR INCOME TAX PURPOSES

SCHEDULE 1

Corporation's name	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2008-12-31

- 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. For more information, see the T2 *Corporation Income Tax Guide*.
- Please provide us with the applicable details in the identification area, and complete the applicable lines that contain a numbered black box. You should report amounts in accordance with the Generally Accepted Accounting Principles (GAAP).
- Sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items per financial statements			97,397 A
Add:			
Provision for income taxes – deferred	102	-178,000	
Amortization of tangible assets	104	180,794	
Subtotal of additions		2,794 ▶	2,794
Other additions:			
Miscellaneous other additions:			
Subtotal of other additions	199	0 ▶	0
Total additions	500	2,794 ▶	2,794
Deduct:			
Capital cost allowance from Schedule 8	403	228,281	
Subtotal of deductions		228,281 ▶	228,281
Other deductions:			
Miscellaneous other deductions:			
Total	394		
Subtotal of other deductions	499	0 ▶	0
Total deductions	510	228,281 ▶	228,281
Net income (loss) for income tax purposes – enter on line 300 of the T2 return			-128,090

* For reference purposes only

T2 SCH 1 E (08)

Canada

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SCHEDULE 4

CORPORATION LOSS CONTINUITY AND APPLICATION

Name of corporation	Business Number	Tax year-end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2008-12-31

- This form is used to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to previous years.
- The corporation can choose whether or not to deduct an available loss from income in a tax year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the *Income Tax Act*, when control has been acquired, no amount of capital loss incurred for a tax year ending (TYE) before that time is deductible in computing taxable income in a TYE after that time **and** no amount of capital loss incurred in a TYE after that time is deductible in computing taxable income of a TYE before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the *T2 Corporation – Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or send it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, paragraphs, and subparagraphs mentioned in this schedule refer to the *Income Tax Act*.

Part 1 – Non-capital losses

Determination of current-year non-capital loss

Net income (loss) for income tax purposes		-128,090
Deduct: (increase a loss)		
Net capital losses deducted in the year (enter as a positive amount)		
Taxable dividends deductible under sections 112, 113, or subsection 138(6)		
Amount of Part VI.1 tax deductible		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)		
Subtotal (if positive, enter "0")		-128,090
Deduct: (increase a loss)		
Section 110.5 and/or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions		
Subtotal		-128,090
Add: (decrease a loss)		
Current-year farm loss		
Current-year non-capital loss (if positive, enter "0")		-128,090

Continuity of non-capital losses and request for a carryback

Non-capital loss at the end of the previous tax year		549,849	
Deduct: Non-capital loss expired *	100		
Non-capital losses at the beginning of the tax year	102	549,849	
Add: Non-capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation	105		
Current-year non-capital loss (from calculation above)	110	128,090	677,939
Deduct:			
Other adjustments (includes adjustments for an acquisition of control)	150		
Section 80 – Adjustments for forgiven amounts	140		
Subsection 111(10) – Adjustments for fuel tax rebate			
Deduct:			
Amount applied against taxable income (enter on line 331 of the T2 return)	130		
Amount applied against taxable dividends subject to Part IV tax	135		
Subtotal			677,939
Deduct – Request to carry back non-capital loss to:			
First previous tax year to reduce taxable income	901		
Second previous tax year to reduce taxable income	902		
Third previous tax year to reduce taxable income	903		
First previous tax year to reduce taxable dividends subject to Part IV tax	911		
Second previous tax year to reduce taxable dividends subject to Part IV tax	912		
Third previous tax year to reduce taxable dividends subject to Part IV tax	913		
Non-capital losses – Closing balance			180 677,939

* A non-capital loss expires as follows:
- After **7** tax years if it arose in a tax year ending before March 23, 2004;
- After **10** tax years if it arose in a tax year ending after March 22, 2004, and before 2006; or
- After **20** tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss as follows:
- After **7** tax years if it arose in a tax year ending before March 23, 2004;
- After **10** tax years if it arose in a tax year ending after March 22, 2004.

Election under paragraph 88(1.1)(f)

Paragraph 88(1.1)(f) election indicator . . . . . **190** Yes ☐
Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately previous tax year.

Part 2 - Capital losses

Continuity of capital losses and request for a carryback

Capital losses at the end of the previous tax year . . . . . **200** _____
Capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation . . . . . **205** _____ _____

Deduct:
Other adjustments (includes adjustments for an acquisition of control) . . . . . **250** _____
Section 80 – Adjustments for forgiven amounts . . . . . **240** _____ _____
Subtotal _____

Add:
Current-year capital loss (from the calculation on Schedule 6) . . . . . **210** _____

Unused non-capital losses that expired in the tax year* . . . . . _____ **A**
Allowable business investment losses (ABIL) that expired as non-capital losses in the tax year** . . . . . _____ **B**

Enter amount from line A or B, whichever is less . . . . . **215** _____

ABILs expired as non-capital loss:
line 215 divided by the inclusion rate*** 75.0000 % . . . . . **220** _____
Subtotal _____

Note: If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary. Add all these amounts and enter the total at line 220 above.

Deduct: Amount applied against the current-year capital gain (see Note 1) . . . . . **225** _____
Subtotal _____

Deduct – Request to carry back capital loss to (see Note 2):

	Capital gain (100%)		Amount carried back (100%)	
First previous tax year	_____	**951**	_____	
Second previous tax year	_____	**952**	_____	
Third previous tax year	_____	**953**	_____	_____

Capital losses – Closing balance . . . . . **280** _____

Note 1
Enter the amount from line 225 **multiplied** by 50% on line 332 of the T2 return.

Note 2
On lines 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, multiply this amount by the 50% inclusion rate.

* Enter the losses from the 8th previous tax year if the losses were incurred in a tax year ending before March 23, 2004. Enter the losses from the 11th previous tax year if the losses were incurred in a tax year ending after March 22, 2004, and before 2006. Enter the losses from the 21st previous tax year if the losses were incurred in a tax year ending after 2005. Enter the part that was not used in previous years and the current year on line A.

** Enter the losses from the 8th previous tax year if the losses were incurred in a tax year ending before March 23, 2004. Enter the losses from the 11th previous tax year if the losses were incurred in a tax year ending after March 22, 2004. Enter the full amount on line B.

*** This inclusion rate is the rate used to calculate your ABIL referred to at line B. Therefore, use one of the following inclusion rates, whichever applies:

- For ABILs incurred in the 1999 and previous tax years, use 0.75.
- For ABILs incurred in the 2000 and 2001 tax years, the inclusion rate is equal to amount M on Schedule 6 - version T2SCH6(01).
- For ABILs incurred in the 2002 and later tax years, use 0.50.

Part 3 – Farm losses

Continuity of farm losses and request for a carryback

Farm losses at the end of the previous tax year			
Deduct: Farm loss expired *	300		
Farm losses at the beginning of the tax year	302		
Add: Farm losses transferred on the amalgamation or the wind-up of a subsidiary corporation	305		
Current-year farm loss	310		
Deduct:			
Other adjustments (includes adjustments for an acquisition of control)	350		
Section 80 – Adjustments for forgiven amounts	340		
Amount applied against taxable income (enter on line 334 of the T2 return)	330		
Amount applied against taxable dividends subject to Part IV tax	335		
		Subtotal	
Deduct – Request to carry back farm loss to:			
First previous tax year to reduce taxable income	921		
Second previous tax year to reduce taxable income	922		
Third previous tax year to reduce taxable income	923		
First previous tax year to reduce taxable dividends subject to Part IV tax	931		
Second previous tax year to reduce taxable dividends subject to Part IV tax	932		
Third previous tax year to reduce taxable dividends subject to Part IV tax	933		
Farm losses – Closing balance		380	

* A farm loss expires as follows:
- After **10** tax years if it arose in a tax year ending before 2006; or
- After **20** tax years if it arose in a tax year ending after 2005.

Part 4 – Restricted farm losses

Current-year restricted farm loss

Total losses for the year from farming business	485			C
Minus the deductible farm loss:				
$2,500 plus D or E, whichever is less		$ 2,500		
(Amount C above _____ – $2,500) divided by 2 =		D		
		$ 6,250 E		2,500 F
Current-year restricted farm loss (amount C minus amount F) (enter this amount on line 410)				

Continuity of restricted farm losses and request for a carryback

Restricted farm losses at the end of the previous tax year			
Deduct: Restricted farm loss expired *	400		
Restricted farm losses at the beginning of the tax year	402		
Add: Restricted farm losses transferred on the amalgamation or the wind-up of a subsidiary corporation	405		
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410		
Deduct:			
Amount applied against farming income (enter on line 333 of the T2 return)	430		
Section 80 – Adjustments for forgiven amounts	440		
Other adjustments	450		
		Subtotal	
Deduct – Request to carry back restricted farm loss to:			
First previous tax year to reduce farming income	941		
Second previous tax year to reduce farming income	942		
Third previous tax year to reduce farming income	943		
Restricted farm losses – Closing balance		480	

Note
The total losses for the year from all farming businesses are calculated without including scientific research expenses.

* A restricted farm loss expires as follows:
- After **10** tax years if it arose in a tax year ending before 2006; or
- After **20** tax years if it arose in a tax year ending after 2005.

Part 5 – Listed personal property losses

Continuity of listed personal property loss and request for a carryback

Listed personal property losses at the end of the previous tax year				
Deduct: Listed personal property loss expired after seven tax years			500	
Listed personal property losses at the beginning of the tax year			502	
Add: Current-year listed personal property loss (from Schedule 6)			510	
		Subtotal		
Deduct:				
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530			
Other adjustments	550			
		Subtotal		
Deduct – Request to carry back listed personal property loss to:				
First previous tax year to reduce listed personal property gains	961			
Second previous tax year to reduce listed personal property gains	962			
Third previous tax year to reduce listed personal property gains	963			
Listed personal property losses – Closing balance			580	

Part 7 – Limited partnership losses

Current-year limited partnership losses						
1	2	3	4	5	6	7
Partnership identifier 600	Fiscal period ending 602	Corporation's share of limited partnership loss 604	Corporation's at-risk amount 606	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses 608	Column 4 **minus** column 5 (if negative, enter "0")	Current-year limited partnership losses (column 3 - 6) 620

Total (enter this amount on line 222 of Schedule 1) _____

Limited partnership losses from prior tax years that may be applied in the current year						
1	2	3	4	5	6	7
Partnership identifier 630	Fiscal period ending 632	Limited partnership losses at the end of the previous tax year 634	Corporation's at-risk amount 636	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses 638	Column 4 **minus** column 5 (if negative, enter "0")	Limited partnership losses that may be applied in the year. (the lesser of columns 3 and 6) 650

Continuity of limited partnership losses that can be carried forward to future tax years					
Partnership identifier 660	Limited partnership losses at the end of the previous tax year 662	Limited partnership losses transferred on an amalgamation or the wind-up of a subsidiary 664	Current-year limited partnership losses (from column 620) 670	Limited partnership losses applied (cannot exceed column 650) 675	Limited partnership losses closing balance (662 + 664 + 670 - 675) 680

Total (enter this amount on line 335 of the T2 return) _____

Non-Capital Loss Continuity Workchart

Part 6 – Analysis of balance of losses by year of origin

Non-capital losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce: Taxable income	Applied to reduce: Part IV tax	Balance at end of year
Current	N/A	128,090			N/A		128,090
2007		N/A		N/A			
2006	157,321	N/A		N/A			157,321
2005	344,575	N/A		N/A			344,575
2004	47,953	N/A		N/A			47,953
2003		N/A		N/A			
2002		N/A		N/A			
2001		N/A		N/A			*
Total	549,849	128,090					677,939

Farm losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce: Taxable income	Applied to reduce: Part IV tax	Balance at end of year
Current	N/A				N/A		
2007		N/A		N/A			
2006		N/A		N/A			
2005		N/A		N/A			
2004		N/A		N/A			
2003		N/A		N/A			
2002		N/A		N/A			
2001		N/A		N/A			
2000		N/A		N/A			
1999		N/A		N/A			
1998		N/A		N/A			*
Total							

Restricted farm losses

Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce: Taxable income	Applied to reduce: Part IV tax	Balance at end of year
Current	N/A				N/A	N/A	
2007		N/A		N/A		N/A	
2006		N/A		N/A		N/A	
2005		N/A		N/A		N/A	
2004		N/A		N/A		N/A	
2003		N/A		N/A		N/A	
2002		N/A		N/A		N/A	
2001		N/A		N/A		N/A	
2000		N/A		N/A		N/A	
1999		N/A		N/A		N/A	
1998		N/A		N/A		N/A	*
Total						N/A	

* This balance expires this year and will not be available next year.

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 8

CAPITAL COST ALLOWANCE (CCA)

Name of corporation	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2008-12-31

For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide.*

Is the corporation electing under regulation 1101(5q)? **101** 1 Yes [ ] 2 No [X]

	1 Class number 200	Description	2 Undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of last year) 201	3 Cost of acquisitions during the year (new property must be available for use)* 203	4 Net adjustments** 205	5 Proceeds of dispositions during the year (amount not to exceed the capital cost) 207	6 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5)*** 211	7 Reduced undepreciated capital cost	8 CCA rate % 212	9 Recapture of capital cost allowance (line 107 of Schedule 1) 213	10 Terminal loss (line 404 of Schedule 1) 215	11 Capital cost allowance (column 7 **multiplied** by column 8; or a lower amount) (line 403 of Schedule 1)**** 217	12 Undepreciated capital cost at the end of the year (column 6 **plus** column 7 **minus** column 11) 220
1	1		5,707,024			0		5,707,024	4	0	0	228,281	5,478,743
		Total	5,707,024					5,707,024				228,281	5,478,743

* 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).

** Include amounts transferred under section 85, or on amalgamation and winding-up of a subsidiary. See the *T2 Corporation Income Tax Guide* for other examples of adjustments to include in column 4.

*** The net cost of acquisitions is the cost of acquisitions (column 3) plus or minus certain adjustments from column 4. For exceptions to the 50% rule, see Interpretation Bulletin IT-285, *Capital Cost Allowance – General Comments.*

**** If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the *T2 Corporation Income Tax Guide* for more information.

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Canada

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
NIAGARA WEST TRANSFORMATION CORPORATION	87681 9301 RC0001	2008-12-31

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 (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Provide only one number per shareholder: Business Number 200	Social insurance number 300	Trust number 350	Percentage common shares 400	Percentage preferred shares 500
1	GRIMSBY POWER INC	86487 4839 RC0001			50.000	
2	PENINSULA WEST POWER INC	89108 9419 RC0001			50.000	
3						
4						
5						
6						
7						
8						
9						
10						

T2 SCH 50 (06)

Canada

Ontario

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

2007 CT23 Corporations Tax and Annual Return

For taxation years commencing after December 31, 2004

Corporations Tax Act – Ministry of Finance (MOF)
Corporations Information Act – Ministry of Government Services (MGS)

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

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

Ministry Use

MGS Annual Return Required? *(Not required if already filed or Annual Return exempt. Refer to Guide)* [X] Yes [ ] No

Corporation's Legal Name *(including punctuation)*
NIAGARA WEST TRANSFORMATION CORPORATION

Ontario Corporations Tax Account No. (MOF)
1800380

Mailing Address
2-4548 ONTARIO ST
BEAMSVILLE
ON CA L0R 1B5

This Return covers the Taxation Year
Start (year month day): 2008-01-01
End (year month day): 2008-12-31

Has the mailing address changed since last filed CT23 Return? [ ] Yes | Date of Change (year month day)

Date of Incorporation or Amalgamation (year month day): 2003-09-05

Registered/Head Office Address
2-4548 ONTARIO ST
BEAMSVILLE
ON CA L0R 1B5

Ontario Corporation No. (MGS): 1586499

Location of Books and Records

Canada Revenue Agency Business No.
If applicable, enter: 87681 9301 RC0001

Name of person to contact regarding this CT23 Return: RUSS WOODLAND
Telephone No.: (905) 309-0611
Fax No.:

Jurisdiction Incorporated: Ontario

Address of Principal Office in Ontario *(Extra-Provincial Corporations only)* (MGS)
Ontario Canada

If not incorporated in Ontario, indicate the date Ontario business activity commenced and ceased:
Commenced (year month day):
Ceased (year month day):
[X] *Not Applicable*

Former Corporation Name *(Extra-Provincial Corporations only)* [X] *Not Applicable* (MGS)

Information on Directors/Officers/Administrators must be completed on MGS Schedule A or K as appropriate. If additional space is required for Schedule A, only this schedule may be photocopied. State number submitted (MGS). ▶

No. of Schedule(s)

If there is **no change** to the Directors'/Officers'/Administrators' information previously submitted to MGS, please check (X) this box. Schedule(s) A and K are not required (MGS). ▶ [X] No Change

Preferred Language / *Langue de préférence*
[X] English *anglais* [ ] French *français*

Ministry Use

Certification (MGS)

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

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

Title D [X] Director O [ ] Officer P [ ] Other individuals having knowledge of the Corporation's business activities

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NIAGARA WEST TRANSFORMATION CORPOI	1800380	2008-12-31

CT23 Corporations Tax Return

Identification continued (for CT23 filers only)

Please check applicable (X) box(es) and complete required information.

Type of corporation

1

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

2 [ ] Other Private

3 [ ] Public

4 [ ] Non-share Capital

5 [X] Other *(specify)* ▼

EXEMPT FROM TAX

Share Capital with full voting rights owned by Canadian Residents (nearest percent) 100 %

2

1 [ ] Family Farm corporation s.1(2)

2 [ ] Family Fishing corporation s.1(2)

3 [ ] Mortgage Investment corporation s.47

4 [ ] Credit Union s.51

5 [ ] Bank Mortgage subsidiary s.61(4)

6 [ ] Bank s.1(2)

7 [ ] Loan and Trust corporation s.61(4)

8 [ ] Non-resident corporation s.2(2)(a) or (b)

9 [ ] Non-resident corporation s.2(2)(c)

10 [ ] Mutual Fund corporation s.48

11 [ ] Non-resident owned Investment corporation s.49

12 [ ] Non-resident ship or aircraft under reciprocal agreement with Canada s.28(b)

14 [ ] Bare Trustee corporation

15 [ ] Branch of Non-resident s.63(1)

16 [ ] Financial institution prescribed by Regulation only

17 [ ] Investment Dealer

18 [ ] Generator of electrical energy for sale or producer of steam for use in the generation of electrical energy for sale

19 [X] Hydro successor, municipal electrical utility or subsidiary of either

20 [ ] Producer and seller of steam for uses other than for the generation of electricity

21 [ ] Insurance Exchange s.74.4

22 [ ] Farm Feeder Finance Co-operative corporation

23 [ ] Professional corporation (incorporated professionals only)

[ ] This is the first year filing after incorporation or an amalgamation (If checked, attach Ontario Schedule 24.)

[ ] Amended Return

[ ] Taxation year end change – Canada Revenue Agency approval required

[ ] Final taxation year up to dissolution *(Note: for discontinued businesses, see guide.)*

[ ] Final taxation year before amalgamation

[ ] The corporation has a floating fiscal year end

[ ] There has been a transfer or receipt of asset(s) involving a corporation having a Canadian permanent establishment outside Ontario

[ ] There was an acquisition of control to which subsection 249(4) of the federal *Income Tax Act* (ITA) applies since the previous taxation year

If checked, date control was acquired year month day

[ ] The corporation was involved in a transaction where all or substantially all (90% or more) of the assets of a non-arm's length corporation were received in the taxation year and subsection 85(1) or 85(2) of the federal ITA applied to the transaction (If checked, attach Ontario Schedule 44.)

[ ] First year filing of a parent corporation after winding-up a subsidiary corporation(s) under section 88 of the federal ITA during the taxation year. (If checked, attach Ontario Schedule 24.)

[ ] Section 83.1 of the CTA applies (redirection of payments for certain electricity corporations)

Yes	No	
[ ]	[X]	Was the corporation inactive throughout the taxation year?
[X]	[ ]	Has the corporation's Federal T2 Return been filed with the Canada Revenue Agency?
		Are you requesting a refund due to:
[ ]	[X]	the Carry-back of a Loss?
[ ]	[X]	an Overpayment?
[ ]	[X]	a Specified Refundable Tax Credit?
[ ]	[X]	Are you a member of a Partnership or Joint Venture?

Complete if applicable

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

ELECTRICITY DISTRIB

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

DOLLARS ONLY

Net Income (loss) for Ontario purposes (per reconciliation schedule, page 15)	±	From 690	-128,090
Subtract: Charitable donations	–	1	
Subtract: Gifts to Her Majesty in right of Canada or a province and gifts of cultural property *(Attach schedule 2)*	–	2	
Subtract: Taxable dividends deductible, per federal Schedule 3	–	3	
Subtract: Ontario political contributions *(Attach Schedule 2A)* (Int.B. 3002R)	–	4	
Subtract: Federal Part VI.1 tax _____ x 3	–	5	
Subtract: Prior years' losses applied – Non-capital losses	–	From 704	
Net capital losses (page 16) From 715 _____ x inclusion rate 50.000000 % =	–	714	
Farm losses	–	From 724	
Restricted farm losses	–	From 734	
Limited partnership losses	–	From 754	
Taxable Income (Non-capital loss)	=	10	-128,090
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	

Taxable Income

Number of Days in Taxation Year

From 10 (or 20 if applicable) _____ x 30 100.0000 % (Ontario Allocation) x 12.5 % x [Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 _____ ÷ 73 366 (Total Days)] = + 29 _____

From 10 (or 20 if applicable) _____ x 30 100.0000 % (Ontario Allocation) x 14 % x [Days after Dec. 31, 2003: 34 366 ÷ 73 366 (Total Days)] = + 32 _____

Income Tax Payable (before deduction of tax credits) 29 + 32 = 40 _____

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 taxation year? (X) ☐ Yes ☒ No

* Income from active business carried on in Canada for federal purposes (fed.s.125(1)(a))		50	
Federal taxable income, less adjustment for foreign tax credit (fed.s.125(1)(b))	+ 51		
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		
	=	54	
Federal Business limit (line 410 of the T2 Return) for the year before the application of fed.s.125(5.1)		55	

Ontario Business Limit Calculation

320,000 x [Days after Dec. 31, 2002 and before Jan. 1, 2004: 31 _____ ÷ ** 366] = + 46 _____

400,000 x [Days after Dec. 31, 2003: 34 366 ÷ ** 366] = + 47 _____

Business Limit for Ontario purposes 46 + 47 = 44 _____ x [Percentage of Federal Business limit (from T2 Schedule 23). Enter 100% if not associated.: 48 . %] = 45 _____

Income eligible for the IDSBC From 30 100.0000 % (***Ontario Allocation) x 56 _____ = 60 _____ Least of 50 , 54 or 45

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

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

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

continued on Page 5

DOLLARS ONLY

Income Tax *continued from Page 4*

Calculation of IDSBC Rate

Number of Days in Taxation Year

7 % x Days after Dec. 31, 2002 and before Jan. 1, 2004 [31] ÷ Total Days [73] 366 = + [89] .

8.5 % x Days after Dec. 31, 2003 [34] 366 ÷ Total Days [73] 366 = + [90] 8.5000

IDSBC Rate for Taxation Year [89] + [90] = [78] 8.5000

Claim From [60] . x From [78] 8.5000 % = [70] .

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.

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] .

If you are a member of an associated group (X) [81] ☐ (Yes)

Name of associated corporation (Canadian & foreign) *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End		* Taxable Income (if loss, enter nil)
			+ [82]	.
			+ [83]	.
			+ [84]	.

Aggregate Taxable Income [80] + [82] + [83] + [84], etc. = [85] .

Number of Days in Taxation Year

320,000 x Days after Dec. 31, 2002 and before Jan. 1, 2004 [31] ÷ Total Days [73] 366 = + [115] .

400,000 x Days after Dec. 31, 2003 [34] 366 ÷ Total Days [73] 366 = + [116] .

[115] + [116] = . ▸ − [114] .

(If negative, enter nil) = [86] .

Calculation of Specified Rate for Surtax

Number of Days in Taxation Year

4.6670 % x Days after Dec. 31, 2002 [38] ÷ Total Days [73] 366 = + [97] .

From [86] . x From [97] . % = [87] .

From [87] . x From [60] . ÷ From [114] . = [88] .

Surtax Lesser of [70] or [88] = [100]

**** Note: 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.

continued on Page 6

Additional Deduction for Credit Unions (s.51(4)) *(Attach schedule 17)* - - - - - - - - - - 110 .

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

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

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

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

Eligible Canadian Profits - + 120 .

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - - - - – From 56 .

Add: Adjustment for Surtax on Canadian-controlled private corporations

From 100 . ÷ From 30 100.0000 % ÷ From 78 8.5000 % = 121 .
*Ontario Allocation

Lesser of 56 or 121 - + 122 .

120 – 56 + 122 - = 130 .

Taxable Income - + From 10 -128,090 .

Subtract: Income eligible for the Incentive Deduction for Small Business Corporations (IDSBC) - - - - - - - – From 56 .

Add: Adjustments for Surtax on Canadian-controlled private corporations - - - - - - - - - - - - + From 122 .

Subtract: Taxable Income 10 -128,090 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 .

Claim

Number of Days in Taxation Year

143 . X From 30 100.0000 % X 1.5 % X Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 ÷ Total Days: 73 366 = + 154 .
Lesser of 130 or 142 — Ontario Allocation

143 . X From 30 100.0000 % X 2 % X Days after Dec. 31, 2003: 34 366 ÷ Total Days: 73 366 = + 156 .
Lesser of 130 or 142 — Ontario Allocation

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

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

Manufacturing and Processing Profits Credit for Electrical Generating Corporations = 161 .

Manufacturing and Processing Profits Credit for Corporations that Produce and Sell Steam for uses other than the Generation of Electricity - - - - - - - - - = 162 .

Credit for Foreign Taxes Paid (s.40)

Applies if you paid tax to a jurisdiction outside Canada on foreign investment income (Int.B. 3001R). *(Attach schedule)* - 170 .

Credit for Investment in Small Business Development Corporations (SBDC)

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

Eligible Credit 175 . Credit Claimed 180 .

Subtotal of Income Tax 40 – 70 + 100 – 110 – 160 – 161 – 162 – 170 – 180 - - - - = 190 .

continued on Page 7

Income Tax *continued from Page 6*

Specified Tax Credits *(Refer to Guide)*

Ontario Innovation Tax Credit (OITC) (s.43.3) ***Applies*** to scientific research and experimental development in Ontario.

Eligible Credit From 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 CT23 Schedule 113 *(Attach Schedule 113)* + 192 _____ •

Ontario Film & Television Tax Credit (OFTTC) (s.43.5)

Applies to qualifying Ontario labour expenditures for eligible Canadian content film and television productions. Name of Production 204 _____

Eligible Credit From 5850 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility) + 193 _____ •

Graduate Transitions Tax Credit (GTTC) (s.43.6) No. of Graduates From 6596

Applies to employment of eligible unemployed post secondary graduates, for employment commencing prior to July 6, 2004 and expenditures incurred prior to January 1, 2005. 194 _____

Eligible Credit From 6598 CT23 Schedule 115 *(Attach Schedule 115)* + 195 _____ •

Ontario Book Publishing Tax Credit (OBPTC) (s.43.7)

Applies to qualifying expenditures in respect of eligible literary works by eligible Canadian authors.

Eligible Credit From 6900 OBPTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 196 _____ •

Ontario Computer Animation and Special Effects Tax Credit (OCASE) (s.43.8)

Applies to labour relating to computer animation and special effects on an eligible production.

Eligible Credit From 6700 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility) + 197 _____ •

Ontario Business-Research Institute Tax Credit (OBRITC) (s.43.9)

Applies to qualifying R&D expenditures under an eligible research institute contract.

Eligible Credit From 7100 OBRITC Claim Form *(Attach original Claim Form)* + 198 _____ •

Ontario Production Services Tax Credit (OPSTC) (s.43.10)

Applies to qualifying Ontario labour expenditures for eligible productions where the OFTTC has not been claimed.

Eligible Credit From 7300 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility) + 199 _____ •

Ontario Interactive Digital Media Tax Credit (OIDMTC) (s.43.11)

Applies to qualifying labour expenditures of eligible products for the taxation year.

Eligible Credit From 7400 of the Certificate of Eligibility issued by the Ontario Media Development Corporation (OMDC)

(Attach the original Certificate of Eligibility) + 200 _____ •

Ontario Sound Recording Tax Credit (OSRTC) (s.43.12)

Applies to qualifying expenditures in respect of eligible Canadian sound recordings.

Eligible Credit From 7500 OSRTC Claim Form *(Attach **both** the original Claim Form and the Certificate of Eligibility)* + 201 _____ •

Apprenticeship Training Tax Credit (ATTC) (s.43.13) No. of Apprentices From 5896

Applies to employment of eligible apprentices. 202 _____

Eligible Credit From 5898 CT23 Schedule 114 *(Attach Schedule 114)* + 203 _____ •

Other (specify) _____ + 203.1 _____ •

Total Specified Tax Credits 191 + 192 + 193 + 195 + 196 + 197 + 198 + 199 + 200 + 201 + 203 + 203.1 = 220 _____ •

Specified Tax Credits ***Applied to reduce Income Tax*** = 225 _____ •

Income Tax 190 – 225 **OR Enter NIL if reporting Non-Capital Loss** *(amount cannot be negative)* = 230 _____ •

To determine if the Corporate Minimum Tax (CMT) is applicable to your Corporation, see **Determination of Applicability** section for the CMT on **Page 8.** If CMT is not applicable, transfer amount in 230 to Income Tax in **Summary** section on **Page 17.**

OR

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

Corporate Minimum Tax (CMT)

DOLLARS ONLY

Total Assets of the corporation - + 240 7,065,314 .

Total Revenue of the corporation - + 241 660,670 .

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

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

Name of associated corporation (Canadian & foreign) *(if insufficient space attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Total Assets	Total Revenue
			+ 243 .	+ 244 .
			+ 245 .	+ 246 .
			+ 247 .	+ 248 .

Aggregate Total Assets 240 + 243 + 245 + 247 , etc. - - - - - - - - - - - - = 249 7,065,314 .

Aggregate Total Revenue 241 + 244 + 246 + 248 , etc. - = 250 660,670 .

Determination of Applicability

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

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

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

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

Calculation: CMT *(Attach Schedule 101.)*

Gross CMT Payable - - CMT Base From Schedule 101 2136 . (If negative, enter zero) X From 30 100.0000 % (Ontario Allocation) X 4 % = 276 .

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

Subtract: Income Tax - – From 190 .

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 **Part 4 of Schedule 101: Continuity of CMT Credit Carryovers.**

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

Application of CMT Credit Carryovers

A. Income Tax (before deduction of specified credits) - + From 190 .

Gross CMT Payable - - - - - - - - - - - - - - - - - - - + From 276 .

Subtract: Foreign Tax Credit for CMT purposes - - - - - - - - - - - – From 277 .

If 276 – 277 is negative, enter NIL in 290 = . ▶ – 290 .

Income Tax eligible for CMT Credit - = 300 .

B. Income Tax (after deduction of specified credits) - + From 230 .

Subtract: CMT credit used to reduce income taxes - – 310 .

Income Tax - = 320 .

Transfer to page 17

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

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

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

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 the Gross Revenue and Total Assets as calculated on page 10 in 480 *and* 430 *are both $3,000,000 or less, your corporation is exempt from Capital Tax for the taxation year, except for a branch of a non-resident corporation. A corporation that meets these criteria should disregard all other Capital Tax items (including the calculation of Taxable Capital). Enter NIL in* 550 *on page 12 and complete the return from that point. All other corporations must compute their Taxable Capital in order to determine their Capital Tax payable.*

Members of a partnership (limited or general) or a joint venture, must attach all financial statements of each partnership or joint venture of which they are a member. The Paid-up Capital of each corporate partner must include its share of liabilities that would otherwise be included if the partnership were a corporation. If Investment Allowance is claimed, Total Assets must be adjusted by adding the corporation's share of the partnership's Total Assets and by deducting investments in the partnership as it appears on the corporation's balance sheet, in addition to any other required adjustments (s.61(5)). Special rules apply to limited partnerships (Int.B. 3017R).

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

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

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

Paid-up Capital

Paid-up capital stock (Int.B. 3012R and 3015R)	+	350	2,400,100
Retained earnings (if deficit, deduct) (Int.B. 3012R)	±	351	-1,300,121
Capital and other surpluses, excluding appraisal surplus (Int.B.3012R)	+	352	
Loans and advances *(Attach schedule)* (Int.B. 3013R)	+	353	
Bank loans (Int.B. 3013R)	+	354	
Bankers acceptances (Int.B. 3013R)	+	355	
Bonds and debentures payable (Int.B. 3013R)	+	356	
Mortgages payable (Int.B. 3013R)	+	357	
Lien notes payable (Int.B. 3013R)	+	358	5,397,000
Deferred credits (including income tax reserves, and deferred revenue where it would also be included in paid-up capital for the purposes of the large corporations tax) (Int.B. 3013R)	+	359	
Contingent, investment, inventory and similar reserves (Int.B. 3012R)	+	360	
Other reserves not allowed as deductions for income tax purposes *(Attach schedule)* (Int.B. 3012R)	+	361	
Share of partnership(s) or joint venture(s) paid-up capital *(Attach schedule(s))* (Int.B. 3017R)	+	362	
Subtotal	=	370	6,496,979
Subtract: Amounts deducted for income tax purposes in excess of amounts booked *(Retain calculations. Do not submit.)* (Int.B. 3012R)	−	371	
Deductible R & D expenditures and ONTTI costs deferred for income tax if not already deducted for book purposes (Int.B. 3015R)	−	372	
Total Paid-up Capital	=	380	6,496,979
Subtract: Deferred mining exploration and development expenses (s.62(1)(d)) (Int.B. 3015R)	−	381	
Electrical Generating Corporations Only – All amounts with respect to electrical generating assets, except to the extent that they have been deducted by the corporation in computing its income for income tax purposes for the current or any prior taxation year, that are deductible by the corporation under clause 11(10)(a) of the *Corporations Tax Act*, and the assets are used both in generating electricity from a renewable or alternative energy source and are qualifying property as prescribed by regulation	−	382	
Net Paid-up Capital	=	390	6,496,979

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

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

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

continued on Page 10

Total Assets (Int.B. 3015R) *DOLLARS ONLY*

Total Assets per balance sheet	+	420	7,065,314
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	7,065,314
Amounts in 360 and 361 (if deducted from assets)	+	440	
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	7,065,314

Investment Allowance (410 ÷ 450) x 390 **Not to exceed** 410 = 460

Taxable Capital 390 − 460 = 470 6,496,979

Gross Revenue (as adjusted to include the share of any partnership(s)/joint venture(s) Gross Revenue) 480 660,670

Total Assets (as adjusted) From 430 7,065,314

Calculation of Capital Tax for all Corporations except Financial Institutions

Note: *This version (2007) of the CT23 may only be used for a taxation year that commenced after December 31, 2004.*

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, complete Section B below, then review only the Capital Tax calculations in Section C on page 11, selecting and completing the one specific subsection (e.g. C3) that applies to the corporation.

OR If the corporation **is** a member of an associated group and/or partnership, complete Section B below and Section D on page 11, and if applicable, complete Section E or Section F on page 12. Note: if the corporation is a member of a connected partnership, please refer to the 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

B1. Calculation of Taxable Capital Deduction (TCD)

		Number of Days in Taxation Year					
		Days after Dec. 31, 2004 and before Jan. 1, 2006	Total Days				
7,500,000	x	36	÷ 73	366	= +	501	
		Days after Dec. 31, 2005 and before Jan. 1, 2007	Total Days				
10,000,000	x	37	÷ 73	366	= +	502	
		Days after Dec. 31, 2006 and before Jan. 1, 2008	Total Days				
12,500,000	x	38	÷ 73	366	= +	504	
		Days after Dec. 31, 2007	Total Days				
15,000,000	x	39 366	÷ 73	366	= +	505	15,000,000

Taxable Capital Deduction (TCD) 501 + 502 + 504 + 505 = 503 15,000,000

B2. This section applies to corporations to calculate the prorated capital tax rate.

Calculation of Capital Tax Rate

		Number of Days in Taxation Year					
		Days before Jan. 1, 2007	Total Days				
0.3 %	x	556	÷ 73	366	= +	511	%
		Days after Dec. 31, 2006 and before Jan. 1, 2009	Total Days				
0.225 %	x	557 366	÷ 73	366	= +	512	0.2250 %

Capital Tax Rate 511 + 512 = 516 0.2250 %

continued on Page 11

Capital Tax Calculation *continued from Page 10*

SECTION C

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

C1. If [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.

C2. If Taxable Capital in [470] is **equal to or less than the TCD** in [503], enter NIL in [550] on page 12 and complete the return from that point.

C3. If Taxable Capital in [470] **exceeds the TCD** in [503], complete the following calculation and transfer the amount from [523] to [543] on page 12, and complete the return from that point.

+ From [470] 6,496,979 •
− From [503] 15,000,000 •
= [471] _____ • x From [30] 100.0000 % (Ontario Allocation) x From [516] 0.2250 % (Capital Tax Rate) x [555] 366 (Days in taxation year) / 366 (366 if leap year) *If floating taxation year, refer to Guide.* = + [523] _____ • *Transfer to* [543] *on page 12 and complete the return from that point*

SECTION D

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

D1. ☐ [509] (X if applicable)

All corporations that you are associated with do **not** have a permanent establishment in Canada.

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

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

D2. ☐ [524] (X if applicable)

One or more of the corporations that you are associated with **maintains** a permanent establishment in Canada.

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

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

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

D2. Calculation is on next page

continued on Page 12

Capital Tax Calculation *continued from Page 11*

DOLLARS ONLY

D2. Calculation Do **not** complete this calculation if ss.69(2.1) election is filed

Taxable Capital From 470 on page 10 - + From 470 _____ .

Determine aggregate taxable capital of an associated group (excluding financial institutions and corporations exempt from capital tax) and/or partnership having a permanent establishment in Canada

Names of associated corporations (excluding Financial Institutions and corporations exempt from Capital Tax) having a permanent establishment in Canada *(if insufficient space, attach schedule)*	Ontario Corporations Tax Account No. (MOF) (if applicable)	Taxation Year End	Taxable Capital
			+ 531 _____ .
			+ 532 _____ .
			+ 533 _____ .

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

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

Enter NIL in 523 in section E below, as applicable.

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

From 470 _____ . ÷ From 540 _____ . x From 503 _____ . = 541 _____ .

Transfer to 542 *in Section E below*

Ss.69(2.1) Election Filed

☐ 591 (X if applicable) **Election filed.** *Attach a copy of Schedule 591 with this CT23 Return.*
Proceed to **Section F** below.

SECTION E

This section applies if the corporation **is** a member of an associated group and/or partnership whose total **aggregate** Taxable Capital 540 above, exceeds the TCD 503 on page 10.

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

+ From 470 _____ .
− 542 _____ .
= 471 _____ . x From 30 100.0000 % (Ontario Allocation) x From 516 0.2250 % (Capital Tax Rate) x 555 366 (Days in taxation year) / * 366 (366 if leap year) = + 523 _____ . **Total Capital Tax for the taxation year**

Transfer to 543 *and complete the return from that point*

SECTION F

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 30 100.0000 % (Ontario Allocation) x From 516 0.2250 % (Capital Tax Rate) - - - - - - - = + 561 _____ .

− Capital tax deduction from 995 relating to **your corporation's** Capital Tax deduction, on Schedule 591 - - − From 995 _____ .
= 562 _____ .

Capital Tax - - - - - - - - 562 _____ . x 555 366 (Days in taxation year) / * 366 (366 if leap year) - - - - - = 563 _____ . **Total Capital Tax for the taxation year**

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 _____ .

Transfer to Page 17

continued on Page 13

Capital Tax *continued from Page 12*

Calculation of Capital Tax for Financial Institutions

1.1 Credit Unions only

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

1.2 Other than Credit Unions

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

[565] _____ . x [567] _____ % x From [30] 100.0000 % x [555] 366 / 366 = + [569] _____ .

Lesser of adjusted Taxable Paid Up Capital and Basic Capital Amount in accordance with Division B.1 — Capital Tax Rate (1) *(Refer to Guide)* — Ontario Allocation — Days in taxation year * 366 (366 if leap year)

[570] _____ . x [571] _____ % x From [30] 100.0000 % x [555] 366 / 366 = + [574] _____ .

Adjusted Taxable Paid Up Capital in accordance with Division B.1 in excess of Basic Capital Amount — Capital Tax Rate (2) *(Refer to Guide)* — Ontario Allocation — Days in taxation year * 366 (366 if leap year)

Capital Tax for Financial Institutions – other than Credit Unions (before Section 2) [569] + [574] = [575] _____ .

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

2. 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)? (X) ☐ Yes

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

DOLLARS ONLY

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

Net Income (loss) for federal income tax purposes, per federal T2 Schedule 1 ± 600 -128,090 .
Transfer to Page 15

Add:

Federal capital cost allowance	+ 601	228,281 .
Federal cumulative eligible capital deduction	+ 602	.
Ontario taxable capital gain	+ 603	.
Federal non-allowable reserves. Balance beginning of year	+ 604	.
Federal allowable reserves. Balance end of year	+ 605	.
Ontario non-allowable reserves. Balance end of year	+ 606	.
Ontario allowable reserves. Balance beginning of year	+ 607	.
Federal exploration expenses (e.g. CEDE, CEE, CDE, COGPE)	+ 608	.
Federal resource allowance *(Refer to Guide)*	+ 609	.
Federal depletion allowance	+ 610	.
Federal foreign exploration and development expenses	+ 611	.
Crown charges, royalties, rentals, etc. deducted for Federal purposes *(Refer to Guide)*	+ 617	.

Management fees, rents, royalties and similar payments to non-arms' length non-residents ▼

Number of Days in Taxation Year

612 _____ . x 5 / 12.5 x [Days after Dec. 31, 2002 and before Jan. 1, 2004: 33 _____ ÷ Total Days: 73 366] = + 633 _____ .

612 _____ . x 5 / 14 x [Days after Dec. 31, 2003: 34 366 ÷ Total Days: 73 366] = + 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 _____ .

Total of Additions 601 to 611 + 617 + 613 + 615 + 616 + 620 + 614 = 228,281 . ▶ 640 228,281 .
Transfer to Page 15

Deduct:

Ontario capital cost allowance (excludes amounts deducted under 675)	+ 650	228,281 .
Ontario cumulative eligible capital deduction	+ 651	.
Federal taxable capital gain	+ 652	.
Ontario non-allowable reserves. Balance beginning of year	+ 653	.
Ontario allowable reserves. Balance end of year	+ 654	.
Federal non-allowable reserves. Balance end of year	+ 655	.
Federal allowable reserves. Balance beginning of year	+ 656	.
Ontario exploration expenses (e.g. CEDE, CEE, CDE, COGPE) *(Retain calculations. Do not submit.)*	+ 657	.
Ontario depletion allowance	+ 658	.
Ontario resource allowance *(Refer to Guide)*	+ 659	.
Ontario current cost adjustment *(Attach schedule)*	+ 661	.
CCA on assets used to generate electricity from natural gas, alternative or renewable resources.	+ 675	.

Subtotal of deductions for this page 650 to 659 + 661 + 675 681 228,281 .
Transfer to Page 15

continued on 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 Schedule 1 - - - - - - - - - - - - - - - - From ± 600 -128,090 •

Total of Additions on page 14 - From = 640 228,281 •

Sub Total of deductions on page 14 - From = 681 228,281 •

Deduct:

Ontario New Technology Tax Incentive (ONTTI) Gross-up
(***Applies*** only to those corporations whose Ontario allocation is less than 100% in the current taxation year.)

Capital Cost Allowance (Ontario) (CCA) on prescribed qualifying intellectual property deducted in the current taxation year - - - 662 •

ONTTI Gross-up deduction calculation:

Gross-up of CCA

[From 662 • x 100 / From 30 100.0000 Ontario Allocation] − From 662 • = 663 •

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

Qualifying expenditures: [665 • x 30 % x 100 / From 30 100.0000 Ontario allocation] = 666 •

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

Qualifying expenditures: [667 • x 100 % x 100 / From 30 100.0000 Ontario allocation] = 668 •

Number of Employees accommodated 669

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

Qualifying expenditures: [670 • x 30 % x 100 / From 30 100.0000 Ontario allocation] = 671 •

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

Qualifying expenditures: [672 • x 15 % x 100 / From 30 100.0000 Ontario allocation] = 673 •

Ontario allowable business investment loss - - - - - - - - - - - - - - + 678 •

Ontario Scientific Research Expenses claimed in year in 477 from Ont. CT23 Schedule 161 + 679 •

Amount added to income federally for an amount that was negative on federal form T661, line 454 or 455 (if filed after June 30, 2003) - - - - - - - - - + 677 •

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

Total of Deductions 681 + 663 + 666 + 668 + 671 + 673 + 678 + 679 + 677 + 664 = 228,281 • ▶ 680 228,281 •

Net income (loss) for Ontario Purposes 600 + 640 − 680 - - - - - - - - - - - - - - - - - - = 690 -128,090 •

Transfer to Page 4

Continuity of Losses Carried Forward

DOLLARS ONLY

	Non-Capital Losses (1)	Total Capital Losses	Farm Losses	Restricted Farm Losses	Listed Personal Property Losses	Limited Partnership Losses (6)
Balance at Beginning of Year	700 (2) 549,849	710 (2)	720 (2)	730	740	750
Add: Current year's losses (7)	701 128,090	711	721	731	741	751
Losses from predecessor corporations (3)	702	712	722	732		752
Subtotal	703 128,090	713	723	733	743	753
Subtract: Utilized during the year to reduce taxable income	704 (2)	715 (2) (4)	724 (2)	734 (2) (4)	744 (4)	754 (4)
Expired during the year	705		725	735	745	
Carried back to prior years to reduce taxable income (5)	706 (2) to Page 17	716 (2) to Page 17	726 (2) to Page 17	736 (2) to Page 17	746	
Subtotal	707	717	727	737	747	757
Balance at End of Year	709 (8) 677,939	719	729	739	749	759

Analysis of Balance at End of Year by Year of Origin

	Year of Origin (oldest year first) year month day	Non-Capital Losses	Non-Capital Losses of Predecessor Corporations	Total Capital Losses from Listed Personal Property only	Farm Losses	Restricted Farm Losses
800	9th preceding taxation year 1999-12-31	817 (9)	860 (9)		850	870
801	8th preceding taxation year 2000-12-31	818 (9)	861 (9)		851	871
802	7th preceding taxation year 2001-12-31	819 (9)	862 (9)		852	872
803	6th preceding taxation year 2002-12-31	820	830	840	853	873
804	5th preceding taxation year 2003-12-31	821	831	841	854	874
805	4th preceding taxation year 2004-12-31	822 47,953	832	842	855	875
806	3rd preceding taxation year 2005-12-31	823 344,575	833	843	856	876
807	2nd preceding taxation year 2006-12-31	824 157,321	834	844	857	877
808	1st preceding taxation year 2007-12-31	825	835	845	858	878
809	Current taxation year 2008-12-31	826 128,090	836	846	859	879
Total		829 677,939	839	849	869	889

Notes:

(1) Non-capital losses include allowable business investment losses, fed.s.111(8)(b), as made applicable by s.34.

(2) Where acquisition of control of the corporation has occurred, the utilization of losses can be restricted. See fed.s.111(4) through 111(5.5), as made applicable by s.34.

(3) Includes losses on amalgamation (fed.s.87(2.1) and s.87(2.11)) and/or wind-up (fed.s.88(1.1) and 88(1.2)), as made applicable by s.34.

(4) To the extent of applicable gains/income/at-risk amount only.

(5) Generally a three year carry-back applies. See fed.s.111(1) and fed.s.41(2)(b), as made applicable by s.34.

(6) Where a limited partner has limited partnership losses, attach loss calculations for each partnership.

(7) Include amount from 11 if taxable income is adjusted to claim unused foreign tax credit for federal purposes.

(8) Amount in 709 must equal total of 829 + 839.

(9) Include non-capital losses incurred in taxation years ending after March 22, 2004.

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

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

- If, after applying a loss carry-back to one or more previous years, there is a balance of loss available to carry forward to a future year, it is the corporation's responsibility to claim such a balance for those years following the year of loss within the limitations of fed.s.111, as made applicable by s.34.
- Where control of a corporation has been acquired by a person or group of persons, certain restrictions apply to the carry-forward and carry-back provisions of losses under fed.s.111(4) through 111(5.5), as made applicable by s.34.
- Refunds arising from the loss carry-back adjustment may be applied by the Minister of Finance to amounts owing under **any Act administered by the Ministry of Finance**.
- Any late filing penalty applicable to the return for which the loss is being applied will not be reduced by the loss carry-back.
- The application of a loss carry-back will be available for interest calculation purposes on the day that is the latest of the following:
  1) the first day of the taxation year after the loss year,
  2) the day on which the corporation's return for the loss year is delivered to the Minister, or
  3) 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

	Predecessor Ontario Corporation's Tax Account No. (MOF)	Taxation Year Ending year month day	Non-Capital Losses	Total Capital Losses	Farm Losses	Restricted Farm Losses
Total amount of loss			910 128,090	920	930	940
Deduct: Loss to be carried back to preceding taxation years and applied to reduce taxable income						
i) 3rd preceding	901	2005-12-31	911	921	931	941
ii) 2nd preceding	902	2006-12-31	912	922	932	942
iii) 1st preceding	903	2007-12-31	913	923	933	943
Total loss to be carried back			From 706	From 716	From 726	From 736
Balance of loss available for carry-forward			919 128,090	929	939	949

Summary

Income Tax	+ From 230 or 320	
Corporate Minimum Tax	+ From 280	
Capital Tax	+ From 550	
Premium Tax	+ From 590	
Total Tax Payable	= 950	
Subtract: Payments	− 960	
Capital Gains Refund (s.48)	− 965	
Qualifying Environmental Trust Tax Credit *(Refer to Guide)*	− 985	
Specified Tax Credits *(Refer to Guide)*	− 955	
Other, specify	−	
Balance	= 970	
If payment due	Enclosed * 990	
If overpayment: Refund *(Refer to Guide)*	= 975	
Apply to year month day	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 cheque or money order. *(Refer to Guide for other payment methods.)*

Certification

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

Name *(please print)*: RUSS WOODLAND

Title: DIRECTOR

Full Residence Address: 28 LAKE STREET

GRIMSBY

ON L3M 2G7

Signature:

Date: 2009-07-06

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

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NIAGARA WEST TRANSFORMATION CORPORATION	1800380	2008-12-31

Part 1: Calculation of CMT Base

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

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

Net Income/Loss (unconsolidated, determined in accordance with GAAP)				± 2100	97,397
Subtract (to the extent reflected in net income/loss):					
Provision for recovery of income taxes / benefit of current income taxes	+ 2101				
Provision for deferred income taxes (credits) / benefit of future income taxes	+ 2102	178,000			
Equity income from corporations	+ 2103				
Share of partnership(s)/joint venture(s) income	+ 2104				
Dividends received/receivable deductible under fed.s.112	+ 2105				
Dividends received/receivable deductible under fed.s.113	+ 2106				
Dividends received/receivable deductible under fed.s.83(2)	+ 2107				
Dividends received/receivable deductible under fed.s.138(6)	+ 2108				
Federal Part VI.1 tax paid on dividends declared and paid, under fed.s.191.1(1) ____ x 3	+ 2109				
Subtotal	=	178,000	▶	− 2110	178,000
Add (to extent reflected in net income/loss):					
Provision for current taxes / cost of current income taxes	+ 2111				
Provision for deferred income taxes (debits) / cost of future income taxes	+ 2112				
Equity losses from corporations	+ 2113				
Share of partnership(s)/joint venture(s) losses	+ 2114				
Dividends that have been deducted to arrive at net income per Financial Statements s.57.4(1.1) (excluding dividends under fed.s.137(4.1))	+ 2115				
Subtotal	=		▶	+ 2116	
Add/Subtract:					
Amounts relating to s.57.9 election/regulations for disposals etc. of property for current/prior years					
** Fed.s.85	+ 2117		or	− 2118	
** Fed.s.85.1	+ 2119		or	− 2120	
** Fed.s.97	+ 2121		or	− 2122	
** Amounts relating to amalgamations (fed.s.87) as prescribed in regulations for current/prior years	+ 2123		or	− 2124	
** Amounts relating to wind-ups (fed.s.88) as prescribed in regulations for current/prior years	+ 2125		or	− 2126	
** Amounts relating to s.57.10 election/regulations for replacement re fed.s13(4), 14(6) and 44 for current/prior years	+ 2127		or	− 2128	
Interest allowable under ss.20(1)(c) or (d) of ITA to the extent not otherwise deducted in determining CMT adjusted net income				− 2150	
Capital gains on eligible donations of publicly-listed securities and ecologically sensitive land made after May 1, 2006 (to the extent reflected in net income/loss)				− 2155	
Subtotal (Additions) =			▶	+ 2129	
Subtotal (Subtractions)	=		▶	− 2130	
** Other adjustments				± 2131	
Subtotal ± 2100 − 2110 + 2116 + 2129 − 2130 ± 2131				= 2132	-80,603
** Share of partnership(s)/joint venture(s) **adjusted** net income/loss				± 2133	
Adjusted net income (loss) (if loss, transfer to 2202 in *Part 2: Continuity of CMT Losses Carried Forward.*)				= 2134	-80,603
Deduct: * CMT losses: pre-1994 Loss	+ From 2210				
* CMT losses: other eligible losses	+ 2211				
	=		▶	− 2135	

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

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

CMT Base = 2136

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

Corporate Minimum Tax (CMT)

CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NIAGARA WEST TRANSFORMATION CORPORATION	1800380	2008-12-31

Part 2: Continuity of CMT Losses Carried Forward

Balance at Beginning of year NOTES (1), (2)				+ 2201	522,375
Add: Current year's losses	+ 2202	80,603			
Losses from predecessor corporations on amalgamation NOTE (3)	+ 2203				
Losses from predecessor corporations on wind-up NOTE (3)	+ 2204				
Amalgamation (X) 2205 ☐ Yes Wind-up (X) 2206 ☐ Yes					
Subtotal	=	80,603	▶	+ 2207	80,603
Adjustments (attach schedule)				± 2208	
CMT losses available 2201 + 2207 ± 2208				= 2209	602,978
Subtract: Pre-1994 loss utilized during the year to reduce adjusted net income	+ 2210				
Other eligible losses utilized during the year to reduce adjusted net income NOTE (4)	+ 2211				
Losses expired during the year	+ 2212				
Subtotal	=		▶	− 2213	
Balances at End of Year NOTE (5) 2209 − 2213				= 2214	602,978

Notes:

(1) Pre-1994 CMT loss (see s.57.1(1)) should be included in the balance at beginning of the year. Attach schedule showing computation of pre-1994 CMT loss.

(2) Where acquisition of control of the corporation has occurred, the utilization of CMT losses can be restricted. (see s.57.5(3) and a 57.5(7))

(3) Include and indicate whether CMT losses are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.57.5(8) and s.57.5(9))

(4) CMT losses must be used to the extent of the lesser of the adjusted net income 2134 and CMT losses available 2209.

(5) Amount in 2214 must equal sum of 2270 + 2290.

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

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

	Year of Origin (oldest year first) year month day	CMT Losses of Corporation	CMT Losses of Predecessor Corporations
2240	9th preceding taxation year 1999-12-31	2260	2280
2241	8th preceding taxation year 2000-12-31	2261	2281
2242	7th preceding taxation year 2001-12-31	2262	2282
2243	6th preceding taxation year 2002-12-31	2263	2283
2244	5th preceding taxation year 2003-12-31	2264	2284
2245	4th preceding taxation year 2004-12-31	2265 163,343	2285
2246	3rd preceding taxation year 2005-12-31	2266 258,710	2286
2247	2nd preceding taxation year 2006-12-31	2267 100,322	2287
2248	1st preceding taxation year 2007-12-31	2268	2288
2249	Current taxation year 2008-12-31	2269 80,603	2289
Totals		2270 602,978	2290

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

Corporate Minimum Tax (CMT)
CT23 Schedule 101

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NIAGARA WEST TRANSFORMATION CORPORATION	1800380	2008-12-31

Part 4: Continuity of CMT Credit Carryovers

Balance at Beginning of year NOTE (1) . . . . . + 2301

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

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

Subtract Income Tax (190 on page 6 of the CT23 or page 4 of the CT8) . . . . . − From 190

Subtotal (If negative, enter NIL) . . . = ▶ − 2305

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

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

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

Subtotal 2301 + 2310 + 2325 . . . . . = 2330

Adjustments *(Attach schedule)* . . . . . ± 2332

CMT Credit Carryover available 2330 ± 2332 . . . . . = 2333

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

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

CMT Credit expired during the year . . . . . + 2334

Subtotal . . . . . = ▶ − 2335

Balance at End of Year NOTE (4) 2333 − 2335 . . . . . = 2336

Notes:

(1) Where acquisition of control of the corporation has occurred, the utilization of CMT credits can be restricted. (see s.43.1(5))

(2) The CMT credit of life insurance corporations can be restricted (see s.43.1(3)(b)).

(3) Include and indicate whether CMT credits are a result of an amalgamation to which fed.s.87 applies and/or a wind-up to which fed.s.88(1) applies. (see s.43.1(4))

(4) Amount in 2336 must equal sum of 2370 + 2390.

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

	Year of Origin (oldest year first) year month day	CMT Credit Carryovers of Corporation	CMT Credit Carryovers of Predecessor Corporation(s)
2340	9th preceding taxation year 1999-12-31	2360	2380
2341	8th preceding taxation year 2000-12-31	2361	2381
2342	7th preceding taxation year 2001-12-31	2362	2382
2343	6th preceding taxation year 2002-12-31	2363	2383
2344	5th preceding taxation year 2003-12-31	2364	2384
2345	4th preceding taxation year 2004-12-31	2365	2385
2346	3rd preceding taxation year 2005-12-31	2366	2386
2347	2nd preceding taxation year 2006-12-31	2367	2387
2348	1st preceding taxation year 2007-12-31	2368	2388
2349	Current taxation year 2008-12-31	2369	2389
Totals		2370	2390

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

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NIAGARA WEST TRANSFORMATION CORPORATION	1800380	2008-12-31

CMT Losses Carried Forward Workchart

(i) Continuity of Pre-1994 CMT Losses

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

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

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1998-12-31					
9th Prior Year	1999-12-31					
8th Prior Year	2000-12-31					
7th Prior Year	2001-12-31					
6th Prior Year	2002-12-31					
5th Prior Year	2003-12-31					
4th Prior Year	2004-12-31	163,343				163,343
3rd Prior Year	2005-12-31	258,710				258,710
2nd Prior Year	2006-12-31	100,322				100,322
1st Prior Year	2007-12-31					
	Total	522,375				522,375

Predecessor Corporations Only – Amalgamation

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
2006-12-31						
2007-12-31						
Total						

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NIAGARA WEST TRANSFORMATION CORPORATION	1800380	2008-12-31

CMT Losses Carried Forward Workchart (continued)

Predecessor Corporations Only – Wind-Up

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
2006-12-31						
2007-12-31						
Total						

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

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NIAGARA WEST TRANSFORMATION CORPORATION	1800380	2008-12-31

CMT Credit Carryovers Workchart

Filing Corporation

	Year of Origin YYYY/MM/DD	Opening Balance	Adjustment	Deduction	Expired	Closing Balance
10th Prior Year	1998-12-31					
9th Prior Year	1999-12-31					
8th Prior Year	2000-12-31					
7th Prior Year	2001-12-31					
6th Prior Year	2002-12-31					
5th Prior Year	2003-12-31					
4th Prior Year	2004-12-31					
3rd Prior Year	2005-12-31					
2nd Prior Year	2006-12-31					
1st Prior Year	2007-12-31					
	Total					

Predecessor Corporations Only – Amalgamation

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
2006-12-31						
2007-12-31						
Total						

Predecessor Corporations Only – Wind-Up

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

Year of Origin YYYY/MM/DD	Opening Balance	Add	Adjustment	Deduction	Expired	Closing Balance
1998-12-31						
1999-12-31						
2000-12-31						
2001-12-31						
2002-12-31						
2003-12-31						
2004-12-31						
2005-12-31						
2006-12-31						
2007-12-31						
Total						

Non-Capital Loss Continuity Workchart – Ontario

Non-capital losses

Year	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce taxable income	Balance at end of year
Current	N/A	128,090			N/A	128,090
2007		N/A		N/A		
2006	157,321	N/A		N/A		157,321
2005	344,575	N/A		N/A		344,575
2004	47,953	N/A		N/A		47,953
2003		N/A		N/A		
2002		N/A		N/A		
2001		N/A		N/A		*
Total	549,849	128,090				677,939

Farm losses

Year	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce taxable income	Balance at end of year
Current	N/A				N/A	
2007		N/A		N/A		
2006		N/A		N/A		
2005		N/A		N/A		
2004		N/A		N/A		
2003		N/A		N/A		
2002		N/A		N/A		
2001		N/A		N/A		
2000		N/A		N/A		
1999		N/A		N/A		
1998		N/A		N/A		*
Total						

Restricted farm losses

Year	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce taxable income	Balance at end of year
Current	N/A				N/A	
2007		N/A		N/A		
2006		N/A		N/A		
2005		N/A		N/A		
2004		N/A		N/A		
2003		N/A		N/A		
2002		N/A		N/A		
2001		N/A		N/A		
2000		N/A		N/A		
1999		N/A		N/A		
1998		N/A		N/A		*
Total						

* This balance expires this year and will not be available next year.

Ontario

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

Ontario Capital Cost Allowance
Schedule 8

Corporation's Legal Name	Ontario Corporations Tax Account No. (MOF)	Taxation Year End
NIAGARA WEST TRANSFORMATION CORPORATION	1800380	2008-12-31

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

1 Class number	2 Ontario undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the prior year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) See note 1 below	4 Net adjustments (show negative amounts in brackets)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Ontario undepreciated capital cost (column 2 plus column 3 or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 2 below	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Ontario capital cost allowance (column 8 multiplied by column 9; or a lower amount)	13 Ontario undepreciated capital cost at the end of the year (column 6 minus column 12)
1	5,707,024			0	5,707,024		5,707,024	4	0	0	228,281	5,478,743
Totals	5,707,024				5,707,024		5,707,024				228,281	5,478,743

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

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

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

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

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

Corporate Taxpayer Summary

Corporate information

Corporation's name . . . . . NIAGARA WEST TRANSFORMATION CORPORATION

Taxation Year . . . . . 2008-01-01 to 2008-12-31

Jurisdiction . . . . . Ontario

BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC
☐	☐	☐	☐	X	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐	☐

Corporation is associated . . . . . N

Corporation is related . . . . . N

Number of associated corporations . . .

Type of corporation . . . . . Other Corporation

Total amount due (refund) federal and provincial* . . . . . .

* The amounts displayed on lines "Total amount due (refund) federal and provincial" are all listed in the help. Press F1 to consult the context-sensative help.

Summary of federal information

Net income	-128,090
Taxable income	
Donations	
Calculation of income from an active business carried on in Canada	
Dividends paid	
Balance of the low rate income pool at the end of the previous year	
Balance of the low rate income pool at the end of the year	
Balance of the general rate income pool at the end of the previous year	
Balance of the general rate income pool at the end of the year	
Part I tax (base amount)	
Surtax	

Credits against part I tax		Summary of tax		Refunds/credits	
Small business deduction		Part I		ITC refund	
M&P deduction		Part I.3		Dividends refund	
Foreign tax credit		Part IV		Instalments	
Political contributions		Part III.1		Surtax credit	
Investment tax credits		Other*		Other*	
Abatement/Other*		Provincial or territorial tax			

Balance due/refund (–)

* The amounts displayed on lines "Other" are all listed in the Help. Press F1 to consult the context-sensitive help.

Summary of federal carryforward/carryback information

Carryback amounts

Investment tax credits	
Non-capital loss	
Capital loss	
Farm loss	
Restricted farm loss	
Surtax credit	
Part I tax credit (Schedule 42)	
Federal foreign non-business income tax credit	

Carryforward balances

RDTOH	
Charitable donations	
Gifts to Canada, a province or a territory	

Summary of federal carryforward/carryback information (continued)

Gifts of certified cultural property	
Gifts of certified ecologically sensitive land	
Gifts of medicine	
Investment tax credits	
Non-capital losses	677,939
Capital/L.P.P. losses	
Farm losses	
Restricted farm losses	
Current year's balance of SR&ED expenditures (T661)	
Foreign business tax credit	
Unused surtax credit (Schedule 37)	
Capital dividend amount	
Part I tax credit (Schedule 42)	
Cumulative eligible capital	
Capital gains reserves	
Financial statement reserve	
Other reserves	
Balance of patronage dividends	
Continuity of exemption of accumulated income	

Summary of provincial information – provincial income tax payable

	Ontario (CT-23)	Québec (CO-17)	Alberta (AT1)
Net income	-128,090		
Taxable income			
% Allocation	100.00		
Attributed taxable income			
Surtax		N/A	N/A
Tax payable before deduction*			
Deductions and credits			
Net tax payable			
Attributed taxable capital	6,496,979		N/A
Capital tax payable**			N/A
Total tax payable***			
Instalments and refundable credits			
Balance due/Refund (-)			

* For Québec, this includes special taxes.
** For Québec, this includes compensation tax and registration fee.
*** For Ontario, this includes corporate minimum tax and premium tax.

	British Columbia	Saskatchewan	Manitoba
% Allocation			
Attributed taxable income			
Tax payable before deduction			
Deductions and credits			
Tax payable or refundable credit			
Attributed taxable capital			
Capital tax payable*			
Instalments and refundable credits			
Balance due/Refund (-)			

* For Manitoba, this includes the Outstanding Balance Excluding Instalments.

Summary of provincial information – provincial income tax payable (continued)

	Newfoundland and Labrador	Prince Edward Island	Nova Scotia	New Brunswick
% Allocation				
Attributed taxable income				
Tax payable before deduction				
Deductions and credits				
Tax payable or refundable credit				
Attributed taxable capital				
Capital tax payable				
Instalments and refundable credits				
Balance due/Refund (-)*				

* Only applies in the case of bank, a loan corporation or a trust corporation.

	Yukon	Northwest Territories	Nunavut
% Allocation			
Attributed taxable income			
Tax payable before deduction			
Deductions and credits			
Tax payable or refundable credit			

Summary of provincial carryforward amounts

	Ontario	Québec	Alberta
Non-capital losses	677,939		
Net capital/L.P.P. losses			
Farm losses			
Restricted farm losses			
Donations			
Capital gains reserves			
Financial statement reserves			
Other reserves			
Eligible capital			

Other carryforward amounts

Ontario	
Continuity of other eligible CMT losses – Filling Corporation – OCMT101	522,375
Predecessor corporations only – Amalgamation – OCMT101	
Predecessor corporations only – Wind-up – OCMT101	
CMT credit carryovers workchart – Filling Corporation – OCMT101	
CMT credit carryovers workchart – Predecessor corporations only – Amalgamation	
CMT credit carryovers workchart – Wind-up – OCMT101	
Ontario current taxation year closing balance in pool of deductible SR&ED expenditures – O161	
Continuity Schedule for Federal ITC relating to SR&ED Expenditures for the Preceding Taxation Year – O161	63,458
Continuity Schedule for the Amount of Federal ITC from SR&ED Expenditures relating to QORD for the Preceding Taxation Year – O161	63,458
Québec	
R&D expenditures not deducted at the end of the year – RD-222	
Foreign non-business income tax credits – CO-17S.39	
Non-refundable tax credit for resources – 1029.8.36.EM	
Investment Tax Credit – CO-1029.8.36.IN	
Development work expenses – FM220.3	
Excess development work expenses – FM220.3	
Balance of patronage dividends – CO-786	
Alberta	
Unclaimed SR&ED expenditure pool deduction balance – A16	
British Columbia	
Scientific research and experimental development – Schedule 425	
Manufacturing and processing – Schedule 426	
Manitoba	
Research and development – Schedule 380	
Manufacturing investment – Schedule 381	
Co-op education and apprenticeship – Schedule 384	
Odour control – Schedule 385	
Community enterprise investment – Schedule 387	
Saskatchewan	
Royalty tax rebate – Schedule 400	
Manufacturing and processing investment – Schedule 402	
Research and development – Schedule 403	
Newfoundland and Labrador	
Direct equity tax – Schedule 303	
Prince Edward Island	
Investment – Schedule 321	
Nova Scotia	
Energy efficiency tax credit – Schedule 342	
Manufacturing and processing investment – Schedule 344	
New Brunswick	
Research and development – Schedule 360	
Nunavut	
Investment – Schedule 480	