EXHIBIT 6 – REVENUE REQUIREMENT AND OTHER REVENUE

2024 Cost of Service

Orangeville Hydro Limited

EB-2023-0045

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6.0 REVENUE REQUIREMENT AND CALCULATION OF REVENUE DEFICIENCY

This Exhibit provides a summary of the revenue requirement being requested by Orangeville Hydro Limited ("OHL") for 2024 to continue to deliver electricity to its customers safely and reliably. OHL's total Service Revenue Requirement is offset by revenues obtained by sources other than distribution rates (i.e. other revenue).

As directed in the Chapter 2 Filing Requirements for Electricity Distribution Rate Applications, the calculation of the revenue deficiency/sufficiency does not include the recovery of deferral and variance accounts (outlined in Exhibit 9.1: Disposition of Deferral and Variance Accounts), Low Voltage Charges (outlined in Exhibit 8.6: Low Voltage Service Rates), or costs and revenues related to the Cost of Power.

6.0.1 PROPOSED REVENUE REQUIREMENT

The 2024 Service Revenue Requirement, which represents the amount of money that a utility must receive from its customers to cover its costs, operating expenses, taxes, interest paid on debts owed to investors and, if applicable, a deemed return (profit) is calculated as $7,321,205. The Base Revenue Requirement when considering revenue offsets is calculated as $6,919,019.

The table below presents OHL's proposed Base Revenue Requirement as calculated in the OEB's Revenue Requirement Workform, which is being filed with this application.

Table 6-1 - Summary of Test Year Revenue Requirement

Particulars	2024 Test MIFRS
OM&A Expenses	$ 4,235,523
Depreciation Expense	1,124,239
Property Taxes	44,298
Income Taxes (Grossed Up)	184,067
Deemed Interest Expense	731,835
Return on Deemed Equity	1,001,242
Service Revenue Requirement	**$ 7,321,205**
Less Revenue Offsets	(402,186)
Base Revenue Requirement	**$ 6,919,019**

6.0.2 STATEMENT OF RATE BASE

OHL's Rate Base represents the average balance of opening and closing balances for net capital assets in service, plus 7.5% of the cost of power and controllable operating expenses for the 2024 Test Year.

Table 6-2 - Rate Base and Working Capital from RRWF Model

Rate Base Calculation	2024 Test MIFRS
Net Capital Assets in Service	
Opening Balance	23,340,703
Ending Balance	25,121,954
Average Balance	**24,231,328**
Working Capital Allowance	2,511,255
Total Rate Base	**$26,742,584**

Details of the calculation of rate base and working capital can be found in Exhibit 2.

6.0.3 RETURN ON RATE BASE

<u>Requested Return</u>

OHL has used the Cost of Capital Parameters as per the OEB for 2024 rate applications, with the exception of the long-term debt rate where OHL has used the actual interest rate for existing and proposed loans as detailed in Exhibit 5. The OEB's rate of return and OHL's requested rate of Return have been calculated for the 2024 Test year as shown in the table below. OHL is requesting a return on rate base in the amount of $1,733,078 or 6.48% of rate base.

Table 6-3 - Summary of Rate of Return Requested for 2024 Test Year

2024 Component	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
Long-term Debt	56%	$ 14,975,847	4.54%	$ 680,597
Short-term Debt	4%	$ 1,069,703	4.79%	$ 51,239
Total Debt	**60%**	**$ 16,045,550**	**4.56%**	**$ 731,835**
Common Equity	40%	$10,697,033	9.36%	$ 1,001,242
Preferred Shares		0		
Total Equity	**40%**	**$ 10,697,033**	**9.36%**	**$ 1,001,242**
2024 Test Year Proposed Total	**100%**	**$ 26,742,584**	**6.48%**	**$ 1,733,078**

Indicated Return

OHL's indicated return is 6.48% which is calculated as net income of $1,001,242 plus deemed interest of $731,835, divided by rate base of $26,742,584.

Table 6-4 - Calculation of Indicated Return for 2024 Test Year

Calculation of Indicated Return	$
Net income	$ 1,001,242
Plus: Deemed interest expense	731,835
	1,733,078
Divided by rate base	$ 26,742,584
Indicated Return	6.48%

Actual Return

The following table provides the actual return on rate base from the 2014 OEB Approved to the 2024 Test Year.

Table 6-5 - Summary of Rate of Return from 2024 Test Year to 2014 OEB Approved

2024 Test Year Component	Capitalization Ratio (%)	Capitalization Ratio ($)	Cost Rate (%)	Return ($)
Long-term Debt	56%	$ 14,975,847	4.54%	$ 680,597
Short-term Debt	4%	$ 1,069,703	4.79%	$ 51,239
Total Debt	**60%**	**$ 16,045,550**	**4.56%**	**$ 731,835**
Common Equity	40%	$10,697,033	9.36%	$ 1,001,242
Preferred Shares		0		
Total Equity	**40%**	**$ 10,697,033**	**9.36%**	**$ 1,001,242**
2024 Test Year Proposed Total	**100%**	**$ 26,742,584**	**6.48%**	**$ 1,733,078**
2014 BA Component	**Capitalization Ratio (%)**	**Capitalization Ratio ($)**	**Cost Rate (%)**	**Return ($)**
Long-term Debt	56%	$ 10,817,013	3.30%	$ 356,645
Short-term Debt	4%	$ 772,644	2.11%	$ 16,303
Total Debt	**60%**	**$ 11,589,657**	**3.22%**	**$ 372,948**
Common Equity	40%	$7,726,438	9.36%	$ 723,195
Preferred Shares				
Total Equity	**40%**	**$ 7,726,438**	**9.36%**	**$ 723,195**
2014 BA Total	**100%**	**$ 19,316,095**	**5.67%**	**$ 1,096,142**
2024 Test Year to 2014 BA Variance	**Capitalization Ratio (%)**	**Capitalization Ratio ($)**	**Cost Rate (%)**	**Return ($)**
Long-term Debt	0.00%	$ 4,158,834	1.25%	$ 323,952
Short-term Debt	0.00%	$ 297,060	2.68%	$ 34,936
Total Debt	**0.00%**	**$ 4,455,893**	**1.34%**	**$ 358,888**
Common Equity	0.00%	$ 2,970,596	0.00%	$ 278,048
Preferred Shares				
Total Equity	**0.00%**	**$ 2,970,596**	**0.00%**	**$ 278,048**
2024 Test Year to 2014 BA Variances	**0.00%**	**$ 7,426,489**	**1.34%**	**$ 636,935**

6.0.4 DETERMINATION OF NET INCOME AND CALCULATION OF REVENUE DEFICIENCY

OHL's existing rates are based on the Board-approved rates in 2014 following a Cost of Service ("CoS") rate application (EB-2013-0160), and yearly adjustments to its base distribution rates in 2015 to 2023 (Bridge Year) under the Board's Incentive Regulation Mechanism.

The current 2023 rates were approved in OHL's Decision and Rate Order EB-2022-0056 dated March 23, 2023.

The determination of net income includes:

- Distribution revenue at current and approved rates (Exhibit 8.1.6)
- Other Operating Revenue Offsets (Exhibit 6-3)
- Operating Expenses (Exhibit 4)
- Deemed Interest Expense (Exhibit 5.1)
- PILS (Exhibit 6-2)

With the 6.48% requested rate of return, OHL's revenue deficiency under the current distribution rates is $829,921.

A detailed calculation presented in Table 6-6 - 2024 Revenue Deficiency from RRWF Model outlines the Revenue Deficiency calculation for the 2024 Test Year at Proposed Rates using the OHL's current approved distribution rates. The table presented on the next page is from tab 8 of the Revenue Requirement Workform ("RRWF").

Table 6-6 - 2024 Revenue Deficiency from RRWF Model

		Initial Application	
Line No.	**Particulars**	**At Current Approved Rates**	**At Proposed Rates**
1	Revenue Deficiency from Below		$829,921
2	Distribution Revenue	$6,089,098	$6,089,098
3	Other Operating Revenue Offsets - net	$402,186	$402,186
4	**Total Revenue**	$6,491,285	$7,321,205
5	Operating Expenses	$5,404,060	$5,404,060
6	Deemed Interest Expense	$731,835	$731,835
8	**Total Cost and Expenses**	$6,135,896	$6,135,896
9	**Utility Income Before Income Taxes**	$355,389	$1,185,309
10	Tax Adjustments to Accounting Income per 2013 PILs model	($490,717)	($490,717)
11	**Taxable Income**	($135,328)	$694,593
12	Income Tax Rate	26.50%	26.50%
13	**Income Tax on Taxable Income**	($35,862)	$184,067
14	**Income Tax Credits**	$ -	$ -
15	**Utility Net Income**	$391,251	$1,001,242
16	**Utility Rate Base**	$26,742,584	$26,742,584
17	Deemed Equity Portion of Rate Base	$10,697,033	$10,697,033
18	Income/(Equity Portion of Rate Base)	3.66%	9.36%
19	Target Return - Equity on Rate Base	9.36%	9.36%
20	Deficiency/Sufficiency in Return on Equity	-5.70%	0.00%
21	Indicated Rate of Return	4.20%	6.48%
22	Requested Rate of Return on Rate Base	6.48%	6.48%
23	Deficiency/Sufficiency in Rate of Return	-2.28%	0.00%
24	Target Return on Equity	$1,001,242	$1,001,242
25	Revenue Deficiency/(Sufficiency)	$609,992	$ -
26	**Gross Revenue Deficiency/(Sufficiency)**	$829,921 (1)	

6.0.5 SUMMARY OF REVENUE REQUIREMENT

The following table reflects OHL's Revenue Requirement trend from the 2014 OEB Approved to the 2024 Test Year.

Table 6-7 - 2024 Test vs 2014 Board Approved Revenue Requirements Variance

Particulars	2014 Board Approved	2024 Test MIFRS	Variance $	Variance %
OM&A Expenses	$ 3,255,183	$ 4,235,523	$ 980,340	30%
Depreciation Expense	816,068	1,124,239	308,171	38%
Property Taxes	-	44,298	44,298	0%
Income Taxes (Grossed Up)	57,510	184,067	126,557	220%
Deemed Interest Expense	372,948	731,835	358,887	96%
Return on Deemed Equity	723,195	1,001,242	278,047	38%
Service Revenue Requirement	**$ 5,224,904**	**$ 7,321,205**	**$ 2,096,301**	**40%**
Less Revenue Offsets	(466,089)	(402,186)	63,903	-14%
Base Revenue Requirement	**$ 4,758,815**	**$ 6,919,019**	**$ 2,160,204**	**45%**
CAGR				**3.8%**

Although there is a large increase in the revenue requirement from the 2014 OEB Approved to the 2024 Test Year, it is to be reminded that this is a 10-year increase. The Compound Annual Growth Rate ("CAGR") is 3.8%, which is in line with annual increases in many areas of the LDC, as discussed through the application. Key drivers to the increase are as follows:

- Customer growth and demand (Exhibit 3)
- Increased capital requirements (Exhibit 2)
- Increase in OM&A expenses (Exhibit 4)
- Increase in depreciation (Exhibit 2)

6.0.6 REVENUE DEFICIENCY ANALYSIS AND DRIVERS

OHL did not change methodology on deficiency/sufficiency and on individual cost drivers since its last Board Approved CoS in 2014 (EB-2013-0160).

The table below is a summary of the 2014 OEB Approved to the 2024 Test Year with an explanation for each item that gives rise to the $829,782 deficiency.

Table 6-8 - RRWF Comparison of 2014 OEB Approved to 2024 Test Year

Particulars	2014 Board Approved	2024 Test MIFRS	Variance $	Variance %	CAGR %
Rate Base					
Cost of Power	$ 27,763,022	$ 29,298,887	$ 1,535,865	6%	0.5%
Operating Expenses	3,194,713	4,184,517	989,804	31%	2.7%
Working Capital	**$ 30,957,735**	**$ 33,483,404**	**$ 2,525,669**	8%	0.8%
	10.0%	7.5%	-2.5%	-25%	
Working Capital Allowance	**$ 3,095,774**	**$ 2,511,255**	**$ (584,518)**	-19%	-2.1%
Average Fixed Assets	16,220,321	24,231,328	8,011,007	49%	4.1%
Total Rate Base	**$ 19,316,095**	**$ 26,742,584**	**$ 7,426,489**	38%	3.3%
Cost of Capital					
Return on Equity	$ 723,195	$ 1,001,242	$ 278,047	38%	3.3%
Deemed Interest Expense	372,948	731,835	358,887	96%	7.0%
	$ 1,096,143	$ 1,733,078	$ 636,935	58%	
Operating Expenses					
Depreciation	$ 816,068	$ 1,124,239	$ 308,171	38%	3.3%
OM&A Expenses	3,255,183	4,235,523	980,340	30%	2.7%
PILs (grossed up)	57,510	184,067	126,557	220%	12.3%
Property Taxes	-	44,298	44,298		
	$ 4,128,761	$ 5,588,127	$ 1,459,366	35%	
Revenue Requirement					
Service Revenue Requirement	$ 5,224,904	$ 7,321,205	$ 2,096,301	40%	3.4%
Other Revenues	(466,089)	(402,186)	63,903	-14%	-1.5%
Base Revenue Requirement	**$ 4,758,815**	**$ 6,919,019**	**$ 2,160,204**	**45%**	**3.8%**
Revenue at Current Rates	$ 5,072,659	$ 6,089,098			
Revenue Deficiency	$ (313,844)	$ 829,921			
Requested Rate Increase	**-6.2%**	**13.6%**			

The $2,160,204 base revenue requirement variance in the 2024 Test year vs 2014 Board approved can be attributed to the following:

- Increase of $11.5M in total rate base. This 60% increase is a direct result of 10 years of capital asset additions as OHL continues to invest in its distribution system.
- Increase of $0.6M in cost of capital, as OHL takes on debt to support its capital expenditures.
- Increase of $0.3M in depreciation, as the average fixed asset base has grown by $8.0M, hence growing depreciation expense.
- Increase of $1.0M in OM&A expenses, which is an increase of 30% over 10 years – this is CAGR of 2.7%.

6.0.7 2024 FORECASTED REVENUE AT EXISTING RATES

The following table details the 2024 forecasted revenue at existing 2023 rates based on the projected customer and volume of consumption in the load forecast. The total revenue for 2024 is forecasted at $6,089,098.

Table 6-9 - 2024 Forecasted Revenue at Existing Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	93,562,278		140,694		4,102,637	0	4,102,637		4,102,637	67.38%
General Service < 50 kW	34,272,791		14,117		517,403	383,855	901,259		901,259	14.80%
General Service 50 to 4,999 kW	133,456,842	313,259	1,512		283,981	790,008	1,073,989	94,089	979,900	16.09%
Sentinel Lighting	99,920	278		1,890	6,900	3,968	10,868		10,868	0.18%
Street Lighting	883,782	2,462		36,179	60,058	22,654	82,711		82,711	1.36%
Unmetered Scattered Load	370,613			1,161	8,128	3,595	11,723		11,723	0.19%
TOTAL	**262,646,227**	**315,998**	**156,323**	**39,231**	**4,979,107**	**1,204,080**	**6,183,187**	**94,089**	**6,089,098**	**100.00%**

Table 6-10 - 2023 Bridge Year Forecasted Revenue at Existing Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Existing Rates %
Residential	92,827,072		139,272		4,061,172	0	4,061,172		4,061,172	67.19%
General Service < 50 kW	34,205,069		14,058		515,210	383,097	898,307		898,307	14.86%
General Service 50 to 4,999 kW	133,511,111	313,386	1,510		283,708	790,329	1,074,037	94,127	979,910	16.21%
Sentinel Lighting	99,831	277		1,889	6,894	3,964	10,858		10,858	0.18%
Street Lighting	879,383	2,449		35,999	59,759	22,541	82,300		82,300	1.36%
Unmetered Scattered Load	372,969			1,169	8,180	3,618	11,798		11,798	0.20%
TOTAL	**261,895,435**	**316,113**	**154,840**	**39,056**	**4,934,922**	**1,203,549**	**6,138,471**	**94,127**	**6,044,344**	**100.00%**

Table 6-11 - 2024 Test Year Forecasted Revenue at Proposed Rates

Class	Annual kWh	Annual kW For Dx	Annualized Customers	Annualized Connections	Fixed Distribution Revenue	Variable Distribution Revenue	Dist. Rev. Including Transformer	Transformer Allowance	Dist. Rev. Excluding Transformer	Dist Rev At Proposed Rates %
Residential	93,562,278		140,694		4,661,811	0	4,661,811		4,661,811	67.38%
General Service < 50 kW	34,272,791		14,117		557,658	413,703	971,361		971,361	14.04%
General Service 50 to 4,999 kW	133,456,842	313,259	1,512		336,473	918,667	1,255,140	94,089	1,161,051	16.78%
Sentinel Lighting	99,920	278		1,890	11,104	6,386	17,490		17,490	0.25%
Street Lighting	883,782	2,462		36,179	68,242	25,742	93,985		93,985	1.36%
Unmetered Scattered Load	370,613			1,161	9,237	4,084	13,321		13,321	0.19%
TOTAL	**262,646,227**	**315,998**	**156,323**	**39,231**	**5,644,525**	**1,368,582**	**7,013,107**	**94,089**	**6,919,019**	**100.00%**

6.1 REVENUE REQUIREMENT WORKFORM ("RRWF")

The RRWF has been filed as part of this application in excel format as Appendix 6-A.

OHL confirms that the RRWF reflects its proposed rates accurately.

6.2. TAXES OR PAYMENTS IN LIEU OF TAXES (“PILS”) AND PROPERTY TAXES

6.2.1 INCOME TAXES OR PILS

OHL is required to make PILS payments based on its taxable income. OHL files federal/provincial tax returns annually.

There have been no special circumstances that would require specific planning measures to minimize taxes payable.

OHL has been selected for an audit of its 2019 and 2020 provincial tax returns by the Ministry of Finance. OHL expects either none or immaterial adjustments once the audit is complete. There are no outstanding audits, reassessments or disputes relating to the tax returns filed by OHL.

6.2.1.1 CALCULATIONS OF PILS

OHL has used the OEB’s 2024 Test Year Income Tax and PILS Tax Workform Model to calculate the amount of taxes for inclusion in its 2024 Test Year rates.

Detailed calculations of PILS are shown in the OEB PILS model filed as Appendix 6-B along with this application.

The OEB PILS model contains all individual reconciling items from accounting to taxable income.

OHL has completed all integrity checks in the PILS model:

- The depreciation and amortization added back in the applications PILS model agree with the numbers in Exhibit 2.
- The capital additions and deductions in the UCC/CCA Schedule 8 agree with Exhibit 2 for historical, bridge and test years.
- Other post-employment benefits and pension expenses agree to the OM&A analysis for compensation in Exhibit 4.
- The income tax rate of 26.5% used is consistent with OHL’s actual tax facts and evidence filed in the application. This tax rate has also been confirmed with OHL’s auditors.

There are no adjustments for the Historical, Bridge and Test Year where supporting schedules and calculation for other additions/deductions were required.

6.2.1.2 2022 TAX RETURN AND FINANCIAL STATEMENTS

OHL has included its 2022 tax return as Appendix 6-C, which includes financial statements, that are the same as those noted in Exhibit 1. The financial statements included within the tax return are the same as those filed in this application.

6.2.1.3 TAX CREDITS

OHL has maximized its tax credits to make the maximum deductions allowed if it made sense to do so.

6.2.1.4 ACCELERATED CCA

Adjustments to PILS were required for the purpose of calculating accelerated CCA.

OHL is not proposing a mechanism to smooth the tax impacts.

6.2.2 OTHER TAXES

OHL pays property taxes to the Town of Orangeville and Town of Grand Valley.

OHL confirms that account 6105 Taxes Other than Income Taxes has been excluded from all OM&A totals.

6.2.3 NON-RECOVERABLE AND DISALLOWED EXPENSES

OHL confirms that expenses that are deemed non-recoverable in the revenue requirement, such as individual charitable donations, or disallowed for regulatory purposes have no impact on the regulatory tax calculation.

6.3 OTHER REVENUE

Other Distribution Revenues are revenues that are distribution related but are sourced from means other than distribution rates. For this reason, other revenues are deducted from OHL's proposed revenue requirement.

Other Distribution Revenues includes items such as:

- Miscellaneous Service Revenues or Specific Service Charges
- Late Payment Charges
- Other Operating Revenues
- Other Income or Deductions

OHL provides water and wastewater billing services to the Town of Orangeville and the Town of Grand Valley.

A detailed breakdown by USoA account is shown in the OEB Appendix 2-H and further detail on year over year variances is provided in the following section.

Table 6-12 – OEB Appendix 2-H Other Operating Revenues

Appendix 2-H
Other Operating Revenue

USoA #	USoA Description	2014 Actual[2]	2015 Actual[2]	2016 Actual[2]	2017 Actual[2]	2018 Actual[2]	2019 Actual[2]	2020 Actual[2]	2021 Actual[2]	2022 Actual	Bridge Year	Test Year
		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4082	Retail Services Revenues	-$ 13,831	-$ 12,927	-$ 11,641	-$ 10,085	-$ 8,809	-$ 12,643	-$ 14,960	-$ 14,505	-$ 14,606	-$ 14,691	-$ 15,847
4084	Service Transaction Requests (STR) Revenues	-$ 263	-$ 180	-$ 177	-$ 126	-$ 110	-$ 162	-$ 130	-$ 106	-$ 92	-$ 109	-$ 99
4086	SSS Administration Revenue	-$ 32,085	-$ 32,990	-$ 33,825	-$ 35,033	-$ 36,894	-$ 37,476	-$ 37,885	-$ 38,144	-$ 37,962	-$ 38,341	-$ 38,725
4090	Electric Services Incidental to Energy Sales	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4205	Interdepartmental Rents	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4210	Rent from Electric Property	-$ 62,594	-$ 52,227	-$ 56,125	-$ 54,053	-$ 58,769	-$ 60,003	-$ 64,049	-$ 58,577	-$ 67,776	-$ 63,467	-$ 89,651
4215	Other Utility Operating Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4220	Other Electric Revenues	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4225	Late Payment Charges	-$ 38,754	-$ 41,727	-$ 43,413	-$ 38,260	-$ 37,489	-$ 46,087	-$ 29,397	-$ 56,975	-$ 45,722	-$ 42,478	-$ 44,132
4230	Sales of Water and Water Power	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4235	Miscellaneous Service Revenues	-$ 180,101	-$ 167,358	-$ 149,824	-$ 117,440	-$ 102,541	-$ 69,098	-$ 16,783	-$ 47,939	-$ 64,124	-$ 63,101	-$ 73,848
4240	Provision for Rate Refunds	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4245	Government and Other Assistance Directly Credited to Income	-$ 6,962	-$ 36,775	-$ 23,431	-$ 36,513	-$ 47,366	-$ 49,035	-$ 54,748	-$ 61,687	-$ 66,847	-$ 72,496	-$ 85,531
4305	Regulatory Debits	$ 117,478	$ 141,076	$ 142,132	$ 138,725	$ 150,363	$ 51,214	$ 9	$ -	$ -	$ -	$ -
4310	Regulatory Credits	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4315	Revenues from Electric Plant Leased to Others	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4320	Expenses of Electric Plant Leased to Others	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4325	Revenues from Merchandise	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4330	Costs and Expenses of Merchandising	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4335	Profits and Losses from Financial Instrument Hedges	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4340	Profits and Losses from Financial Instrument Investments	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4345	Gains from Disposition of Future Use Utility Plant	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4350	Losses from Disposition of Future Use Utility Plant	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4355	Gain on Disposition of Utility and Other Property	$ -	$ -	-$ 22,070	-$ 117,388	-$ 8,000	-$ 1,000	-$ 102,796	-$ 1,839	$ -	$ -	$ -
4357	Gain from Retirement of Utility and Other Property	-$ 29,449	-$ 14,383	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
4360	Loss on Disposition of Utility and Other Property	$ -	$ -	$ 32,429	$ 168	$ 22,502	$ -	$ 3,379	$ 2,592	$ 18,241	$ -	$ -
4362	Loss from Retirement of Utility and Other Property	$ 65,072	$ 140,574	$ -	$ 38,155	$ 25,348	$ 39,418	$ 50,203	$ 85,584	$ 27,527	$ 48,000	$ 48,000
4365	Gains from Disposition of Allowances for Emission	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4370	Losses from Disposition of Allowances for Emission	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4375	Revenues from Non Rate-Regulated Utility Operations	-$ 496,644	-$ 555,944	-$ 440,293	-$ 572,797	-$ 513,042	-$ 483,552	-$ 470,614	-$ 541,648	-$ 516,247	-$ 550,569	-$ 585,970
4380	Expenses of Non Rate-Regulated Utility Operations	$ 411,100	$ 439,056	$ 363,690	$ 409,840	$ 388,684	$ 455,996	$ 460,623	$ 443,479	$ 492,195	$ 482,730	$ 526,329
4385	Non Rate-Regulated Utility Rental Income	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4390	Miscellaneous Non-Operating Income	$ 75	-$ 6,597	-$ 2,663	-$ 4,227	-$ 260	-$ 8,725	-$ 11,127	-$ 8,612	-$ 16,670	-$ 11,009	-$ 11,009
4395	Rate-Payer Benefit Including Interest	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4398	Foreign Exchange Gains and Losses, Including Amortization	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4405	Interest and Dividend Income	-$ 70,261	-$ 48,984	-$ 37,372	-$ 49,725	-$ 61,683	-$ 101,143	-$ 62,434	-$ 26,737	-$ 96,668	-$ 112,384	-$ 31,705
4410	Lessor's Net Investment in Finance Lease			$ -	$ -	$ -	$ -	$ -	$ -	$ -		
4415	Equity in Earnings of Subsidiary Companies	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4420	Share of Profit or Loss of Joint Venture	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
Miscellaneous Service Revenues		-$ 180,101	-$ 167,358	-$ 149,824	-$ 117,440	-$ 102,541	-$ 69,098	-$ 16,783	-$ 47,939	-$ 64,124	-$ 63,101	-$ 73,848
Late Payment Charges		-$ 38,754	-$ 41,727	-$ 43,413	-$ 38,260	-$ 37,489	-$ 46,087	-$ 29,397	-$ 56,975	-$ 45,722	-$ 42,478	-$ 44,132
Other Operating Revenues		-$ 115,734	-$ 135,099	-$ 125,197	-$ 135,810	-$ 151,948	-$ 159,319	-$ 171,772	-$ 173,019	-$ 187,282	-$ 189,104	-$ 229,852
Other Income or Deductions		-$ 2,629	$ 94,799	$ 35,854	-$ 157,249	$ 3,912	-$ 47,793	-$ 132,757	-$ 47,181	-$ 91,621	-$ 143,232	-$ 54,355
Total		-$ 337,218	-$ 249,385	-$ 282,581	-$ 448,759	-$ 288,065	-$ 322,297	-$ 350,709	-$ 325,114	-$ 388,749	-$ 437,914	-$ 402,186

OHL confirms that balances recorded in Account 4375 and Account 4380 reconcile to the balances recorded in Appendix 2-N – Shared Services and Corporate Allocation for the three historical years, the bridge year and the test year.

OHL confirms that revenues related to microFIT are recorded as revenue offset in Account 4235 and not included as part of base revenue requirement.

6.3.1 OTHER REVENUE VARIANCE ANALYSIS

This section will provide a high-level year-over-year variance analysis by account from 2014 Actuals to 2024 Test Year.

Table 6-13 – Other Revenue 2014 Board Approved to 2024 Test Year

USoA #	USoA Description	2014 Board Approved	Test Year	Variance 2024 to 2014 BA
		2014	2024	
	Reporting Basis	CGAAP	MIFRS	
4082	Retail Services Revenues	$ (20,596)	$ (15,847)	$ 4,749
4084	Service Transaction Requests (STR) Revenues	$ (339)	$ (99)	$ 240
4086	SSS Administration Revenue	$ (31,020)	$ (38,725)	$ (7,704)
4210	Rent from Electric Property	$ (54,960)	$ (89,651)	$ (34,691)
4225	Late Payment Charges	$ (37,958)	$ (44,132)	$ (6,174)
4235	Miscellaneous Service Revenues	$ (199,731)	$ (73,848)	$ 125,883
4245	Government and Other Assistance Directly Credited to Income	$ -	$ (85,531)	$ (85,531)
4305	Regulatory Debits	$ -	$ -	$ -
4355	Gain on Disposition of Utility and Other Property	$ (12,500)	$ -	$ 12,500
4357	Gain from Retirement of Utility and Other Property	$ -		$ -
4360	Loss on Disposition of Utility and Other Property	$ 11,181	$ -	$ (11,181)
4362	Loss from Retirement of Utility and Other Property	$ -	$ 48,000	$ 48,000
4375	Revenues from Non Rate-Regulated Utility Operations	$ (452,419)	$ (585,970)	$ (133,551)
4380	Expenses of Non Rate-Regulated Utility Operations	$ 376,254	$ 526,329	$ 150,075
4390	Miscellaneous Non-Operating Income	$ -	$ (11,009)	$ (11,009)
4405	Interest and Dividend Income	$ (44,000)	$ (31,705)	$ 12,295
	Total	$ (466,089)	$ (402,186)	$ 63,902

Change from 2014 Board Approved to 2024 Test Year

The Other Revenue variance reflects a reduction of $63,902.

- Rent from Electric Property has increased from 2014, as the pole attachment charge revenues for 2024 reflect updated rates as required by the OEB.
- Miscellaneous Services Revenues are lower than 2014, due to the Notification of Disconnect charge which is no longer allowed since 2019, as per the OEB. Reconnection charges are also lower due to the disconnect moratorium which began in

2017. The new proposed microFIT charge is included as well. Miscellaneous chargeables are customer driven and can be unpredictable.

- Government and Other Assistance Directly Credited to Income has increased since 2014 and will continue to increase as a direct result of yearly increases in Deferred Revenue.
- Revenues from Non-Utility Operations increased mainly due to an increase in the rate charged for billing and collecting for water and sewer for the Town of Orangeville and the Town of Grand Valley. Allocated expenses for billing and collecting water and sewer have increased since 2014, due to increased expenses on an allocated basis as explained in Exhibit 4 – Section 4.3.2.2.
- Miscellaneous Non-Operating Income has increased from 2014, as these proceeds used to be recorded as a gain, in account 4355.
- Interest Income has decreased from 2014, as regulatory balances will be decreased with the rebasing being completed.

Table 6-14 – Other Revenue 2015 Actual to 2014 Actual

USoA #	USoA Description	2014 Actual	2015 Actual	Variance 2015 to 2014
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (13,831)	$ (12,927)	$ 904
4084	Service Transaction Requests (STR) Revenues	$ (263)	$ (180)	$ 83
4086	SSS Administration Revenue	$ (32,085)	$ (32,990)	$ (905)
4210	Rent from Electric Property	$ (62,594)	$ (52,227)	$ 10,366
4225	Late Payment Charges	$ (38,754)	$ (41,727)	$ (2,973)
4235	Miscellaneous Service Revenues	$ (180,101)	$ (167,358)	$ 12,742
4245	Government and Other Assistance Directly Credited to Income	$ (6,962)	$ (36,775)	$ (29,813)
4305	Regulatory Debits	$ 117,478	$ 141,076	$ 23,598
4355	Gain on Disposition of Utility and Other Property	$ -	$ -	$ -
4357	Gain from Retirement of Utility and Other Property	$ (29,449)	$ (14,383)	$ 15,066
4360	Loss on Disposition of Utility and Other Property	$ -	$ -	$ -
4362	Loss from Retirement of Utility and Other Property	$ 65,072	$ 140,574	$ 75,503
4375	Revenues from Non Rate-Regulated Utility Operations	$ (496,644)	$ (555,944)	$ (59,301)
4380	Expenses of Non Rate-Regulated Utility Operations	$ 411,100	$ 439,056	$ 27,957
4390	Miscellaneous Non-Operating Income	$ 75	$ (6,597)	$ (6,672)
4405	Interest and Dividend Income	$ (70,261)	$ (48,984)	$ 21,278
	Total	$ (337,218)	$ (249,385)	$ 87,833

Change from 2015 Actual to 2014 Actual

- Rent from Electric Property was higher in 2014, due to a correction from the prior year being included in 2014.
- Chargeable work orders in Miscellaneous Service Revenues were higher in 2014.
- Amortization of deferred revenues is higher in 2015, as this year also included Scientific Research and Experimental Development ("SR&ED") credit.
- OHL recovered more from customers in 2015 for Regulatory Debits, as there was a full year of recoveries. 2014 was the first year of recoveries, and it was a partial year, from May 1, 2014.
- Gain from Disposition of property was higher in 2014, due to gains from the sale of two vehicles, as well as transformer disposals. Loss from Disposition of property was higher in 2015 due to the disposition of a substation property that had been decommissioned.
- Water and street light revenues are lower in 2015 but are offset by higher CDM revenues. CDM expenses are also higher in 2015 as compared to 2014.

Table 6-15 – Other Revenue 2016 Actual to 2015 Actual

USoA #	USoA Description	2015 Actual	2016 Actual	Variance 2016 to 2015
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (12,927)	$ (11,641)	$ 1,286
4084	Service Transaction Requests (STR) Revenues	$ (180)	$ (177)	$ 3
4086	SSS Administration Revenue	$ (32,990)	$ (33,825)	$ (834)
4210	Rent from Electric Property	$ (52,227)	$ (56,125)	$ (3,897)
4225	Late Payment Charges	$ (41,727)	$ (43,413)	$ (1,686)
4235	Miscellaneous Service Revenues	$ (167,358)	$ (149,824)	$ 17,534
4245	Government and Other Assistance Directly Credited to Income	$ (36,775)	$ (23,431)	$ 13,345
4305	Regulatory Debits	$ 141,076	$ 142,132	$ 1,056
4355	Gain on Disposition of Utility and Other Property	$ -	$ (22,070)	$ (22,070)
4357	Gain from Retirement of Utility and Other Property	$ (14,383)	$ -	$ 14,383
4360	Loss on Disposition of Utility and Other Property	$ -	$ 32,429	$ 32,429
4362	Loss from Retirement of Utility and Other Property	$ 140,574	$ -	$ (140,574)
4375	Revenues from Non Rate-Regulated Utility Operations	$ (555,944)	$ (440,293)	$ 115,652
4380	Expenses of Non Rate-Regulated Utility Operations	$ 439,056	$ 363,690	$ (75,366)
4390	Miscellaneous Non-Operating Income	$ (6,597)	$ (2,663)	$ 3,934
4405	Interest and Dividend Income	$ (48,984)	$ (37,372)	$ 11,611
	Total	$ (249,385)	$ (282,581)	$ (33,195)

Change from 2016 Actual to 2015 Actual

- Chargeable work orders in Miscellaneous Service Revenues were lower in 2016.
- Amortization of deferred revenues is lower than 2015. The deferred revenue amortization is increasing, but 2015 also included a Scientific Research and Experimental Development ("SR&ED") credit.
- Gain on disposition of property was higher in 2016, due to a gain on the sale of two vehicles. Losses on disposition were lower in 2016, this account included losses on the retirement of poles, wires and transformers.
- Revenues from non-utility operations were lower in 2016, as there was no CDM incentive, street light revenue was lower, and water/sewer penalties were lower. Offsetting expenses from streetlights and CDM were also lower in 2016.
- Interest income was lower in 2016, mainly due to lower bank balances.

Table 6-16 – Other Revenue 2017 Actual to 2016 Actual

USoA #	USoA Description	2016 Actual	2017 Actual	Variance 2017 to 2016
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (11,641)	$ (10,085)	$ 1,556
4084	Service Transaction Requests (STR) Revenues	$ (177)	$ (126)	$ 51
4086	SSS Administration Revenue	$ (33,825)	$ (35,033)	$ (1,208)
4210	Rent from Electric Property	$ (56,125)	$ (54,053)	$ 2,071
4225	Late Payment Charges	$ (43,413)	$ (38,260)	$ 5,153
4235	Miscellaneous Service Revenues	$ (149,824)	$ (117,440)	$ 32,384
4245	Government and Other Assistance Directly Credited to Income	$ (23,431)	$ (36,513)	$ (13,082)
4305	Regulatory Debits	$ 142,132	$ 138,725	$ (3,407)
4355	Gain on Disposition of Utility and Other Property	$ (22,070)	$ (117,388)	$ (95,318)
4357	Gain from Retirement of Utility and Other Property	$ -	$ -	$ -
4360	Loss on Disposition of Utility and Other Property	$ 32,429	$ 168	$ (32,261)
4362	Loss from Retirement of Utility and Other Property	$ -	$ 38,155	$ 38,155
4375	Revenues from Non Rate-Regulated Utility Operations	$ (440,293)	$ (572,797)	$ (132,504)
4380	Expenses of Non Rate-Regulated Utility Operations	$ 363,690	$ 409,840	$ 46,150
4390	Miscellaneous Non-Operating Income	$ (2,663)	$ (4,227)	$ (1,564)
4405	Interest and Dividend Income	$ (37,372)	$ (49,725)	$ (12,353)
	Total	$ (282,581)	$ (448,759)	$ (166,178)

Change from 2017 Actual to 2016 Actual

- Reconnection charges, as well as Notification of Disconnect charges in Miscellaneous Service Revenues were lower in 2017, as the Disconnect Moratorium began in 2017, which limited disconnections to 6 months of the year.
- Amortization of deferred revenues is increasing from 2016, in relation to increased deferred revenues.
- Gains from dispositions of property were higher in 2017, with a gain on the severance of a parcel of land adjacent to the main office building.
- CDM revenues were higher in 2017 than 2016, due to an incentive payment. Water expenses were slightly higher in 2017. There was also a loss taken on the removal of solar generation panels that were no longer operational.
- Interest income was higher in 2017, mainly due to higher bank balances.

Table 6-17 – Other Revenue 2018 Actual to 2017 Actual

USoA #	USoA Description	2017 Actual	2018 Actual	Variance 2018 to 2017
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (10,085)	$ (8,809)	$ 1,276
4084	Service Transaction Requests (STR) Revenues	$ (126)	$ (110)	$ 16
4086	SSS Administration Revenue	$ (35,033)	$ (36,894)	$ (1,862)
4210	Rent from Electric Property	$ (54,053)	$ (58,769)	$ (4,716)
4225	Late Payment Charges	$ (38,260)	$ (37,489)	$ 771
4235	Miscellaneous Service Revenues	$ (117,440)	$ (102,541)	$ 14,899
4245	Government and Other Assistance Directly Credited to Income	$ (36,513)	$ (47,366)	$ (10,854)
4305	Regulatory Debits	$ 138,725	$ 150,363	$ 11,638
4355	Gain on Disposition of Utility and Other Property	$ (117,388)	$ (8,000)	$ 109,388
4357	Gain from Retirement of Utility and Other Property	$ -	$ -	$ -
4360	Loss on Disposition of Utility and Other Property	$ 168	$ 22,502	$ 22,334
4362	Loss from Retirement of Utility and Other Property	$ 38,155	$ 25,348	$ (12,806)
4375	Revenues from Non Rate-Regulated Utility Operations	$ (572,797)	$ (513,042)	$ 59,755
4380	Expenses of Non Rate-Regulated Utility Operations	$ 409,840	$ 388,684	$ (21,156)
4390	Miscellaneous Non-Operating Income	$ (4,227)	$ (260)	$ 3,967
4405	Interest and Dividend Income	$ (49,725)	$ (61,683)	$ (11,957)
	Total	$ (448,759)	$ (288,065)	$ 160,694

Change from 2018 Actual to 2017 Actual

- The Notification of Disconnect charge in Miscellaneous Service Revenues was lower in 2018.
- Amortization of deferred revenues is increasing from 2017, in relation to increased deferred revenues.
- OHL recovered more from customers in 2018 for Regulatory Debits.
- Gains on disposition of property were lower in 2018. In 2017, there was a gain on the severance of a parcel of land adjacent to the main office building. A gain on the sale of a truck was included in 2018. This was offset by a loss on the sale of another vehicle.
- CDM revenues were lower in 2018 as compared to 2017 but included a CDM incentive payment. Water expenses were slightly higher in 2018.
- Interest income was higher in 2018, mainly due to higher regulatory balances.

Table 6-18 – Other Revenue 2019 Actual to 2018 Actual

USoA #	USoA Description	2018 Actual	2019 Actual	Variance 2019 to 2018
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (8,809)	$ (12,643)	$ (3,834)
4084	Service Transaction Requests (STR) Revenues	$ (110)	$ (162)	$ (53)
4086	SSS Administration Revenue	$ (36,894)	$ (37,476)	$ (582)
4210	Rent from Electric Property	$ (58,769)	$ (60,003)	$ (1,234)
4225	Late Payment Charges	$ (37,489)	$ (46,087)	$ (8,598)
4235	Miscellaneous Service Revenues	$ (102,541)	$ (69,098)	$ 33,443
4245	Government and Other Assistance Directly Credited to Income	$ (47,366)	$ (49,035)	$ (1,669)
4305	Regulatory Debits	$ 150,363	$ 51,214	$ (99,149)
4355	Gain on Disposition of Utility and Other Property	$ (8,000)	$ (1,000)	$ 7,000
4357	Gain from Retirement of Utility and Other Property	$ -	$ -	$ -
4360	Loss on Disposition of Utility and Other Property	$ 22,502	$ -	$ (22,502)
4362	Loss from Retirement of Utility and Other Property	$ 25,348	$ 39,418	$ 14,070
4375	Revenues from Non Rate-Regulated Utility Operations	$ (513,042)	$ (483,552)	$ 29,490
4380	Expenses of Non Rate-Regulated Utility Operations	$ 388,684	$ 455,996	$ 67,312
4390	Miscellaneous Non-Operating Income	$ (260)	$ (8,725)	$ (8,465)
4405	Interest and Dividend Income	$ (61,683)	$ (101,143)	$ (39,460)
	Total	$ (288,065)	$ (322,297)	$ (34,232)

Change from 2019 Actual to 2018 Actual

- Change of occupancy revenues were lower in 2019, as well the Notification of Disconnect fee was discontinued by the OEB. This is no longer being charged by OHL.
- Regulatory debits with regards to changes in accounting policies to convert from CGAAP to IFRS ended April 30, 2019. There was a partial year of recoveries in 2019.
- Losses from disposition of property were higher in 2019 due to a higher amount of meter retirements.
- There were no CDM revenues in 2019 as compared to 2018, and water/sewer penalties were higher than 2018. Water expenses were higher in 2019 over 2018.
- Interest income in 2019 was higher due to higher bank balances, as well as higher regulatory balances.

Table 6-19 – Other Revenue 2020 Actual to 2019 Actual

USoA #	USoA Description	2019 Actual	2020 Actual	Variance 2020 to 2019
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (12,643)	$ (14,960)	$ (2,318)
4084	Service Transaction Requests (STR) Revenues	$ (162)	$ (130)	$ 32
4086	SSS Administration Revenue	$ (37,476)	$ (37,885)	$ (409)
4210	Rent from Electric Property	$ (60,003)	$ (64,049)	$ (4,046)
4225	Late Payment Charges	$ (46,087)	$ (29,397)	$ 16,690
4235	Miscellaneous Service Revenues	$ (69,098)	$ (16,783)	$ 52,314
4245	Government and Other Assistance Directly Credited to Income	$ (49,035)	$ (54,748)	$ (5,712)
4305	Regulatory Debits	$ 51,214	$ 9	$ (51,205)
4355	Gain on Disposition of Utility and Other Property	$ (1,000)	$ (102,796)	$ (101,796)
4357	Gain from Retirement of Utility and Other Property	$ -	$ -	$ -
4360	Loss on Disposition of Utility and Other Property	$ -	$ 3,379	$ 3,379
4362	Loss from Retirement of Utility and Other Property	$ 39,418	$ 50,203	$ 10,785
4375	Revenues from Non Rate-Regulated Utility Operations	$ (483,552)	$ (470,614)	$ 12,939
4380	Expenses of Non Rate-Regulated Utility Operations	$ 455,996	$ 460,623	$ 4,627
4390	Miscellaneous Non-Operating Income	$ (8,725)	$ (11,127)	$ (2,402)
4405	Interest and Dividend Income	$ (101,143)	$ (62,434)	$ 38,709
	Total	$ (322,297)	$ (350,709)	$ (28,413)

Change from 2020 Actual to 2019 Actual

- Late payment charges were lower in 2020, as OHL did not charge late payment fees for a portion of the year, due to Covid-19.
- There were outstanding work orders in Miscellaneous Service Revenues that were receivable at year end.
- Regulatory debits with regards to changes in accounting policies to convert from CGAAP to IFRS ended in 2019, with a residual amount in 2020.
- Gains from disposition of property were higher in 2020, with a severance of a parcel of land from the main office site. Losses from disposition of property were higher in 2020 due to transformer retirements.
- Water billing revenues were slightly higher in 2020.
- Interest income in 2020 was lower due to lower bank balances.

Table 6-20 – Other Revenue 2021 Actual to 2020 Actual

USoA #	USoA Description	2020 Actual	2021 Actual	Variance 2021 to 2020
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (14,960)	$ (14,505)	$ 456
4084	Service Transaction Requests (STR) Revenues	$ (130)	$ (106)	$ 24
4086	SSS Administration Revenue	$ (37,885)	$ (38,144)	$ (259)
4210	Rent from Electric Property	$ (64,049)	$ (58,577)	$ 5,473
4225	Late Payment Charges	$ (29,397)	$ (56,975)	$ (27,578)
4235	Miscellaneous Service Revenues	$ (16,783)	$ (47,939)	$ (31,155)
4245	Government and Other Assistance Directly Credited to Income	$ (54,748)	$ (61,687)	$ (6,939)
4305	Regulatory Debits	$ 9	$ -	$ (9)
4355	Gain on Disposition of Utility and Other Property	$ (102,796)	$ (1,839)	$ 100,957
4357	Gain from Retirement of Utility and Other Property	$ -	$ -	$ -
4360	Loss on Disposition of Utility and Other Property	$ 3,379	$ 2,592	$ (787)
4362	Loss from Retirement of Utility and Other Property	$ 50,203	$ 85,584	$ 35,381
4375	Revenues from Non Rate-Regulated Utility Operations	$ (470,614)	$ (541,648)	$ (71,034)
4380	Expenses of Non Rate-Regulated Utility Operations	$ 460,623	$ 443,479	$ (17,144)
4390	Miscellaneous Non-Operating Income	$ (11,127)	$ (8,612)	$ 2,515
4405	Interest and Dividend Income	$ (62,434)	$ (26,737)	$ 35,697
	Total	$ (350,709)	$ (325,114)	$ 25,595

Change from 2021 Actual to 2020 Actual

- Late payment charges were higher in 2021 over 2020. Late payment charges were waived for a period in 2020 due to Covid-19, resulting in a higher number of overdue accounts in 2021.
- Chargeable work orders in Miscellaneous Service Revenues were higher in 2021.
- Gains from disposition of property were lower in 2021 as minimal gains were incurred. Losses from retirement of property were higher in 2021 due to the decommissioning of a municipal substation.
- Street light maintenance revenue was higher in 2021 over 2020, with water billing expenses being lower in 2021.
- Interest income in 2021 was lower due to lower bank balances, as well as lower regulatory balances.

Table 6-21 – Other Revenue 2022 Actual to 2021 Actual

USoA #	USoA Description	2021 Actual	2022 Actual	Variance 2022 to 2021
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (14,505)	$ (14,606)	$ (102)
4084	Service Transaction Requests (STR) Revenues	$ (106)	$ (92)	$ 15
4086	SSS Administration Revenue	$ (38,144)	$ (37,962)	$ 183
4210	Rent from Electric Property	$ (58,577)	$ (67,776)	$ (9,199)
4225	Late Payment Charges	$ (56,975)	$ (45,722)	$ 11,253
4235	Miscellaneous Service Revenues	$ (47,939)	$ (64,124)	$ (16,185)
4245	Government and Other Assistance Directly Credited to Income	$ (61,687)	$ (66,847)	$ (5,160)
4305	Regulatory Debits	$ -	$ -	$ -
4355	Gain on Disposition of Utility and Other Property	$ (1,839)	$ -	$ 1,839
4357	Gain from Retirement of Utility and Other Property	$ -	$ -	$ -
4360	Loss on Disposition of Utility and Other Property	$ 2,592	$ 18,241	$ 15,649
4362	Loss from Retirement of Utility and Other Property	$ 85,584	$ 27,527	$ (58,057)
4375	Revenues from Non Rate-Regulated Utility Operations	$ (541,648)	$ (516,247)	$ 25,401
4380	Expenses of Non Rate-Regulated Utility Operations	$ 443,479	$ 492,195	$ 48,716
4390	Miscellaneous Non-Operating Income	$ (8,612)	$ (16,670)	$ (8,058)
4405	Interest and Dividend Income	$ (26,737)	$ (96,668)	$ (69,930)
	Total	$ (325,114)	$ (388,749)	$ (63,634)

Change from 2022 Actual to 2021 Actual

- Late payment charges were higher in 2021 as a result of waiving late payment charges for a period in 2020. In 2021, there were a higher number of overdue accounts compared to 2022.
- Chargeable work orders in Miscellaneous Service Revenues were higher in 2022.
- Losses from retirement of property were higher in 2021 due to the decommissioning of a municipal substation.
- Street light maintenance revenue was higher in 2021 over 2022, with water billing expenses being higher in 2022.
- Interest income in 2022 was higher due to higher bank balances, as well as higher regulatory balances.

Table 6-22 – Other Revenue 2023 Bridge Year to 2022 Actual

USoA #	USoA Description	2022 Actual	2023 Bridge Year	Variance 2023 to 2022
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (14,606)	$ (14,691)	$ (84)
4084	Service Transaction Requests (STR) Revenues	$ (92)	$ (109)	$ (18)
4086	SSS Administration Revenue	$ (37,962)	$ (38,341)	$ (380)
4210	Rent from Electric Property	$ (67,776)	$ (63,467)	$ 4,309
4225	Late Payment Charges	$ (45,722)	$ (42,478)	$ 3,244
4235	Miscellaneous Service Revenues	$ (64,124)	$ (63,101)	$ 1,023
4245	Government and Other Assistance Directly Credited to Income	$ (66,847)	$ (72,496)	$ (5,649)
4305	Regulatory Debits	$ -	$ -	$ -
4355	Gain on Disposition of Utility and Other Property	$ -	$ -	$ -
4357	Gain from Retirement of Utility and Other Property	$ -		$ -
4360	Loss on Disposition of Utility and Other Property	$ 18,241	$ -	$ (18,241)
4362	Loss from Retirement of Utility and Other Property	$ 27,527	$ 48,000	$ 20,473
4375	Revenues from Non Rate-Regulated Utility Operations	$ (516,247)	$ (550,569)	$ (34,322)
4380	Expenses of Non Rate-Regulated Utility Operations	$ 492,195	$ 482,730	$ (9,466)
4390	Miscellaneous Non-Operating Income	$ (16,670)	$ (11,009)	$ 5,661
4405	Interest and Dividend Income	$ (96,668)	$ (112,384)	$ (15,716)
	Total	$ (388,749)	$ (437,914)	$ (49,165)

Change from 2023 Bridge Year to 2022 Actual

- The net of Losses from Disposition of Utility and Other Property and Retirement of Utility and Other Property are than $10,000. Losses in 2022 actuals were posted to both GL accounts, 4360 and 4362, but all losses for 2023 bridge year were included in 4362.
- Revenues from Non Rate-Regulated Utility Operations were higher in 2023 bridge year due to an increase in revenues from water and sewer billing from a higher rate charged for the billing services, as well as a budgeted increase in Streetlight revenues based on a historical average.
- Interest and Dividend Income was higher in 2023 bridge year due to higher forecasted regulatory asset interest, as OEB prescribed interest rates were increasing from 2022.

Table 6-23 – Other Revenue 2024 Test Year to 2023 Bridge Year

USoA #	USoA Description	2023 Bridge Year	2024 Test Year	Variance 2024 to 2023
	Reporting Basis	MIFRS	MIFRS	
4082	Retail Services Revenues	$ (14,691)	$ (15,847)	$ (1,156)
4084	Service Transaction Requests (STR) Revenues	$ (109)	$ (99)	$ 10
4086	SSS Administration Revenue	$ (38,341)	$ (38,725)	$ (383)
4210	Rent from Electric Property	$ (63,467)	$ (89,651)	$ (26,184)
4225	Late Payment Charges	$ (42,478)	$ (44,132)	$ (1,654)
4235	Miscellaneous Service Revenues	$ (63,101)	$ (73,848)	$ (10,747)
4245	Government and Other Assistance Directly Credited to Income	$ (72,496)	$ (85,531)	$ (13,035)
4305	Regulatory Debits	$ -	$ -	$ -
4355	Gain on Disposition of Utility and Other Property	$ -	$ -	$ -
4357	Gain from Retirement of Utility and Other Property			$ -
4360	Loss on Disposition of Utility and Other Property	$ -	$ -	$ -
4362	Loss from Retirement of Utility and Other Property	$ 48,000	$ 48,000	$ -
4375	Revenues from Non Rate-Regulated Utility Operations	$ (550,569)	$ (585,970)	$ (35,400)
4380	Expenses of Non Rate-Regulated Utility Operations	$ 482,730	$ 526,329	$ 43,599
4390	Miscellaneous Non-Operating Income	$ (11,009)	$ (11,009)	$ -
4405	Interest and Dividend Income	$ (112,384)	$ (31,705)	$ 80,679
	Total	$ (437,914)	$ (402,186)	$ 35,728

Change from 2024 Test Year to 2023 Bridge Year

- Rent from Electric Property is higher in 2024 test year due to the budget including the higher pole revenue rates.
- Miscellaneous Service Revenues are higher in 2024 test year due to the inclusion of the projected increased Microfit revenues.
- Government and Other Assistance Directly Credited to Income is higher in 2024 test year, as it is increasing in direct relation to the increase in capital assets.
- Revenues from Non Rate-Regulated Utility Operations were higher in 2024 test year due to an increase in revenues from water and sewer billing from a higher rate charged for the billing services.
- Expenses of Non Rate-Regulated Utility Operations are higher in 2024 test year due to a the relationship to the increase in overall costs, which becomes an increase in allocated costs to water and sewer billing.
- Interest and Dividend Income was lower in 2024 test year due to lower forecasted regulatory balances, as many accounts are proposed to be disposed in 2024.

6.3.2 OTHER REVENUE ACCOUNT BREAKDOWN

The following section provides a detailed breakdown for each account, outlining the components of each balance.

Table 6-24 – Account 4082-4084 Retailer Service Revenues and STR Revenues

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4082	Retail Services Revenues	$ (13,831)	$ (12,927)	$ (11,641)	$ (10,085)	$ (8,809)	$ (12,643)	$ (14,960)	$ (14,505)	$ (14,606)	$ (14,691)	$ (15,847)
4084	Service Transaction Requests (STR) Revenues	$ (263)	$ (180)	$ (177)	$ (126)	$ (110)	$ (162)	$ (130)	$ (106)	$ (92)	$ (109)	$ (99)
	Total	**$ (14,094)**	**$ (13,107)**	**$ (11,818)**	**$ (10,211)**	**$ (8,918)**	**$ (12,805)**	**$ (15,090)**	**$ (14,611)**	**$ (14,698)**	**$ (14,800)**	**$ (15,946)**

- Retail service revenues include retail services for establishing service agreements and consolidated billing for retail customers.
- Retail service revenues have been fairly consistent from the 2014 to 2024 period.

Table 6-25 – Account 4086 SSS Admin charges

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4086	SSS Administration Revenue	$ (32,085)	$ (32,990)	$ (33,825)	$ (35,033)	$ (36,894)	$ (37,476)	$ (37,885)	$ (38,144)	$ (37,962)	$ (38,341)	$ (38,725)
	Total	**$ (32,085)**	**$ (32,990)**	**$ (33,825)**	**$ (35,033)**	**$ (36,894)**	**$ (37,476)**	**$ (37,885)**	**$ (38,144)**	**$ (37,962)**	**$ (38,341)**	**$ (38,725)**

- SSS Admin Charges include amounts collected for the Standard Supply Charge.
- SSS Admin revenues have been fairly consistent from the 2014 to 2024 period.

Table 6-26 – Account 4210 Rent from Electric Property

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4210	Rent from Electric Property Fiber Room	$ (16,392)	$ (16,392)	$ (16,474)	$ (16,020)	$ (17,048)	$ (13,591)	$ (17,228)	$ (12,475)	$ (21,205)	$ (16,969)	$ (17,139)
4210	Rent from Electric Property - Poles	$ (46,202)	$ (35,836)	$ (39,650)	$ (38,033)	$ (41,721)	$ (46,412)	$ (46,821)	$ (46,101)	$ (46,571)	$ (46,498)	$ (72,512)
	Total	**$ (62,594)**	**$ (52,227)**	**$ (56,125)**	**$ (54,053)**	**$ (58,769)**	**$ (60,003)**	**$ (64,049)**	**$ (58,577)**	**$ (67,776)**	**$ (63,467)**	**$ (89,651)**

- Rent from Electric Property includes rental from third party pole attachments. The increase in the pole attachment charge has been included in a deferral account since it was revised based on the document for EB-2015-0304, issued on March 22, 2018.

Table 6-27 – Account 4225 Late Payment Charges

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4225	Late Payment Charges	$ (38,754)	$ (41,727)	$ (43,413)	$ (38,260)	$ (37,489)	$ (46,087)	$ (29,397)	$ (56,975)	$ (45,722)	$ (42,478)	$ (44,132)
	Total	**$ (38,754)**	**$ (41,727)**	**$ (43,413)**	**$ (38,260)**	**$ (37,489)**	**$ (46,087)**	**$ (29,397)**	**$ (56,975)**	**$ (45,722)**	**$ (42,478)**	**$ (44,132)**

- Late payment charges include residential and general service overdue interest.
- Year over Year between 2014 and 2019 actuals, the variance was below $10,000. In 2020, late payment charges decreased due to not collecting these charges throughout

Covid-19. In 2021, OHL began collecting these charges again. The revenue was higher than normal due to a higher number of overdue accounts. In 2022, the late penalties reduced to a value more in line with historical prior to Covid-19.

Table 6-28 – Account 4235 Miscellaneous Service Revenue

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4235	Misc. Service Revenues-Misc Chargeables	$ (22,068)	$ (8,912)	$ 740	$ (8,867)	$ (7,481)	$ 1,586	$ 42,257	$ 16,852	$ 2,013		
4235	Reconnection Charges	$ (26,138)	$ (22,165)	$ (22,425)	$ (13,865)	$ (12,025)	$ (12,025)	$ (8,645)	$ (8,870)	$ (12,675)	$ (10,063)	$ (10,164)
4235	Change of Occupancy Fee	$ (47,370)	$ (52,410)	$ (50,460)	$ (52,290)	$ (50,130)	$ (41,100)	$ (38,700)	$ (42,300)	$ (40,620)	$ (40,540)	$ (40,743)
4235	Returned Cheque Charge	$ (2,445)	$ (2,247)	$ (2,577)	$ (2,970)	$ (3,607)	$ (5,130)	$ (3,090)	$ (3,870)	$ (3,930)	$ (3,630)	$ (3,648)
4235	Collection Charges	$ (30)	$ (675)	$ (360)	$ (240)	$ (60)	$ -	$ -	$ -	$ -	$ -	$ -
4235	Reconnection After Hours Charge	$ (555)	$ (185)	$ (370)	$ (370)	$ -	$ (185)	$ -	$ -	$ (370)	$ (185)	$ (185)
4235	Special Meter Read Charge	$ (90)	$ -	$ (210)	$ (150)	$ -	$ (60)	$ (360)	$ (180)	$ -	$ (150)	$ (150)
4235	Notification of Disconnect Charge	$ (74,970)	$ (71,250)	$ (68,160)	$ (33,690)	$ (22,680)	$ (4,965)	$ -	$ -	$ -	$ -	$ -
4235	Credit Reference Charge	$ (540)	$ (1,050)	$ (990)	$ (585)	$ (465)	$ (240)	$ (225)	$ (495)	$ (255)	$ (325)	$ (325)
4235	Arrears Certificate Charge	$ (705)	$ (1,125)	$ (1,035)	$ (765)	$ (645)	$ (675)	$ -	$ (795)	$ (270)	$ (355)	$ (355)
4235	Reconnection Charge at Pole	$ -	$ -	$ -		$ -	$ -	$ (645)	$ -	$ -		
4235	Reconnection Charge at Pole After Hrs					$ -	$ -	$ -	$ -	$ -		$ (120)
4235	MicroFIT Monthly Charge	$ (1,189)	$ (1,404)	$ (1,580)	$ (1,891)	$ (2,352)	$ (2,806)	$ (2,553)	$ (2,288)	$ (2,155)	$ (2,293)	$ (12,600)
4235	Net Salvage re Temporary Services	$ 443	$ 457	$ 1,630	$ 1,015	$ 592	$ -	$ -	$ -	$ 520	$ 173	$ 174
4235	Administrative Charges	$ (4,443)	$ (6,392)	$ (4,026)	$ (2,772)	$ (3,688)	$ (3,498)	$ (4,823)	$ (5,992)	$ (6,383)	$ (5,733)	$ (5,733)
	Total	**$ (180,101)**	**$ (167,358)**	**$ (149,824)**	**$ (117,440)**	**$ (102,541)**	**$ (69,098)**	**$ (16,783)**	**$ (47,939)**	**$ (64,124)**	**$ (63,101)**	**$ (73,848)**

- Miscellaneous Service Revenue includes recoverable workorders, reconnection, change of occupancy, NSF charges, arrears certificates, collection charges and MicroFIT revenue.
- Within this account are revenues relating to streetlight maintenance, as well as customer-related chargeable work. There are fluctuations year over year depending on the work requested, as well as streetlighting material purchases and labour. These revenues have decreased from 2014 as the Notification of Disconnect charge is no longer allowed to be charged, as of 2019.
- An increase in the MicroFIT Service charge has been included in the 2024 test year, to recover a higher amount of the actual costs to bill a MicroFIT customer.

Table 6-29 – Account 4245 Government and Other Assistance Directly Credited to Income

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4245	Government and Other Assistance Directly Credite	$ (6,962)	$ (36,775)	$ (23,431)	$ (36,513)	$ (47,366)	$ (49,035)	$ (54,748)	$ (61,687)	$ (66,847)	$ (72,496)	$ (85,531)
	Total	**$ (6,962)**	**$ (36,775)**	**$ (23,431)**	**$ (36,513)**	**$ (47,366)**	**$ (49,035)**	**$ (54,748)**	**$ (61,687)**	**$ (66,847)**	**$ (72,496)**	**$ (85,531)**

- This account includes the deferred revenues arising from customer contributions that are amortized to income. Amounts recognized in Account 2440 are to be amortized to income over the useful life of the related property, plant and equipment or intangible asset to which the contribution were made by debiting Account 2440, Deferred Revenue, and crediting this account. It is increasing year over year in relation to the increase in Deferred Revenue.

Table 6-30 – Account 4305 Regulatory Debits

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4305	Regulatory Debits	$ 117,478	$ 141,076	$ 142,132	$ 138,725	$ 150,363	$ 51,214	$ 9	$ -	$ -	$ -	$ -
	Total	**$ 117,478**	**$ 141,076**	**$ 142,132**	**$ 138,725**	**$ 150,363**	**$ 51,214**	**$ 9**	**$ -**	**$ -**	**$ -**	**$ -**

- This account was not included in 2014 Board Approved or 2024 Test Year. This account related to regulatory debits from CGAAP and MIFRS depreciation changes.

Table 6-31 – Account 4355-4362 (Gains) Losses from Disposition of Utility and Other Property

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4355	Gain on Disposition of Utility and Other Property	$ -	$ -	$ (22,070)	$ (117,388)	$ (8,000)	$ (1,000)	$ (102,796)	$ (1,839)	$ -	$ -	$ -
4357	Gain from Retirement of Utility and Other Property	$ (29,449)	$ (14,383)	$ -	$ -	$ -	$ -	$ -	$ -	$ -		
4360	Loss on Disposition of Utility and Other Property	$ -	$ -	$ 32,429	$ 168	$ 22,502	$ -	$ 3,379	$ 2,592	$ 18,241	$ -	$ -
4362	Loss from Retirement of Utility and Other Property	$ 65,072	$ 140,574	$ -	$ 38,155	$ 25,348	$ 39,418	$ 50,203	$ 85,584	$ 27,527	$ 48,000	$ 48,000
	Total	**$ 35,623**	**$ 126,191**	**$ 10,360**	**$ (79,065)**	**$ 39,851**	**$ 38,418**	**$ (49,214)**	**$ 86,337**	**$ 45,768**	**$ 48,000**	**$ 48,000**

- These accounts relate to the net book value of the disposed asset in comparison to the net proceeds realized.
- Amounts recorded in these accounts are primarily related to the disposal of vehicles, as well as capital assets. In 2015, there was a $100,000 loss due to the transfer of the Mill St. property. In 2017, there was a sale of severed land adjacent to the main office building for $132,743. In 2020, there was a gain of $97,345 for a parcel of land severance to a fiber company. In 2021, there was a retirement of a Municipal substation which contributed to the loss value.

Table 6-32 – Account 4375 Revenues from Non-Utility Operations

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4375	Revenue Non-Utility/Water	$ (401,072)	$ (376,186)	$ (383,389)	$ (392,883)	$ (403,924)	$ (414,227)	$ (421,736)	$ (430,058)	$ (443,251)	$ (469,459)	$ (502,233)
4375	Water/Sewer Penalties	$ (24,617)	$ (25,093)	$ (15,527)	$ (21,118)	$ (26,916)	$ (36,161)	$ (7,705)	$ (24,437)	$ (36,121)	$ (37,927)	$ (39,823)
4375	Revenue Non-Utility/Streetlights	$ (63,697)	$ (42,975)	$ (31,613)	$ (22,557)	$ (30,495)	$ (25,810)	$ (34,862)	$ (81,291)	$ (28,775)	$ (36,486)	$ (37,216)
4375	Revenue Non-Utility/Grand Valley			$ (1,339)	$ (200)	$ (203)	$ -	$ -	$ -	$ -	$ -	$ -
4375	OPA CDM Programs Revenue	$ -	$ (103,785)		$ (128,648)	$ (45,645)	$ 0	$ 0	$ -	$ -	$ -	$ -
4375	Solar Generation Revenue	$ (7,258)	$ (7,905)	$ (8,425)	$ (7,391)	$ (5,860)	$ (7,355)	$ (6,310)	$ (5,862)	$ (8,100)	$ (6,697)	$ (6,697)
	Total	**$ (496,644)**	**$ (555,944)**	**$ (440,293)**	**$ (572,797)**	**$ (513,042)**	**$ (483,552)**	**$ (470,614)**	**$ (541,648)**	**$ (516,247)**	**$ (550,569)**	**$ (585,970)**

- Revenues from Non-Utility Operations include the billing and collecting services for water and sewer, street light maintenance, CDM revenues as well as solar generation revenues.
- OHL bills and collects from customers in the Town of Orangeville and the Town of Grand Valley for their water and sewer usage. This is a mutually beneficial agreement to reduce overall costs for both parties through a shared service. These related costs and

expenses are included in accounts 4375/4380. OHL confirms that allocation of cost methods does not result in cross-subsidization between regulated and non-regulated lines of business which complies with article 340 of the APH.

- OHL has not budgeted for any CDM programs as CDM has been winding down.

Table 6-33 – Account 4380 Expenses from Non-Utility Operations

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4380	Expenses Non-Utility Water	$ 329,565	$ 321,610	$ 326,991	$ 344,333	$ 356,228	$ 425,780	$ 417,859	$ 413,930	$ 453,746	$ 449,944	$ 492,959
4380	Expenses Non-Utility Streetlights	$ 57,487	$ 40,400	$ 28,957	$ 20,637	$ 30,055	$ 26,463	$ 37,971	$ 25,740	$ 34,157	$ 29,214	$ 29,798
4380	Expenses Non Utility Grand Valley			$ 1,374	$ 181	$ 388	$ -	$ -	$ -	$ -	$ -	$ -
4380	OPA CDM Programs Expenses		$ 70,962	$ 2		$ (0)	$ -	$ -	$ -	$ -	$ -	$ -
4380	Non-Utility Expenses Misc	$ 17,965	$ 2	$ 7		$ -	$ -	$ -	$ -	$ -		
4380	Solar Gen Expenses	$ 6,082	$ 6,083	$ 6,116	$ 44,688	$ 2,012	$ 3,753	$ 4,193	$ 3,809	$ 4,092	$ 3,572	$ 3,572
4380	New CDM Programs 2015-2021			$ 243		$ -	$ -	$ -	$ -	$ -		
4380	Electric Vehicle Charger expenses					$ -	$ -	$ 600	$ -	$ 200		
	Total	**$ 411,100**	**$ 439,056**	**$ 363,690**	**$ 409,840**	**$ 388,684**	**$ 455,996**	**$ 460,623**	**$ 443,479**	**$ 492,195**	**$ 482,730**	**$ 526,329**

- Expenses from Non-Utility Operations include the billing and collecting services for water and sewer, street light maintenance, CDM revenues as well as solar generation revenues.

Table 6-34 – Account 4390 Miscellaneous Non-Operating Income

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4390	Miscellaneous Non-Operating Income	$ 75	$ (6,597)	$ (2,663)	$ (4,227)	$ (260)	$ (8,725)	$ (11,127)	$ (8,612)	$ (16,670)	$ (11,009)	$ (11,009)
	Total	**$ 75**	**$ (6,597)**	**$ (2,663)**	**$ (4,227)**	**$ (260)**	**$ (8,725)**	**$ (11,127)**	**$ (8,612)**	**$ (16,670)**	**$ (11,009)**	**$ (11,009)**

- Included in this account are the proceeds from the sale of scrap metal.

Table 6-35 – Account 4405 Interest and Dividend Income

USoA #	USoA Description	2014 Actual	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Bridge Year	2024 Test Year
	Reporting Basis	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS	MIFRS
4405	Dividend Income	$ (1,320)		$ 522		$ (50)	$ -	$ -	$ -	$ -		
4405	Reg Asset Interest Income		$ (12,883)	$ (12,511)	$ (14,964)	$ (24,658)	$ (43,511)	$ (49,462)	$ (19,909)	$ (74,789)	$ (94,972)	$ (21,705)
4405	Interest Earned - Bank	$ (68,941)	$ (36,101)	$ (25,383)	$ (34,762)	$ (36,975)	$ (57,633)	$ (12,972)	$ (6,828)	$ (21,878)	$ (17,412)	$ (10,000)
	Total	**$ (70,261)**	**$ (48,984)**	**$ (37,372)**	**$ (49,725)**	**$ (61,683)**	**$ (101,143)**	**$ (62,434)**	**$ (26,737)**	**$ (96,668)**	**$ (112,384)**	**$ (31,705)**

- The Interest and Dividend Income account includes bank deposit interest, miscellaneous interest revenue, regulatory account carrying charges, and interest income from affiliates and customers.
- Increasing regulatory balances have resulted in an increase of regulatory account interest year over year. Higher bank balances in 2019 resulted in higher bank interest.

6.3.3 REVENUE FROM AFFILIATES, SHARED SERVICES OR CORPORATE COST ALLOCATION

OHL earns revenue from Affiliates through water and sewer billing and collecting as well as street light maintenance. This revenue is recorded in Account 4375. A detailed summary of the annual amounts earned from both categories is presented in Exhibit 4, Section 4.3.2 Shared Servies and Corporate Cost Allocation. OHL confirms these costs are not included in the distributor's OM&A.

OHL confirms that allocation of cost methods does not result in cross-subsidization between regulated and non-regulated lines of business and complies with article 340 of the APH.

6.3.4 NEW PROPOSED SPECIFIC SERVICE CHARGES

OHL proposes to change the current monthly Service Charge for the MicroFIT customer class. OHL incurs a $26.50 monthly fee per MicroFIT meter point, from OHL's settlement provider. This $26.50 per month per MicroFIT meter point settlement fee pays for the collection of daily interval 15-minute data and calculation of the total kWh generated that needs to be deducted from IESO kWh purchases. OHL is invoiced each month for settlement calculation and validation activities performed by the provider; and included in the invoice is the number of MicroFIT meters x $26.50 per MicroFIT meter point. As the settlement cost is a recoverable expense, in OHL's opinion, the cost for this specific charge associated with MicroFIT data should be recovered directly from the MicroFIT rate class. OHL does not feel it is appropriate that other customer classes are cross-subsidizing this customer class.

In St. Thomas Energy Inc.'s Rate Order (EB-2014-0113) dated December 18th, 2014, the Board approved the Applicant's request to adjust the MicroFIT service charge to $10.00.

In Lakeland Power Distribution Ltd.'s Rate Order (EB-2018-0050) dated April 18, 2019, the Board approved the Applicant's request to adjust the MicroFIT service charge to $10.00 for third party meter costs.

In Centre Wellington Hydro Ltd.'s Rate Order (EB-2017-0032) dated January 4, 2018, the Board approved the Applicant's request to adjust the MicroFIT service charge to $10.00.

OHL proposes that this charge should be passed directly to OHL's MicroFIT customers effective May 1, 2024, or when the Applicant's 2024 distribution rates are approved by the Board. OHL has provided for this increase in revenue in the Applicant's 2024 revenue offsets in account 4235 and is not part of base revenue requirement.

OHL confirms that MicroFIT customers will be impacted by the increased service charge.

APPENDIX 6-A OEB RRWF MODEL

OHL has filed the 2024 OEB RRWF Model separately in excel.

APPENDIX 6-B OEB PILS MODEL

OHL has filed the 2024 OEB PILS Model separately in excel.

APPENDIX 6-C 2018 PILS TAX RETURN

KPMG

KPMG LLP
Commerce Place
21 King Street West Suite 700
Hamilton, ON L8P 4W7
Canada
Tel 905-523-8200
Fax 905-523-2222
www.kpmg.ca

PRIVATE AND CONFIDENTIAL

Ms. Amy Long
Orangeville Hydro Limited
400 C Line
Station A Box 400
Orangeville ON L9W 2Z7

June 1, 2019

Dear Ms. Long:

Corporate Income Tax Returns

We have enclosed the following income tax returns of Orangeville Hydro Limited. (the "Company") for the year ended **December 31, 2018**:

- ☑ T2 – *Corporation Income Tax Return* – EXEMPT
- ☑ T183 *Information Return For Corporations Filing Electronically* (Federal – to be e-filed with CRA) - Exempt
- ☑ T2 – *Corporation Income Tax Return* (to be filed with Ministry of Finance) – PILS
- ☑ Instalment Schedule
- ☑ One copy of each return for your files

We have prepared these returns based on our understanding of the information provided to us by the Company and we recommend that you review the returns to ensure that all of the relevant facts are properly disclosed. When you are satisfied that the returns are in order, one copy of each return should be retained for your records (the copy stamped "Client Copy") and the remaining copies should be completed by an authorized signing officer of the Company and filed as described below.

DUE DATE OF RETURNS AND PAYMENTS

All returns must be filed with the respective taxing authorities by the due date if late filing penalties are to be avoided. We suggest that the returns be sent by registered mail and that the mailing receipt be kept on file in order to have evidence of the date of filing.

Any balances owing must be remitted by the due date or as soon as possible if interest charges are to be minimized.

T2 – *CORPORATION INCOME TAX RETURN* (FEDERAL) CRA COPY - EXEMPT

Signature

✍ The Form T183CORP - *Information Return for Corporations Filing Electronically* should be completed and signed.

Payment

No amount is payable for the **December 31, 2018** taxation year.

Mailing

🖂 One copy of the signed Form T183CORP should be returned to us in the self-addressed envelope no later than **June 30, 2019** in order to have the Company's corporate income tax return filed on or before the due date for filing. Alternatively, you can fax it to **(905) 523-2222.**

T2 – *CORPORATION INCOME TAX RETURN* - MINISTRY OF FINANCE

Signature

✍ Form T2 – *Corporate Income Tax Return*, the certification section at the bottom of page 9 should be completed and signed.

Refund

There is an amount refundable in the amount of $**8,339** for the **December 31, 2018** taxation year.

Mailing

🖂 One copy of the *T2 Corporate Income Tax Return* must be received by The Ministry of Finance, HYDRO PIL DIVISION, P.O. Box 620, 33 King Street West, Oshawa, Ontario, L1H 8E9 no later than **June 30, 2019**. The Company's account number should be recorded on each of the paper documents submitted.

NOTICES OF ASSESSMENT

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

INSTALMENTS

We have prepared and enclose an estimate of PILS tax instalments as applicable for the Company for the **2019** taxation year. The amounts were computed with reference to the Company's taxable income, taxable capital and taxes payable for prior years. If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the Ministry of Finance must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please do not hesitate to contact us.

Yours truly,

Tony Italiano

Tony Italiano
Partner
905-523-2227

Enclosures

Canada Revenue Agency / Agence du revenu du Canada

Information Return for Corporations Filing Electronically

- You have to complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed to the Canada Revenue Agency (CRA) on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the *Income Tax Act*, you have to keep all records used to prepare your corporation income tax return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your corporation income tax return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- **Do not submit** this form to the CRA unless we ask for it.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted it.

Part 1 – Identification

Corporation's name	Business number
Orangeville Hydro Limited	86463 9562 RC0002

Tax year ▶	From (Y M D)	To (Y M D)	Is this an amended return?	
	2018-01-01	2018-12-31	☐ Yes	☒ No

Part 2 – Declaration

Enter the following amounts, if applicable, from your corporation income tax return for the tax year noted above:

Net income (or loss) for income tax purposes from Schedule 1, financial statements, or GIFI (line 300)	727,370
Part I tax payable (line 700)	
Part II surtax payable (line 708)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	

Part 3 – Certification and authorization

@CRA **Sign up for online mail!** Get your CRA mail electronically delivered in My Business Account at **cra.gc.ca/mybusinessaccount**

I understand that by providing an email address, I am **registering** the corporation for the 'Manage online mail' service. I understand and agree that all notices and other correspondence eligible for electronic delivery will no longer be printed and mailed. The CRA will notify the corporation at this email address when they are available in My Business Account and requiring immediate attention. They will be presumed to have been received on the date that the email is sent.

Email address for online mail (optional): ____________

I, Tyrrell (Last name) Ruth (First name) Chief Corporate Officer (Position, office, or rank),

am an authorized signing officer of the corporation. I certify that I have examined the corporation T2 income tax return, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.
I authorize the transmitter identified in Part 4 to electronically file the corporation income tax return identified in Part 1. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

2019-06-19		(519) 942-8000
Date (yyyy/mm/dd)	Signature of an authorized signing officer of the corporation	Telephone number

Part 4 – Transmitter identification

The following transmitter has electronically filed the tax return of the corporation identified in Part 1.

KPMG LLP	A6698
Name of person or firm	Electronic filer number

Privacy statement

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, personal information bank CRA PPU 047.

200

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 or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) 001 86463 9562 RC0002

Corporation's name

002 Orangeville Hydro Limited

Address of head office

Has this address changed since the last time we were notified? . . . . 010 Yes [ ] No [X]

If **yes**, complete lines 011 to 018.

011 400 C Line

012 Station A Box 400

City: 015 Orangeville — Province, territory, or state: 016 ON

Country (other than Canada): 017 CA — Postal or ZIP code: 018 L9W 2Z7

Mailing address (if different from head office address)

Has this address changed since the last time we were notified? . . . . 020 Yes [ ] No [X]

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 or ZIP code: 028

Location of books and records (if different from head office address)

Has this address changed since the last time we were notified? . . . . 030 Yes [ ] No [X]

If **yes**, complete lines 031 to 038.

031 400 C Line

032 Station A Box 400

City: 035 Orangeville — Province, territory, or state: 036 ON

Country (other than Canada): 037 CA — Postal or ZIP code: 038 L9W 2Z7

040 **Type of corporation at the end of the tax year** (tick one)

- [X] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [ ] 4 Corporation controlled by a public corporation
- [ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change . . . . 043 Year Month Day

To which tax year does this return apply?

Tax year start (Year Month Day): 060 2018-01-01 — Tax year-end (Year Month Day): 061 2018-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? . . . . 063 Yes [ ] No [X]

If **yes**, provide the date control was acquired . . . . 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? . . . . 066 Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? . . . . 067 Yes [ ] No [X]

Is this the first year of filing after:

Incorporation? . . . . 070 Yes [ ] No [X]

Amalgamation? . . . . 071 Yes [ ] No [X]

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 Yes [ ] No [X]

If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . 076 Yes [ ] No [X]

Is this the final return up to dissolution? . . . . 078 Yes [ ] No [X]

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 Yes [X] 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 Yes [ ] No [X]

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) (for tax years starting before 2019)
- [X] 4 Exempt under other paragraphs of section 149

Do not use this area

095 096 898

Attachments

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

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		———
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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 a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	———
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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	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)

	Line	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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	X	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

	Line	Yes	No
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	X	
Is the corporation inactive?	280		X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

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

Line	Product or service	Line	%
284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

	Line	Yes	No
Did the corporation immigrate to Canada during the tax year?	291		X
Did the corporation emigrate from Canada during the tax year?	292		X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293		

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 Year Month Day

	Line	Yes	No
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295		

Taxable income

	Line	Amount		
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	300		727,370	A
Deduct:				
Charitable donations from Schedule 2	311	5,050		
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine made before March 22, 2017, 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		5,050 ▶	5,050	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")			722,320	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355			D
Taxable income (amount C **plus** amount D)	360		722,320	
Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)	370			
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370)				Z
Taxable income for the year from a personal services business				Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	727,370	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax	405		B
Business limit (see notes 1 and 2 below)	410	500,000	C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction

Amount C 500,000 x 415 *** 45,652 D / 11,250 = 2,028,978 E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** 417 ______ – 50,000 = ______ F

Amount C 500,000 / 100,000 x Amount F ______ = ______ G

Subtotal (the greater of amount E and amount G) 422 2,028,978 H

Reduced business limit for tax years starting before 2019 (amount C **minus** amount E) (if negative, enter "0")	425		I
Reduced business limit for tax years starting after 2018 (amount C **minus** amount H) (if negative, enter "0")	426		J
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 on page 5)			K
Reduced business limit after assignment for tax years starting before 2019 (amount I **minus** amount K)	427		L
Reduced business limit after assignment for tax years starting after 2018 (amount J **minus** amount K)	428		M

Small business deduction

Tax years starting before 2019

Amount A, B, C, or L, whichever is the least ______ x Number of days in the tax year before January 1, 2018 ______ / Number of days in the tax year 365 x 17.5 % = ______ 1

Amount A, B, C, or L, whichever is the least ______ x Number of days in the tax year after December 31, 2017, and before January 1, 2019 365 / Number of days in the tax year 365 x 18 % = ______ 2

Amount A, B, C, or L, whichever is the least ______ x Number of days in the tax year after December 31, 2018 ______ / Number of days in the tax year 365 x 19 % = ______ 3

Tax years starting after 2018

Amount A, B, C, or M, whichever is the least ______ x 19 % = ______ 4

Small business deduction (total of amounts 1 to 4) 430 ______ N

Enter amount N at amount J on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations. For the first tax year starting after 2018, use the total of lines 744 of Schedule 7. Otherwise, use the total of lines 745 of the preceding tax year.

Small business deduction (continued)

Specified corporate income and assignment under subsection 125(3.2)

	O1 Name of corporation receiving the income and assigned amount	O Business number of the corporation receiving the assigned amount 490	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O [3] 500	Q Business limit assigned to corporation identified in column O [4] 505
1.				
			Total 510	Total 515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
(A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
(B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
(I) persons (other than the private corporation) with which the corporation deals at arm's length, or
(II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column P in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 425 (426 for tax years starting after 2018).

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies)				A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			B	
Amount 13K from Part 13 of Schedule 27			C	
Personal services business income	432		D	
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least			E	
Aggregate investment income from line 440 on page 6*			F	
Subtotal (**add** amounts B to F)			▶	G
Amount A **minus** amount G (if negative, enter "0")				H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %				I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies)				J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			K	
Amount 13K from Part 13 of Schedule 27			L	
Personal services business income	434		M	
Subtotal (**add** amounts K to M)			▶	N
Amount J **minus** amount N (if negative, enter "0")				O
General tax reduction – Amount O **multiplied** by 13 %				P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 . . . . **440** ____ x 30 2 / 3 % =			A
Foreign non-business income tax credit from line 632 on page 8		B	
Foreign investment income from Schedule 7 . . . . **445** ____ x 8 % =		C	
Subtotal (amount B **minus** amount C) (if negative, enter "0")		▶	D
Amount A **minus** amount D (if negative, enter "0")			E
Taxable income from line 360 on page 3	722,320	F	
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least . . . . ____ G			
Foreign non-business income tax credit from line 632 on page 8 . . . . ____ x 75 / 29 = ____ H			
Foreign business income tax credit from line 636 on page 8 . . ____ x 4 = ____ I			
Subtotal (**add** amounts G to I) ▶		J	
Subtotal (amount F **minus** amount J) (if negative, enter "0")	722,320	K x 30 2 / 3 % =	221,511 L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)			M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450**			N

Refundable dividend tax on hand (for tax years starting before 2019)

Refundable dividend tax on hand at the end of the previous tax year **460**			
Dividend refund for the previous tax year **465**			
Subtotal (line 460 **minus** line 465)		▶	O
Refundable portion of Part I tax from line 450 above		P	
Total Part IV tax payable from Schedule 3		Q	
Net refundable dividend tax on hand transferred on an amalgamation or the wind-up of a subsidiary **480**			
Subtotal (amount P **plus** amount Q **plus** line 480)		▶	R
Refundable dividend tax on hand at the end of the tax year – Amount O **plus** amount R **485**			

Dividend refund (for tax years starting before 2019)

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 on page 3 of Schedule 3	447,092 x 38 1 / 3 % =	171,385	S
Refundable dividend tax on hand at the end of the tax year from line 485 above			T
Dividend refund – Amount S or T, whichever is less			U

Enter amount U on line 784 on page 9.

Refundable dividend tax on hand (for tax years starting after 2018)

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460			
Dividend refund for the previous tax year	465			
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480			
Subtotal (line 460 **minus** line 465 **plus** line 480)				A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53)				B
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)			C	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)			D	
Subtotal (amount C **minus** amount D) (if negative, enter "0")			▶	E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")			F	
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of schedule 53)			G	
Subtotal (amount F **plus** amount G)			▶	H
Amount H **multiplied** by 38 1/3 %				I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)			520	J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")			535	K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)			L	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)			M	
Subtotal (amount L **plus** amount M)			▶	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary			525	O
ERDTOH dividend refund for the previous tax year			570	P
Refundable portion of Part I tax (from line 450 on page 6)				Q
Part IV tax before deductions (amount 2A from Schedule 3)			R	
Part IV tax allocated to ERDTOH (amount N)			S	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)			T	
Subtotal (amount R **minus** total of amounts S and T)			▶	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary			540	V
NERDTOH dividend refund for the previous tax year			575	W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)				X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")				Y
NERDTOH at the end of the tax year* (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")			545	
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** amount X **plus** amount U, if amount X is greater than amount U, otherwise, amount N.) (if negative, enter "0")				Z
ERDTOH at the end of the tax year* (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")			530	

* For more information, consult the Help (F1).

Dividend refund (for tax years starting after 2018)

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)	AA
ERDTOH balance at the end of the tax year (line 530)	BB
Eligible dividend refund (amount AA or BB, whichever is less)	CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	DD
NERDTOH balance at the end of the tax year (line 545)	EE
Non-eligible dividend refund (amount DD or EE, whichever is less)	FF
Amount DD **minus** amount EE (if negative, enter "0")	GG
Amount BB **minus** amount CC (if negative, enter "0")	HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)	II
Dividend refund* – Amount CC **plus** amount FF **plus** amount II	JJ

Enter amount JJ on line 784 on page 9.

* For more information, consult the Help (F1).

Part I tax

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) **multiplied** by 38 % . . . . **550** ______ A

Additional tax on personal services business income (section 123.5)

Taxable income from a personal services business . . . . **555** ______ x 5 % = **560** ______ B

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 on page 6 . . . . ______ D

Taxable income from line 360 on page 3 . . . . 722,320 E

Deduct:

Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least . . . . ______ F

Net amount (amount E **minus** amount F) 722,320 ▶ 722,320 G

Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G . . . . **604** ______ H

Subtotal (**add** amounts A, B, C, and H) ______ I

Deduct:

Small business deduction from line 430 on page 4			J
Federal tax abatement	608		
Manufacturing and processing profits deduction from Schedule 27	616		
Investment corporation deduction	620		
Taxed capital gains 624 ______			
Federal foreign non-business income tax credit from Schedule 21	632		
Federal foreign business income tax credit from Schedule 21	636		
General tax reduction for CCPCs from amount I on page 5	638		
General tax reduction from amount P on page 5	639		
Federal logging tax credit from Schedule 21	640		
Eligible Canadian bank deduction under section 125.21	641		
Federal qualifying environmental trust tax credit	648		
Investment tax credit from Schedule 31	652		
Subtotal		▶	K

Part I tax payable – Amount I **minus** amount K . . . . ______ L

Enter amount L on line 700 on page 9.

Privacy statement

Personal information is collected under the Income Tax Act to administer tax, benefits, and related programs. It may also be used for any purpose related to the enforcement of the Act such as audit, compliance and collections activities. It may be shared or verified with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access, or request correction of, their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 at **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	
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 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta)	760		
Total tax payable	770		A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount U on page 6 or JJ on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit (Form T1131)	796	
Film or video production services tax credit (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	
Labour tax credit for qualifying journalism organizations		
Total credits	890	▶ B

Balance (amount A **minus** amount B)

Refund code 894 1 Refund ◀

If the result is negative, you have a **refund**.
If the result is positive, you have a **balance owing**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Balance owing

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No X

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 A6698

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Certification

I, 950 Tyrrell (Last name) 951 Ruth (First name) 954 Chief Corporate 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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2019-06-19 Date (yyyy/mm/dd)

Signature of the authorized signing officer of the corporation

956 (519) 942-8000 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☐ No X

958 Suzanne Presseault Name of other authorized person

959 (519) 942-8000 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

SCHEDULE 100

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
	Assets				
	Total current assets	1599	+	8,006,705	9,695,058
	Total tangible capital assets	2008	+	24,460,155	22,809,841
	Total accumulated amortization of tangible capital assets	2009	–	4,035,767	3,178,861
	Total intangible capital assets	2178	+	474,679	453,741
	Total accumulated amortization of intangible capital assets	2179	–	279,053	233,874
	Total long-term assets	2589	+	2,124,583	2,594,552
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	30,751,302	32,140,457
	Liabilities				
	Total current liabilities	3139	+	5,135,398	6,348,218
	Total long-term liabilities	3450	+	14,621,019	15,502,636
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	19,756,417	21,850,854
	Shareholder equity				
	Total shareholder equity (mandatory field)	3620	+	10,994,885	10,289,603
	Total liabilities and shareholder equity	3640	=	30,751,302	32,140,457
	Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849	=	2,656,771	1,998,889

***** Generic item

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Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

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	+	33,936,168	35,268,525
	Cost of sales	8518	–	28,490,799	30,807,313
	Gross profit/loss	8519	=	5,445,369	4,461,212
	Cost of sales	8518	+	28,490,799	30,807,313
	Total operating expenses	9367	+	4,512,362	4,573,007
	Total expenses (mandatory field)	9368	=	33,003,161	35,380,320
	Total revenue (mandatory field)	8299	+	34,309,717	35,795,076
	Total expenses (mandatory field)	9368	–	33,003,161	35,380,320
	Net non-farming income	9369	=	1,306,556	414,756
	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	=	1,306,556	414,756
	Total other comprehensive income	9998	=		
	Extraordinary items and income (linked to Schedule 140)				
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+	19,504	
	Unusual items	9985	–	-131,025	-841,057
	Current income taxes	9990	–	161,711	185,663
	Future (deferred) income tax provision	9995	–	143,000	
	Total – Other comprehensive income	9998	+		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	1,152,374	1,070,150

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Schedule 141

Notes Checklist

Corporation's name	Business number	Tax Year End Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- 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. 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.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI)* and T4012, *T2 Corporation – Income Tax Guide.*
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the accountant who prepared or reported on the financial statements

Does the accountant have a professional designation? . . . . . **095** Yes [X] No [ ]

Is the accountant connected* with the corporation? . . . . . **097** Yes [ ] No [X]

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.

* 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.

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** Yes [ ] 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 [X]

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** Yes [X] No [ ]

If **yes**, complete lines 104 to 107 below:

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

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

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

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

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

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year? . . . . . 200 Yes [ ] No [X]

If **yes**, enter the amount recognized:

		In net income Increase (decrease)		In OCI Increase (decrease)
Property, plant, and equipment	210		211	
Intangible assets	215		216	
Investment property	220			
Biological assets	225			
Financial instruments	230		231	
Other	235		236	

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? . . . . . 250 Yes [ ] No [X]

Did the corporation apply hedge accounting during the tax year? . . . . . 255 Yes [ ] No [X]

Did the corporation discontinue hedge accounting during the tax year? . . . . . 260 Yes [ ] No [X]

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? . . . . . 265 Yes [ ] No [X]

If **yes**, you have to maintain a separate reconciliation.

SCHEDULE 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

Assets – lines 1000 to 2599

1000	582,924	1060	4,045,053	1066	15,429
1120	322,002	1480	2,909,769	1484	131,528
1599	8,006,705	1600	133,497	1680	1,923,592
1681	-393,046	1740	20,915,704	1741	-3,065,782
1785	1,458,004	1786	-576,939	1920	29,358
2008	24,460,155	2009	-4,035,767	2024	474,679
2025	-279,053	2178	474,679	2179	-279,053
2420	1,847,583	2421	277,000	2589	2,124,583
2599	30,751,302				

Liabilities – lines 2600 to 3499

2620	4,345,892	2700	500,846	2960	108,660
2961	180,000	3139	5,135,398	3140	11,053,998
3320	3,567,021	3450	14,621,019	3499	19,756,417

Shareholder equity – lines 3500 to 3640

3500	8,290,714	3580	47,400	3600	2,656,771
3620	10,994,885	3640	30,751,302		

Retained earnings – lines 3660 to 3849

3660	1,998,889	3680	1,152,374	3700	-447,092
3740	-47,400	3849	2,656,771		

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SCHEDULE 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

Description

Sequence number **0003** 01

Revenue – lines 8000 to 8299

8000	33,936,168	8089	33,936,168	8090	37,655
8210	-39,851	8230	375,745	8299	34,309,717

Cost of sales – lines 8300 to 8519

8320	28,490,799	8518	28,490,799	8519	5,445,369

Operating expenses – lines 8520 to 9369

8523	5,186	8670	956,761	8714	418,652
8960	748,590	9270	793,905	9284	1,589,268
9367	4,512,362	9368	33,003,161	9369	1,306,556

Extraordinary items and taxes – lines 9970 to 9999

9970	1,306,556	9980	19,504	9985	-131,025
9990	161,711	9995	143,000	9999	1,152,374

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- 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*.
- All legislative references are to the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 . . . 1,152,374 A

Add:

	Line	Amount	
Provision for income taxes – current	101	161,711	
Provision for income taxes – deferred	102	143,000	
Interest and penalties on taxes	103	622	
Amortization of tangible assets	104	956,761	
Loss on disposal of assets	111	39,851	
Charitable donations and gifts from Schedule 2	112	5,050	
Non-deductible meals and entertainment expenses	121	2,593	
Reserves from financial statements – balance at the end of the year	126	359,084	
Subtotal of additions		1,668,672 ▶	1,668,672

Other additions:

Miscellaneous other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	15,247
2	Paragraph 12(1)(x) - Contributed capital	205,712
3	Paragraph 12(1)(a) - Customer Deposits	866,522
	Total of column 2	1,087,481

▶ 296 1,087,481

	Line	Amount		
Subtotal of other additions	199	1,087,481 ▶	1,087,481	
Total additions	500	2,756,153 ▶	2,756,153	B

Amount A **plus** amount B . . . 3,908,527 C

Deduct:

	Line	Amount	
Capital cost allowance from Schedule 8	403	1,355,116	
Reserves from financial statements – balance at the beginning of the year	414	382,533	
Subtotal of deductions		1,737,649 ▶	1,737,649

Other deductions:

Miscellaneous other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	47,366
2	Deferred CGAAP Credits	150,363
3	2018 ATTC included in income	8,712
4	Subsection 13(7.4) election	205,712
5	Paragraph 20(1)(m) - Customer Deposits	866,522
6	Tax movement in reg account	143,000
7	True up of 2014 ITC income inclusion	2,329
8	OCI gain on employee future benefits	19,504
	Total of column 2	1,443,508

▶ 396 1,443,508

Subtotal of other deductions	499	1,443,508 ▶	1,443,508
Total deductions	510	3,181,157 ▶	3,181,157 D
Net income (loss) for income tax purposes (amount C **minus** amount D)			727,370 E

Enter amount E on line 300 of the T2 return.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Federal

A		
X	Investment tax credit from apprenticeship job creation expenditures	3,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Labour tax credit for qualifying journalism organizations	

Ontario

A		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario co-operative education tax credit	
X	Ontario apprenticeship training tax credit	12,247
	Ontario computer animation and special effects tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario sound recording tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency / Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File one completed copy of this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Various donation slips	5,050
Subtotal	5,050
Add: Total donations of less than $100 each	
Total donations in current tax year	5,050

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			A		
Charitable donations expired after 5 tax years*	239				
Charitable donations at the beginning of the current tax year (amount A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1 Net Income (Loss) for Income Tax Purposes)	210	5,050		5,050	5,050
Subtotal (line 250 **plus** line 210)		5,050	B	5,050	5,050
Subtotal (line 240 **plus** amount B)		5,050	C	5,050	5,050
Adjustment for an acquisition of control	255				
Total charitable donations available (amount C **minus** line 255)		5,050	D	5,050	5,050
Amount applied in the current year against taxable income (cannot be more than amount L in Part 2) (enter this amount on line 311 of the T2 return)	260	5,050		5,050	5,050
Charitable donations closing balance (amount D **minus** line 260)	280				

The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013) . . . . **262** ____________

Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %) . . . . ____________ 1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015) . . . . **263** ____________

Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %) . . . . ____________ 2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016 and before January 1, 2020) . . . . **265** ____________

British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %) . . . . ____________ 3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2017-12-31			
2nd prior year	2016-12-31			
3rd prior year	2015-12-31			
4th prior year	2014-12-31			
5th prior year	2013-12-31			
6th prior year*	2012-12-31			
7th prior year	2011-12-31			
8th prior year	2010-12-31			
9th prior year	2009-12-31			
10th prior year				
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes* **multiplied** by 75 % .... 545,528 E

Taxable capital gains arising in respect of gifts of capital property included in Part 1 ** .... 225 ______

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) .... 227 ______

The amount of the recapture of capital cost allowance in respect of charitable donations .... 230 ______

Proceeds of disposition, **less** outlays and expenses** .... ______ F

Capital cost** .... ______ G

Amount F or G, whichever is less .... 235 ______

Amount on line 230 or 235, whichever is less .... ______ H

Subtotal (**add** line 225, 227, and amount H) ______ I

Amount I **multiplied** by 25 % ______ J

Subtotal (amount E **plus** amount J) 545,528 K

Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K, or net income for tax purposes, whichever is less) .... 5,050 L

* For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

** This amount must be prorated by the following calculation: eligible amount of the gift **divided by** the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

		Federal		Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			M		
Gifts of certified cultural property expired after 5 tax years*	439				
Gifts of certified cultural property at the beginning of the current tax year (amount M **minus** line 439)	440				
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450				
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410				
Subtotal (line 450 **plus** line 410)			N		
Subtotal (line 440 **plus** amount N)			O		
Adjustment for an acquisition of control	455				
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460				
Subtotal (line 455 **plus** line 460)			P		
Gifts of certified cultural property closing balance (amount O **minus** amount P)	480				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2017-12-31			
2nd prior year	2016-12-31			
3rd prior year	2015-12-31			
4th prior year	2014-12-31			
5th prior year	2013-12-31			
6th prior year*	2012-12-31			
7th prior year	2011-12-31			
8th prior year	2010-12-31			
9th prior year	2009-12-31			
10th prior year				
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			Q		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount Q **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			R		
Subtotal (line 540 **plus** amount R)			S		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			T		
Gifts of certified ecologically sensitive land closing balance (amount S **minus** amount T)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2017-12-31			
2nd prior year	2016-12-31			
3rd prior year	2015-12-31			
4th prior year	2014-12-31			
5th prior year	2013-12-31			
6th prior year*	2012-12-31			
7th prior year	2011-12-31			
8th prior year	2010-12-31			
9th prior year	2009-12-31			
10th prior year				
11th prior year*				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

	Line	Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year			U		
Additional deduction for gifts of medicine expired after 5 tax years*	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount U **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				
Additional deduction for gifts of medicine made before March 22, 2017:					
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			V		
Amount V **multiplied** by 50 %			W		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

where:

a is the **lesser** of line 601 and amount W

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

	Line	Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			X		
Subtotal (line 640 **plus** amount X)			Y		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			Z		
Additional deduction for gifts of medicine closing balance (amount Y **minus** amount Z)	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2017-12-31			
2nd prior year	2016-12-31			
3rd prior year	2015-12-31			
4th prior year	2014-12-31			
5th prior year	2013-12-31			
6th prior year*	2012-12-31			
7th prior year	2011-12-31			
8th prior year	2010-12-31			
9th prior year	2009-12-31			
10th prior year				
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2017-12-31	
2nd prior year	2016-12-31	
3rd prior year	2015-12-31	
4th prior year	2014-12-31	
5th prior year	2013-12-31	
6th prior year*	2012-12-31	
7th prior year	2011-12-31	
8th prior year	2010-12-31	
9th prior year	2009-12-31	
10th prior year		
11th prior year		
12th prior year		
13th prior year		
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d); or
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3).
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A recipient corporation is **connected** with a payer corporation at any time in a tax year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends received from a foreign source.
- Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H and I **only if** the payer corporation is **connected.**

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing column J and K use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business Number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			
					Total of column E (enter amount on line 402 of Schedule 1)	

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d)note 1 240	F1	G Eligible dividends included in column F 242	H Total taxable dividends paid by **connected** payer corporation (for tax year in column D) 250	I Dividend refund of the **connected** payer corporation (for tax year in column D)note 2 260	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3%note 3 265	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3%note 4 275
1							

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B)			1A
Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B)			1B
Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 Return)			1C
Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B)			1D
Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B)			1E
Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B)		1F	
Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B)		1G	
Subtotal (amount 1F **plus** amount 1G)		▶	1H
Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B)		1I	
Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B)		1J	
Subtotal (amount 1I **plus** amount 1J)		▶	1K
Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K)			1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column F.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320			
Subtotal (amount 2A **minus** line 320)			▶	2B
Current-year non-capital loss claimed to reduce Part IV tax	330			
Non-capital losses from previous years claimed to reduce Part IV tax	335			
Current-year farm loss claimed to reduce Part IV tax	340			
Farm losses from previous years claimed to reduce Part IV tax	345			
Total losses applied against Part IV tax (total of lines 330 to 345)			2C	
Amount 2C **multiplied** by 38 1/3 %				2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0")			360	

(enter amount on line 712 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations note 5 (amount 1F in part 1)		2E
Amount 4A from Schedule 43		2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E minus amount 2F, if negative enter "0")		2G

(enter at amount L on page 7 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)		2H
Amount 4C from Schedule 43		2I
Part IV tax payable on eligible dividends received from non-connected corporations (amount 2H minus amount 2I, if negative enter "0")		2J

(enter at amount M on page 7 of the T2 return)

5 To the extent of a dividend refund to the connected payer corporation from its eligible refundable dividend tax on hand (ERDTOH). Otherwise, the amount 2E is nil.

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of connected recipient corporation 400	M Business Number 410	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD 420	O Taxable dividends paid to connected corporations 430	P Eligible dividends included in column O 440
1	Corporation of the town of Orangeville	10698 6151 RC0001	2018-12-31	422,502	
2					
				422,502 (Total of column O)	(Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations			450	24,590
Eligible dividends included in line 450	455			
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)			460	447,092
Total eligible dividends paid in the tax year (total of column P **plus** line 455)			465	
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)			470	447,092

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	171,385	3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)				447,092	
Other dividends paid in the tax year (total of 510 to 540)					
Total dividends paid in the tax year			500	447,092	
Dividends paid out of capital dividend account	510				
Capital gains dividends	520				
Dividends paid on shares described in subsection 129(1.2)	530				
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540				
Subtotal (total of lines 510 to 540)			►		4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)				447,092	4B

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

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** Yes [ ] No [X]

	1 Class number * See note 1 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) See note 2 203	4 Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) See note 3 225	5 Adjustments and transfers See note 4 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6 222	8 Proceeds of dispositions See note 7 207	For tax years ending before November 21, 2018: 50% rule (1/2 of net acquisitions) 211
1.	1	Buildings	8,669,082						0	
2.	8	Equipment	115,855	51,451	996				0	
3.	10	Trucks	197,361	293,225	1,051				8,000	
4.	12	Computer Software	26,941	22,371		-44,758			0	
5.	45	Computer equipment	43						0	
6.	47	Electric Distribution Equipment	9,699,544	1,131,362	678,373	-314,295			20,036	
7.	50	Computer equipment	19,712	13,899	4,769	-4,851			286	
8.	43.2	Solar Generation	879						0	
9.	14.1		133,072						0	
10.	1b		6,439						0	
11.	1b	2018 Addition		69,750	20,310				0	
12.	95	CIP		29,360					0	
		Totals	18,868,928	1,611,418	705,499	-363,904			28,322	

	1 Class number * See note 1 200	Des-crip-tion	9 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See note 8	10 Proceeds of disposition available to reduce the UCC of AIIP (column 8 **plus** column 6 **minus** column 3 **plus** column 4 **minus** column 7) (if negative, enter "0")	11 Net capital cost additions of AIIP acquired during the year (column 4 **minus** column 10) (if negative, enter "0")	12 UCC adjustment for AIIP acquired during the year (column 11 **multiplied** by the relevant factor) See note 9	13 UCC adjustment for non-AIIP acquired during the year (0.5 **multiplied** by the result of column 3 **minus** column 4 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") See note 10 224	14 CCA rate % See note 11 212	15 Recapture of CCA See note 12 213	16 Terminal loss See note 13 215	17 CCA (for declining balance method, the result of column 9 **plus** column 12 **minus** column 13, **multiplied** by column 14 or a lower amount) See note 14 217	18 UCC at the end of the year (column 9 **minus** column 17) 220
1.	1	Buildin	8,669,082					4	0	0	346,763	8,322,319
2.	8	Equipn	167,306		996	498	25,228	20	0	0	28,515	138,791
3.	10	Trucks	482,586		1,051	526	142,087	30	0	0	102,308	380,278
4.	12	Compu	4,554				11,186	100	0	0		4,554
5.	45	Compu	43					45	0	0	19	24
6.	47	Electric	10,496,575		678,373	339,187	216,477	8	0	0	849,543	9,647,032
7.	50	Compu	28,474		4,769	2,385	4,422	55	0	0	14,540	13,934
8.	43.2	Solar G	879					50	0	0	440	439
9.	14.1		133,072					5	0	0	9,291	123,781
10.	1b		6,439					6	0	0	386	6,053
11.	1b	2018 A	69,750		20,310	10,155	24,720	6	0	0	3,311	66,439
12.	95	CIP	29,360				14,680	0	0	0		29,360
		Totals	20,088,120		705,499	352,751	438,800				1,355,116	18,733,004

Enter the total of column 15 on line 107 of Schedule 1.
Enter the total of column 16 on line 404 of Schedule 1.
Enter the total of column 17 on line 403 of Schedule 1.

Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).

Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 3. An accelerated investment incentive property (AIIP) is a property (other than property included in Class 54 or 55) that you acquired after November 20, 2018 and became available for use before 2028. See the T2 Corporation Income Tax Guide for more information. Classes 54 and 55 include property that is a zero-emission vehicle you acquired after March 18, 2019 and became available for use before 2028.

Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:

- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
- an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b).

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).

Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 9. The relevant factors for AIIP of a class in Schedule II and for property included in classes 54 and 55, available for use before 2024, are:

- 2 1/3 for property in Classes 43.1 and 54;
- 1 1/2 for property in Class 55;
- 1 for property in Classes 43.2 and 53;
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information); and
- 0.5 for all other property that is AIIP.

Note 10. The UCC adjustment for non-AIIP acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.

Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.

Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:

- passenger vehicles in Class 10.1;
- property in Class 14.1, unless you have ceased carrying on the business to which it relates; or
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply.

Note 14. 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:

- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction).
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC a the end of the tax year (before any CCA deduction).
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction).
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction).
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2 (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.
- Property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit: 150% of the amount determined by first subtracting the total of the residual value of the timber limit and all amounts you expended for the 1949 or later tax years for surveys, cruises or preparation of prints, maps or plans for the purpose of obtaining a licence or right to cut timber from the capital cost of the limit or right, and then dividing the result by the quantity of timber in the limit or the quantity of timber you have the right to cut.
- Industrial mineral mine or a right to remove industrial minerals from an industrial mineral mine: 150% of the amount determined by first subtracting the residual value, if any, of the mine or right from the capital cost of the mine or right, and then dividing the result by the number of units of commercially mineable material estimated to be in the mine when the mine or right was acquired (alternatively, if you have acquired a right to remove only a specified number of units, that number of units that you acquired a right to remove).

Fixed Assets Reconciliation

Reconciliation of change in fixed assets per financial statements to amounts used per tax return.

Tax return

Additions for tax purposes – Schedule 8 regular classes		1,611,418		
Additions for tax purposes – Schedule 8 leasehold improvements	+			
Operating leases capitalized for book purposes	+			
Capital gain deferred	+			
Recapture deferred	+			
Deductible expenses capitalized for book purposes – Schedule 1	+			
Other (specify):				
Contributed capital - Subsection 13(7.4) election	+	205,712		
Less: beg WIP balance	+	-23,029		
Total additions per books	=	1,794,101	▶	1,794,101
Proceeds up to original cost – Schedule 8 regular classes		28,322		
Proceeds up to original cost – Schedule 8 leasehold improvements	+			
Proceeds in excess of original cost – capital gain	+			
Recapture deferred – as above	+			
Capital gain deferred – as above	+			
Pre V-day appreciation	+			
Other (specify):				
	+			
Total proceeds per books	=	28,322	▶ –	28,322
Depreciation and amortization per accounts – Schedule 1			–	956,761
Loss on disposal of fixed assets per accounts			–	39,851
Gain on disposal of fixed assets per accounts			+	
Net change per tax return			=	769,167

Financial statements

Fixed assets (excluding land) per financial statements

Closing net book value		20,373,399
Opening net book value	–	19,604,232
Net change per financial statements	=	769,167

If the amounts from the tax return and the financial statements differ, explain why below.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name	Country of residence (other than Canada)	Business number (see note 1)	Relationship code (see note 2)	Number of common shares you own	% of common shares you own	Number of preferred shares you own	% of preferred shares you own	Book value of capital stock
	100	200	300	400	500	550	600	650	700
1.	Corporation of the Town of Orange\		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	30,000		30,000	30,000	30,000
2	Employee Future Benefits	352,533		-23,449		329,084
3						
	Reserves from Part 2 of Schedule 13					
	Totals	382,533		6,551	30,000	359,084

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year is required to file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)

2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation

3 – Non-CCPC that is a **third corporation**

4 – Associated non-CCPC

5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . **025** Year Month Day

Enter the calendar year to which the agreement applies . . . . . **050** Year 2018

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . **075** ☐ Yes ☒ No

	1 Name of associated corporations **100**	2 Business number of associated corporations **200**	3 Association code **300**	4 Business limit for the year before the allocation $	5 Percentage of the business limit % **350**	6 Business limit allocated* $ **400**
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gra	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000		
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000 A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (D - $10,000,000). Details of this formula and variable D are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year, whichever is less.

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Schedule 31

Investment Tax Credit – Corporations

General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year;
  - to claim a deduction against Part I tax payable;
  - to claim a refund of credit earned during the current tax year;
  - to claim a carryforward of credit from previous tax years;
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1);
  - to request a credit carryback to one or more previous years;
  - if you are subject to a recapture of ITC; or
  - if you are claiming:
    - the **Ontario Research and Development Tax Credit**;
    - the **Ontario Innovation Tax Credit.**
- Unless otherwise stated, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that earn an ITC are:
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule);
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, *Scientific Research and Experimental Development (SR&ED) Expenditures Claim*;
  - pre-production mining expenditures (Parts 18 to 20);
  - apprenticeship job creation expenditures (Parts 21 to 23); and
  - child care spaces expenditures (Parts 24 to 28).
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the investment tax credit. If you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.
- File this schedule with the *T2 Corporation Income Tax Return*. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, *T2 Corporation – Income Tax Guide* and read Information Circular IC78-4, *Investment Tax Credit Rates*, and its related Special Release.
- For more information on SR&ED, see guide T4088, *Guide to Form T661 – Scientific Research and Experimental Development (SR&ED) Expenditures Claim*.

Detailed information

- 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 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.
- An ITC deducted or refunded in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax 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 tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be **available for use** before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- 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 tax year in which it incurred the expenditures or capital costs.
- Expenditures for pre-production mining, apprenticeship, or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- 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 is not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners. For more information, see Guide T4068, *Guide for the Partnership Information Return*.
- For tax purposes**,** Canada includes the **exclusive economic zone of Canada** as defined in the *Oceans Act* (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).
- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and if acquired by the taxpayer **after** March 28, 2012, new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.

Detailed information (continued)

- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining exploration expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to determine the existence, location, extent, or quality of certain mineral resources in Canada, excluding expenses incurred in the exploration of an oil or gas well. See subparagraph (a)(i) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining development expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to bring a new mineral resource mine in Canada into production, excluding expenses in the development of a bituminous sands deposit or an oil shale deposit. See subparagraph (a)(ii) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.

Part 1 – Investments, expenditures, and percentages

Investments	**Specified percentage**
Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
– after March 28, 2012, and before 2014	10 %
– after 2013 and before 2016	5 %
– after 2015*	0 %
Expenditures	
If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than your expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 15 % rate.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada:	
– before 2014**	20 %
– after 2013**	15 %
If you are a taxable Canadian corporation that incurred pre-production mining expenditures before March 29, 2012	10 %
If you are a taxable Canadian corporation that incurred pre-production mining exploration expenditures:	
– after March 28, 2012, and before 2013	10 %
– in 2013	5 %
– after 2013	0 %
If you are a taxable Canadian corporation that incurred pre-production mining development expenditures***:	
– after March 28, 2012, and before 2014	10 %
– in 2014	7 %
– in 2015	4 %
– after 2015	0 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %
If you incurred expenditures after March 18, 2007 and before March 22, 2017 (or before 2020 if you entered into a written agreement before March 22, 2017) for the creation of licensed child care spaces for the children of your employees and, potentially, for other children	25 %

* A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.

** The reduction of the rate from 20% to 15% applies to 2014 and later tax years, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.

*** A transitional relief rate may apply to expenditures incurred after 2013 and before 2016, if the expenditure is incurred under a written agreement entered into before March 29, 2012, or the expenditure is incurred as part of the development of a new mine where the construction or the engineering and design work for the construction of the new mine started before March 29, 2012. See subparagraphs (k)(ii) and (iii) of the definition of **specified percentage** in subsection 127(9) for more information.

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

Part 2 – Determination of a qualifying corporation

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

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

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered **not** associated for the calculation of a refundable ITC if:

- 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.

* Capital expenditures incurred after December 31, 2013, including lease payments for property that would have been a capital expenditure if purchased directly, are **not** qualified SR&ED expenditures and are **not** eligible for an ITC on SR&ED expenditures.

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.

Contributions to agricultural organizations for SR&ED* . . . . **103** ______
Enter on line 350 of Part 8.

* Enter only contributions not already included on Form T661.
Include 80% of the contributions made **after** 2012. For contributions made **before** 2013, include all of the contributions.

Qualified Property and Qualified Resource Property

Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

Capital cost allowance class number **105**	Description of investment **110**	Date available for use **115**	Location used in Atlantic Canada (province) **120**	Amount of investment **125**

Total of investments for qualified property and qualified resource property ______ A1

Part 5 – Current-year credit and account balances – ITC from investments in qualified property and qualified resource property

ITC at the end of the previous tax year				B1
Credit deemed as a remittance of co-op corporations	210			
Credit expired	215			
Subtotal (line 210 **plus** line 215)			▶	C1
ITC at the beginning of the tax year (amount B1 **minus** amount C1)			220	
Credit transferred on an amalgamation or the wind-up of a subsidiary	230			
ITC from repayment of assistance	235			
Qualified property; and qualified resource property acquired after March 28, 2012, and before January 1, 2014* (applicable part from amount A1 in Part 4) ________ x 10 % =	240			
Qualified resource property acquired after December 31, 2013, and before January 1, 2016 (applicable part from amount A1 in Part 4) ________ x 5 % =	242			
Credit allocated from a partnership	250			
Subtotal (total of lines 230 to 250)			▶	D1
Total credit available (line 220 **plus** amount D1)				E1
Credit deducted from Part I tax	260			
Credit carried back to previous years (amount H1 in Part 6)		a		
Credit transferred to offset Part VII tax liability	280			
Subtotal (total of line 260, amount a, and line 280)			▶	F1
Credit balance before refund (amount E1 **minus** amount F1)				G1
Refund of credit claimed on investments from qualified property and qualified resource property (from Part 7)			310	
ITC closing balance of investments from qualified property and qualified resource property (amount G1 **minus** line 310)			320	

* Include investments acquired after 2013 and before 2017 that are eligible for transitional relief.

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

	Year	Month	Day			
1st previous tax year				Credit to be applied	901	
2nd previous tax year				Credit to be applied	902	
3rd previous tax year				Credit to be applied	903	
				Total of lines 901 to 903 Enter at amount a in Part 5.		H1

Part 7 – Refund of ITC for qualifying corporations on investments from qualified property and qualified resource property

Current-year ITCs (total of lines 240, 242, and 250 in Part 5)		I1
Credit balance before refund (from amount G1 in Part 5)		J1
Refund (40 % of amount I1 or J1, whichever is less)		K1

Enter amount K1 or a lesser amount on line 310 in Part 5 (also enter on line 780 of the T2 return if you do not claim an SR&ED ITC refund).

SR&ED

Part 8 – Qualified SR&ED expenditures

Current expenditures (from line 557 on Form T661)				
Contributions to agricultural organizations for SR&ED				
Deduct:				
Government assistance, non-government assistance, or contract payment				
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*		+ ▶		
Current expenditures (line 557 on Form T661 **plus** line 103 in Part 3)*			350	
Capital expenditures incurred **before** 2014 (from line 558 on Form T661)**			360	
Repayments made in the year (from line 560 on Form T661)			370	
Qualified SR&ED expenditures (total of lines 350 to 370)			380	

* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.

** Capital expenditures incurred after December 31, 2013, are not qualified SR&ED expenditures. Capital cost allowance can be claimed for depreciable property acquired for use in SR&ED after 2013.

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

Part 9 only applies if you are a CCPC.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if:

- 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 [X]

If you answered **no** to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398.
If you answered **yes**, the amounts for associated corporations will be determined on Schedule 49.

Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied)		390	694,911
Enter your taxable capital employed in Canada for the previous tax year minus $10 million. If this amount is nil or negative, enter "0". If this amount is over $40 million, enter $40 million	10,289,603	398	289,603

* If the tax year referred to on line 390 is less than 51 weeks, **multiply** the taxable income by the following result: 365 **divided** by the number of days in that tax year.

Part 10 – SR&ED expenditure limit for a CCPC

For a stand-alone (not associated) corporation:		$ 8,000,000	
Taxable income for the previous tax year (line 390 in Part 9) or $500,000, whichever is more	694,911 x 10 =	6,949,110	A2
Excess ($8,000,000 **minus** amount A2 if the taxation year ends before March 19, 2019; otherwise, enter $3,000,000) (if negative, enter "0")*		1,050,890	B2
$ 40,000,000 **minus** line 398 in Part 9	39,710,397 b		
Amount b **divided** by $ 40,000,000		0.99276	C2
Expenditure limit for the stand-alone corporation (amount B2 **multiplied** by amount C2)**		1,043,282	D2
For an associated corporation:			
If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49**	400		E2
If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:			
Amount D2 or E2 ____ x Number of days in the tax year / 365	365 =		F2
Your SR&ED expenditure limit for the year (enter amount D2, E2, or F2, whichever applies)	410	1,043,282	

* For taxation years ending after March 18, 2019, the taxable income is no longer taken into account in the SR&ED expenditure limit calculation. For more information, consult the Help (F1).

**Amount D2 or E2 cannot be more than $3,000,000.

Part 11 – Investment tax credits on SR&ED expenditures

Current expenditures (from line 350 in Part 8) or the expenditure limit (from line 410 in Part 10), whichever is less* . . . . **420** ______ x 35 % = ______ G2

Line 350 **minus** line 410 (if negative, enter "0") . . . . **430** ______

Amount from line 430 ______ x Number of days in the tax year before 2014 / Number of days in the tax year ______ x 20% = ______ c

Amount from line 430** ______ x Number of days in the tax year after 2013 / Number of days in the tax year 365 / 365 x 15 % = ______ d

Subtotal (amount c **plus** amount d) . . . . ______ ▶ ______ H2

Line 410 **minus** line 350 (if negative, enter "0") . . . . 1,043,282 e

Capital expenditures (line 360 in Part 8) or amount e, whichever is less* . . . . **440** ______ x 35 % = ______ I2

Line 360 **minus** amount e (if negative, enter "0") . . . . **450** ______

Amount from line 450 ______ x Number of days in the tax year before 2014 / Number of days in the tax year ______ x 20% = ______ f

Amount from line 450** ______ x Number of days in the tax year after 2013 / Number of days in the tax year 365 / 365 x 15 % = ______ g

Subtotal (amount f **plus** amount g) . . . . ______ ▶ ______ J2

If a corporation makes a repayment of any government or 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.

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

Enter the amount of the repayment on the line that corresponds to the appropriate rate.

Repayment of assistance that reduced a qualifying expenditure for a CCPC*** . . . . **460** ______ x 35 % = ______ h

Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015 . . . . **480** ______ x 20 % = ______ i

Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred after 2014 . . . . . **490** ______ x 15 % = ______ j

Subtotal (**add** amounts h to j) ______ ▶ ______ K2

Current-year SR&ED ITC (total of amounts G2 to K2; enter on line 540 in Part 12) . . . . ______ L2

* For corporations that are not CCPCs, enter "0" for amounts G2 and I2.

** For tax years that end after 2013, the general SR&ED ITC rate is reduced from 20% to 15%, except that, for 2014 tax years that start **before** 2014, the reduction is pro-rated based on the number of days in the tax year that are **after** 2013. For tax years that have a start date **after** 2013, **multiply** the amount by 15%.

*** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), **additions to investment tax credit**. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as appropriate.

Part 12 – Current-year credit and account balances – ITC from SR&ED expenditures

ITC at the end of the previous tax year				M2
Credit deemed as a remittance of co-op corporations	510			
Credit expired	515			
Subtotal (line 510 **plus** line 515)			▶	N2
ITC at the beginning of the tax year (amount M2 **minus** amount N2)			520	
Credit transferred on an amalgamation or the wind-up of a subsidiary	530			
Total current-year credit (from amount L2 in Part 11)	540			
Credit allocated from a partnership	550			
Subtotal (total of lines 530 to 550)			▶	O2
Total credit available (line 520 **plus** amount O2)				P2
Credit deducted from Part I tax	560			
Credit carried back to previous years (amount S2 in Part 13)			k	
Credit transferred to offset Part VII tax liability	580			
Subtotal (total of line 560, amount k, and line 580)			▶	Q2
Credit balance before refund (amount P2 **minus** amount Q2)				R2
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15, whichever applies)			610	
ITC closing balance on SR&ED (amount R2 **minus** line 610)			620	

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

	Year	Month	Day			
1st previous tax year				Credit to be applied	911	
2nd previous tax year				Credit to be applied	912	
3rd previous tax year				Credit to be applied	913	
				Total of lines 911 to 913 Enter at amount k in Part 12.		S2

Part 14 – Refund of ITC for qualifying corporations – SR&ED

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

Is the corporation an excluded corporation as defined under subsection 127.1(2)?	650	1 Yes [ ]	2 No [X]
Current-year ITC (lines 540 **plus** 550 in Part 12 **minus** amount K2 in Part 11)			I
Refundable credits (amount I or amount R2 in Part 12, whichever is less)*			T2
Amount T2 or amount G2 in Part 11, whichever is less			U2
Net amount (amount T2 **minus** amount U2; if negative, enter "0")			V2
Amount V2 **multiplied** by 40 %			W2
Amount U2			X2
Refund of ITC (amount W2 **plus** amount X2 – enter this, or a lesser amount, on line 610 in Part 12)			Y2

Enter the total of line 310 in Part 5 and line 610 in 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 must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y2.

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

Complete this part only if you are a CCPC that is not a qualifying or excluded corporation as determined on line 101 in Part 2.

Credit balance before refund (amount R2 in Part 12)	Z2
Amount Z2 or amount G2 in Part 11, whichever is less	AA2
Net amount (amount Z2 **minus** amount AA2; if negative, enter "0")	BB2
Amount BB2 or amount I2 in Part 11, whichever is less	CC2
Amount CC2 **multiplied** by 40 %	DD2
Amount AA2	EE2
Refund of ITC (amount DD2 **plus** amount EE2)	FF2

Enter FF2, or a lesser amount, on line 610 in Part 12 and also on line 780 of the T2 return.

Recapture – SR&ED

Part 16 – Recapture of ITC for corporations and 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 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008;
- 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 calculating 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 that 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 tax 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

Subtotal Enter at amount C3 in Part 17. ______ A3

Calculation 2 – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil on line B3.

A Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement 720	B 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 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	D Amount determined by the formula (A x B) – C	E ITC earned by the transferee for the qualified expenditures that were transferred 750	F Amount from column D or E, whichever is less

Subtotal (total of column F) Enter at amount D3 in Part 17. ______ B3

Part 16 – Recapture of ITC for corporations and partnerships – SR&ED (continued)

Calculation 3

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED 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 enough 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 760.

Corporate partner's share of the excess of SR&ED ITC **760** ______
Enter at amount E3 in Part 17.

Part 17 – Total recapture of SR&ED investment tax credit

Recaptured ITC from calculation 1, amount A3 in Part 16		C3
Recaptured ITC from calculation 2, amount B3 in Part 16		D3
Recaptured ITC from calculation 3, line 760 in Part 16		E3
Total recapture of SR&ED investment tax credit (total of amounts C3 to E3) Enter at amount A8 in Part 29.		F3

Pre-Production Mining

Part 18 – 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 tax year.

For each of the minerals reported in column 800, identify each project (in column 805), mineral title (in column 806), and mining division (in column 807) where title is registered. If there is no mineral title, identify only the project and mining division.

List of minerals 800	Project name 805

Mineral title 806	Mining division 807

Pre-production mining expenditures*

Exploration:

Pre-production mining expenditures that you incurred in the tax year (**before** January 1, 2014) for the purpose of determining the existence, location, extent, or quality of a mineral resource in Canada:

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

Development:

Pre-production mining expenditures incurred in the tax year 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		
Sinking a mine shaft, constructing an adit, or other underground entry	821		

Other pre-production mining expenditures incurred in the tax year:

Description 825	Amount 826
Total of column 826	

Total of column 826 ►			A4
Total pre-production mining expenditures (total of lines 810 to 821 and amount A4)	830		
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 on line 830 above	832		
Excess (line 830 **minus** line 832) (if negative, enter "0")			B4
Repayments of government and non-government assistance	835		
Pre-production mining expenditures (amount B4 **plus** line 835)			C4

* A pre-production mining expenditure is defined under subsection 127(9).

Part 19 – Current-year credit and account balances – ITC from pre-production mining expenditures

ITC at the end of the previous tax year			D4
Credit deemed as a remittance of co-op corporations	841		
Credit expired	845		
Subtotal (line 841 **plus** line 845)		▶	E4
ITC at the beginning of the tax year (amount D4 **minus** amount E4)	850		
Credit transferred on an amalgamation or the wind-up of a subsidiary	860		
Pre-production mining expenditures* incurred before January 1, 2013 (applicable part from amount C4 in Part 18)	870	x 10 % =	m
Pre-production mining exploration expenditures** incurred in 2013 (applicable part from amount C4 in Part 18)	872	x 5 % =	n
Pre-production mining development expenditures incurred in 2014 (applicable part from amount C4 in Part 18)	874	x 7 % =	o
Pre-production mining development expenditures incurred in 2015 (applicable part from amount C4 in Part 18)	876	x 4 % =	p
Current year credit (total of amounts m to p)	880	▶	F4
Total credit available (total of lines 850, 860, and amount F4)			G4
Credit deducted from Part I tax	885		
Credit carried back to previous years (amount I4 in Part 20)			q
Subtotal (line 885 **plus** amount q)		▶	H4
ITC closing balance from pre-production mining expenditures (amount G4 **minus** amount H4)	890		

* Also include pre-production mining development expenditures incurred before 2014 and pre-production mining development expenditures incurred after 2013 and before 2016 that are eligible for transitional relief.

** Also include pre-production mining development expenditures incurred in 2015 if the expense is described in subparagraph (a)(ii) of the definition **pre-production mining expenditure** in subsection 127(9) of the Act because of paragraph (g.4) of the definition **Canadian exploration expense** in subsection 66.1(6) of the Act.

Part 20 – Request for carryback of credit from pre-production mining expenditures

	Year Month Day			
1st previous tax year		Credit to be applied	921	
2nd previous tax year		Credit to be applied	922	
3rd previous tax year		Credit to be applied	923	
		Total of lines 921 to 923 Enter at amount q in Part 19.		I4

Apprenticeship Job Creation

Part 21 – Total current-year credit – ITC from apprenticeship job creation expenditures

If you are a related person as defined under subsection 251(2), has it been agreed in writing that you are the only employer who will be claiming the apprenticeship job creation tax credit for this tax year for each apprentice whose contract number (or social insurance number (SIN) or name) appears below? (If not, you cannot claim the tax credit.) **611** 1 Yes ☐ 2 No ☐

For each apprentice in their first 24 months of the apprenticeship, enter the apprenticeship contract number registered with Canada, or a province or territory, under an apprenticeship program designed to certify or license individuals in the trade. For the province, the trade must be a Red Seal trade. If there is no contract number, enter the SIN or the name of the eligible apprentice.

	A Contract number (SIN or name of apprentice) 601	B Name of eligible trade 602	C Eligible salary and wages* 603	D Column C x 10 % 604	E Lesser of column D or $ 2,000 605
1.	SYS045899	Powerline Technician	90,927	9,093	2,000

	A Contract number (SIN or name of apprentice) 601	B Name of eligible trade 602	C Eligible salary and wages* 603	D Column C x 10 % 604	E Lesser of column D or $ 2,000 605	
2.	SYS089443	Powerline Technician	17,556	1,756	1,756	
				Total current-year credit (total of column E) Enter on line 640 in Part 22.	3,756	A5

* Other than qualified expenditure incurred, and net of any other government or non-government assistance received or to be received. **Eligible salary and wages**, and **qualified expenditures** are defined under subsection 127(9).

Part 22 – Current-year credit and account balances – ITC from apprenticeship job creation expenditures

	Line	Amount		Amount	
ITC at the end of the previous tax year					B5
Credit deemed as a remittance of co-op corporations	612				
Credit expired after 20 tax years	615				
Subtotal (line 612 **plus** line 615)			▶		C5
ITC at the beginning of the tax year (amount B5 **minus** amount C5)			625		
Credit transferred on an amalgamation or the wind-up of a subsidiary	630				
ITC from repayment of assistance	635				
Total current-year credit (amount A5 in Part 21)	640	3,756			
Credit allocated from a partnership	655				
Subtotal (total of lines 630 to 655)		3,756	▶	3,756	D5
Total credit available (line 625 **plus** amount D5)				3,756	E5
Credit deducted from Part I tax	660				
Credit carried back to previous years (amount G5 in Part 23)			r		
Subtotal (line 660 **plus** amount r)			▶		F5
ITC closing balance from apprenticeship job creation expenditures (amount E5 **minus** amount F5)			690	3,756	

Part 23 – Request for carryback of credit from apprenticeship job creation expenditures

	Year	Month	Day		Line	Amount	
1st previous tax year				Credit to be applied	931		
2nd previous tax year				Credit to be applied	932		
3rd previous tax year				Credit to be applied	933		
				Total of lines 931 to 933 Enter at amount r in Part 22.			G5

Child Care Spaces

Part 24 – Eligible child care spaces expenditures

Enter the eligible expenditures that you incurred after March 18, 2007 and before March 22, 2017***** to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property); and
- the specified child care start-up expenditures.

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

Cost of depreciable property from the current tax year

	Capital cost allowance class number 665	Description of investment 675	Date available for use 685	Amount of investment 695
1.				

Total cost of depreciable property from the current tax year (total of column 695) 715 ____

Specified child care start-up expenditures from the current tax year . . . . 705 ____

Total gross eligible expenditures for child care spaces (line 715 **plus** line 705) . . . . ____ A6

Total of all assistance (including 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 in amount A6 . . . . 725 ____

Excess (amount A6 **minus** line 725) (if negative, enter "0") . . . . ____ B6

Repayments by the corporation of government and non-government assistance . . . . 735 ____

Total eligible expenditures for child care spaces (amount B6 **plus** line 735) . . . . 745 ____

* If you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.

Part 25 – Current-year credit – ITC from child care spaces expenditures

The credit is equal to 25% of eligible child care spaces expenditures incurred to a maximum of $10,000 per child care space created in a licensed child care facility.

Eligible expenditures (from line 745 in Part 24) . . . . ____ x 25 % = ____ C6

Number of child care spaces . . . . 755 ____ x $ 10,000 = ____ D6

ITC from child care spaces expenditures (amount C6 or D6, whichever is less) . . . . ____ E6

Part 26 – Current-year credit and account balances – ITC from child care spaces expenditures

ITC at the end of the previous tax year				F6
Credit deemed as a remittance of co-op corporations	765			
Credit expired after 20 tax years	770			
Subtotal (line 765 **plus** line 770)			▶	G6
ITC at the beginning of the tax year (amount F6 **minus** amount G6)			775	
Credit transferred on an amalgamation or the wind-up of a subsidiary	777			
Total current-year credit (amount E6 in Part 25)	780			
Credit allocated from a partnership	782			
Subtotal (total of lines 777 to 782)			▶	H6
Total credit available (line 775 **plus** amount H6)				I6
Credit deducted from Part I tax	785			
Credit carried back to previous years (amount K6 in Part 27)			s	
Subtotal (line 785 **plus** amount s)			▶	J6
ITC closing balance from child care spaces expenditures (amount I6 **minus** amount J6)			790	

Part 27 – Request for carryback of credit from child care space expenditures

	Year Month Day			
1st previous tax year	2017-12-31	Credit to be applied	941	
2nd previous tax year	2016-12-31	Credit to be applied	942	
3rd previous tax year	2015-12-31	Credit to be applied	943	

Total of lines 941 to 943
Enter at amount s in Part 26. K6

Recapture – Child Care Spaces

Part 28 – Recapture of ITC for corporations and partnerships – Child care spaces

The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property:

- the new child care space is no longer available; or
- property that was an eligible expenditure for the child care space is:
  - disposed of or leased to a lessee; or
  - converted to another use.

If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a)) . . . . **792** ______

In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:

The amount that can reasonably be considered to have been included in the original ITC . . . . **795** ______

25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property . . . . **797** ______

Amount from line 795 or line 797, whichever is less . . . . ______ A7

Partnerships

As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 26. However, if the partnership does not have enough 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 799 below.

Corporate partner's share of the excess of ITC **799** ______

Total recapture of child care spaces investment tax credit (total of line 792, amount A7, and line 799) . . . . ______ B7
Enter at amount B8 in Part 29.

Summary of Investment Tax Credits

Part 29 – Total recapture of investment tax credit

Recaptured SR&ED ITC (amount F3 in Part 17) . . . . ______ A8

Recaptured child care spaces ITC (amount B7 in Part 28) . . . . ______ B8

Total recapture of investment tax credit (amount A8 **plus** amount B8) . . . . ______ C8
Enter on line 602 of the T2 return.

Part 30 – Total ITC deducted from Part I tax

ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5) . . . . ______ D8

ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12) . . . . ______ E8

ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 19) . . . . ______ F8

ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 22) . . . . ______ G8

ITC from child care space expenditures deducted from Part I tax (line 785 in Part 26) . . . . ______ H8

Total ITC deducted from Part I tax (total of amounts D8 to H8) . . . . ______ I8
Enter on line 652 of the T2 return.

Summary of Investment Tax Credit Carryovers

Continuity of investment tax credit carryovers

CCA class number 97 Apprenticeship job creation ITC

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)
	3,756				3,756

Prior years

Taxation year	ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2017-12-31				
2016-12-31				
2015-12-31				
2014-12-31				
2013-12-31				
2012-12-31				
2011-12-31				
2010-12-31				
2009-12-31				
				*
				*
Total				

B+C+D+G **Total ITC utilized**

* The **ITC end of year** includes the amount of ITC expired from the 10th preceding year if it is before January 1, 1998, or the amount of ITC expired from the 20th preceding year if it is after December 31, 1997. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

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Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

	Line	Amount		
Reserves that have not been deducted in calculating income for the year under Part I	101	359,084		
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714		
Retained earnings	104	2,656,771		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108			
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		11,306,569	11,306,569	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if

a) those lines applied to partnerships in the same manner that they apply to corporations, and

b) those amounts were computed without reference to amounts owing by the partnership

(i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or

(ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Subtotal A (from page 1)		11,306,569	A
Deduct the following amounts:			
Deferred tax debit balance at the end of the year	121		
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122		
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123		
Deferred unrealized foreign exchange losses at the end of the year	124		
Subtotal (**add** lines 121 to 124)			B
Capital for the year (amount A **minus** amount B) (if negative, enter "0")	190	11,306,569	

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		11,306,569	C
Deduct: Investment allowance for the year (line 490)			D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	11,306,569	

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500) 11,306,569 x Taxable income earned in Canada **610** 1,000 / Taxable income 1,000 = **Taxable capital employed in Canada** **690** 11,306,569

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

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

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

Deduct the following amounts:

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

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

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

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

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

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690) . . . . ____________ F

Deduct: . . . . 10,000,000 G

Excess (amount F **minus** amount G) (if negative, enter "0") ____________ H

Calculation for purposes of the small business deduction (amount H x 0.225%) . . . . ____________ I

Enter this amount at line 415 of the T2 return.

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SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

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 (If a corporation is not registered, enter "NR") 200	Social insurance number 300	Trust number 350	Percentage common shares 400	Percentage preferred shares 500
1	The Corporation of the Town of Orangeville	10698 6151 RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

Canadä

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Schedule 53

General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

On: 2018-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 *Corporation Income Tax Return*. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.

Eligibility for the various additions

Answer the following questions to determine the corporation's eligibility for the various additions:

2006 addition

1. Is this the corporation's first taxation year that includes January 1, 2006? . . . . . [ ] Yes [X] No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006? Enter the date and go directly to question 4 2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA? . . . . . [ ] Yes [ ] No
   If the answer to question 3 is yes, complete Part "GRIP addition for 2006".

Change in the type of corporation

4. Was the corporation a CCPC during its preceding taxation year? . . . . . [X] Yes [ ] No
5. Corporations that become a CCPC or a DIC . . . . . [ ] Yes [X] No
   If the answer to question 5 is yes, complete Part 4.

Amalgamation (first year of filing after amalgamation)

6. Corporations that were formed as a result of an amalgamation . . . . . [ ] Yes [X] No
   If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC? . . . . . [ ] Yes [ ] No
   If the answer to question 7 is yes, complete Part 4.
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation? . . . . . [ ] Yes [ ] No
   If the answer to question 8 is yes, complete Part 3.

Winding-up

9. Has the corporation wound-up a subsidiary in the preceding taxation year? . . . . . [ ] Yes [X] No
   If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year? . . . . . [ ] Yes [ ] No
    If the answer to question 10 is yes, complete Part 4.
11. Was the subsidiary a CCPC or a DIC during its last taxation year? . . . . . [ ] Yes [ ] No
    If the answer to question 11 is yes, complete Part 3.

Part 1 – General rate income pool (GRIP)

GRIP at the end of the previous tax year			100	7,978,892 A
Taxable income for the year (DICs enter "0") *		110	B	
Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less *	130			
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income *	140			
Subtotal (line 130 **plus** line 140)		►	C	
Income taxable at the general corporate rate (amount B **minus** amount C) (if negative enter "0")		150		
After-tax income (line 150 **multiplied** by 0.72 (the general rate factor for the tax year))			190	D
Eligible dividends received in the tax year		200		
Dividends deductible under section 113 received in the tax year		210		
Subtotal (line 200 **plus** line 210)			►	E
Becoming a CCPC (amount W5 in Part 4)		220		
Post-amalgamation (total of amounts E4 in Part 3 and amounts W5 in Part 4)		230		
Post-wind-up (total of amounts E4 in Part 3 and amounts W5 in Part 4)		240		
Subtotal (**add** lines 220, 230, and 240)		290	►	F
Subtotal (**add** amounts A, D, E, and F)				7,978,892 G
Eligible dividends paid in the previous tax year		300	610,747	
Excessive eligible dividend designations made in the previous tax year		310		
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)				
Subtotal (line 300 **minus** line 310)			610,747 ►	610,747 H
GRIP before adjustment for specified future tax consequences (amount G **minus** amount H) (amount can be negative)			490	7,368,145
Total GRIP adjustment for specified future tax consequences to previous tax years (amount N3 in Part 2)			560	
GRIP at the end of the tax year (line 490 **minus** line 560) Enter this amount on line 160 of Schedule 55.			590	7,368,145

* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560.

First previous tax year 2017-12-31

Taxable income before specified future tax consequences from the current tax year 694,911 A1

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ B1

Aggregate investment income (line 440 of the T2 return) 58,221 C1

Subtotal (amount B1 **plus** amount C1) 58,221 ▶ 58,221 D1

Subtotal (amount A1 **minus** amount D1) (if negative, enter "0") 636,690 ▶ 636,690 E1

Future tax consequences that occur for the current year

Amount carried back from the current year to a prior year

Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks

Taxable income after specified future tax consequences . . . . ______ F1

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ G1

Aggregate investment income (line 440 of the T2 return) . . . . ______ H1

Subtotal (amount G1 **plus** amount H1) ______ ▶ ______ I1

Subtotal (amount F1 **minus** amount I1) (if negative, enter "0") ______ ▶ ______ J1

Subtotal (amount E1 **minus** amount J1) (if negative, enter "0") ______ K1

GRIP adjustment for specified future tax consequences to the first previous tax year

(amount K1 **multiplied** by 0.72) . . . . **500** ______

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Second previous tax year 2016-12-31

Taxable income before specified future tax consequences from the current tax year . . . . ______ A2

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ B2

Aggregate investment income (line 440 of the T2 return) . . . . ______ C2

Subtotal (amount B2 **plus** amount C2) ______ ▶ ______ D2

Subtotal (amount A2 **minus** amount D2) (if negative, enter "0") ______ ▶ ______ E2

Future tax consequences that occur for the current year

Amount carried back from the current year to a prior year

Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	Capital loss carry-back	Restricted farm loss carry-back	Farm loss carry-back	Other	Total carrybacks

Taxable income after specified future tax consequences . . . . ______ F2

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ G2

Aggregate investment income (line 440 of the T2 return) . . . . ______ H2

Subtotal (amount G2 **plus** amount H2) ______ ▶ ______ I2

Subtotal (amount F2 **minus** amount I2) (if negative, enter "0") ______ ▶ ______ J2

Subtotal (amount E2 **minus** amount J2) (if negative, enter "0") ______ K2

GRIP adjustment for specified future tax consequences to the second previous tax year
(amount K2 **multiplied** by 0.72) . . . . **520** ______

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Third previous tax year 2015-12-31

Taxable income before specified future tax consequences from the current tax year . . . . ______ A3

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ B3

Aggregate investment income (line 440 of the T2 return) . . . . ______ C3

Subtotal (amount B3 **plus** amount C3) ______ ► ______ D3

Subtotal (amount A3 **minus** amount D3) (if negative, enter "0") ______ ► ______ E3

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ______ F3

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ G3

Aggregate investment income (line 440 of the T2 return) . . . . ______ H3

Subtotal (amount G3 **plus** amount H3) ______ ► ______ I3

Subtotal (amount F3 **minus** amount I3) (if negative, enter "0") ______ ► ______ J3

Subtotal (amount E3 **minus** amount J3) (if negative, enter "0") ______ K3

GRIP adjustment for specified future tax consequences to the third previous tax year
(amount K3 **multiplied by** 0.72) . . . . **540** ______

Total GRIP adjustment for specified future tax consequences to previous tax years:
(**add** lines 500, 520, and 540) (if negative, enter "0") . . . . ______ L3

Enter amount L3 on line 560 in part 1.

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

nb. 1 Post amalgamation . . . ☐ Post wind-up . . . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year				A4
Eligible dividends paid by the corporation in its last tax year		B4		
Excessive eligible dividend designations made by the corporation in its last tax year		C4		
Subtotal (amount B4 **minus** amount C4)			►	D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 **minus** amount D4)				E4

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:

- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC

nb. 1 Corporation becoming a CCPC . . . . . . ☐ Post amalgamation . . . . ☐ Post wind-up . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or a DIC in its last tax year.The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year . . . . ______ A5

The corporation's money on hand immediately before the end of its previous/last tax year . . . . ______ B5

Total of subsection 111(1) losses that would have been deductible in calculating the corporation's taxable income for the previous/last tax year if the corporation had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for the previous/last tax year:

Non-capital losses . . . . ______ C5

Net capital losses . . . . ______ D5

Farm losses . . . . ______ E5

Restricted farm losses . . . . ______ F5

Limited partnership losses . . . . ______ G5

Subtotal (**add** amounts C5 to G5) ______ ► ______ H5

Total of all amounts deducted under subsection 111(1) in calculating the corporation's taxable income for the previous/last tax year:

Non-capital losses . . . . ______ I5

Net capital losses . . . . ______ J5

Farm losses . . . . ______ K5

Restricted farm losses . . . . ______ L5

Limited partnership losses . . . . ______ M5

Subtotal (**add** amounts I5 to M5) ______ ► ______ N5

Unused and unexpired losses at the end of the corporation's previous/last tax year (amount H5 **minus** amount N5) ______ ► ______ O5

Subtotal (**add** amounts A5, B5, and O5) ______ P5

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year . . . . ______ Q5

Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year . . . . ______ R5

All the corporation's reserves deducted in its previous/last tax year . . . . ______ S5

The corporation's capital dividend account immediately before the end of its previous/last tax year . . . . ______ T5

The corporation's low rate income pool immediately before the end of its previous/last tax year . . . . ______ U5

Subtotal (**add** amounts Q5 to U5) ______ ► ______ V5

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (amount P5 **minus** amount V5) (if negative, enter "0") . . . . ______ W5

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the W5 amounts. Enter this total amount on:

- line 220 for a corporation becoming a CCPC;
- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, *General Rate Income Pool (GRIP) Calculation*, or Schedule 54, *Low Rate Income Pool (LRIP) Calculation*, whichever is applicable.
- File the completed schedules with your *T2 Corporation Income Tax Return* no later than six months from the end of the tax year.
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool (GRIP), and low rate income pool (LRIP).
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3		447,092			
Total taxable dividends paid in the tax year	100	447,092			
Total eligible dividends paid in the tax year			150		A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")			160	7,368,145	B
Excessive eligible dividend designation (line 150 **minus** line 160)					C
Deduct:					
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			180		D
Subtotal (amount C **minus** amount D)					E
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E **multiplied** by 20 %)			190		F

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3					
Total taxable dividends paid in the tax year	200				
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)					G
Deduct:					
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			280		H
Subtotal (amount G **minus** amount H)					I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I **multiplied** by 20 %)			290		J

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to **www.cra.gc.ca/eligibledividends**.

Canada

Canada Revenue Agency | Agence du revenu du Canada

SCHEDULE 546

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario *Corporations Information Act* Annual Return must be delivered within six months after the end of the corporation's tax year-end. The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.
- It is the corporation's responsibility to ensure that the information shown on the MGS public record is accurate and up-to-date. To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. Visit **www.ServiceOntario.ca** for more information.
- This schedule contains non-tax information collected under the authority of the Ontario *Corporations Information Act*. This information will be sent to the MGS for the purposes of recording the information on the public record maintained by the MGS.

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record)

Orangeville Hydro Limited

Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	**110** Date of incorporation or amalgamation, whichever is the most recent (Year Month Day)	**120** Ontario Corporation No.
Ontario	2009-01-01	1787206

Part 2 – Head or registered office address (P.O. box not acceptable as stand-alone address)

200 Care of (if applicable)

210 Street number	**220** Street name/Rural route/Lot and Concession number	**230** Suite number
400	C-Line	

240 Additional address information if applicable (line 220 must be completed first)

Station A Box 400

250 Municipality (e.g., city, town)	**260** Province/state	**270** Country	**280** Postal/zip code
Orangeville	ON	CA	L9W 2Z7

Part 3 – Change identifier

Have there been any changes in any of the information most recently filed for the public record maintained by the MGS for the corporation with respect to names, addresses for service, and the date elected/appointed and, if applicable, the date the election/appointment ceased of the directors and five most senior officers, or with respect to the corporation's mailing address or language of preference? To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. For more information, visit **www.ServiceOntario.ca**.

300 1 If there have been no changes, enter **1** in this box and then go to "Part 4 – Certification."
If there are changes, enter **2** in this box and complete the applicable parts on the next page, and then go to "Part 4 – Certification."

Part 4 – Certification

I certify that all information given in this *Corporations Information Act* Annual Return is true, correct, and complete.

450 Tyrrell (Last name) **451** Ruth (First name)

454 ______________________, (Middle name(s))

460 1 Please enter one of the following numbers in this box for the above-named person: **1** for director, **2** for officer, or **3** for other individual having knowledge of the affairs of the corporation. If you are a director and officer, enter **1** or **2**.

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

Complete the applicable parts to report changes in the information recorded on the MGS public record.

Part 5 – Mailing address

500 Please enter one of the following numbers in this box:
1 - Show no mailing address on the MGS public record.
2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule.
3 - The corporation's complete mailing address is as follows:

510 Care of (if applicable)

520 Street number	**530** Street name/Rural route/Lot and Concession number	**540** Suite number

550 Additional address information if applicable (line 530 must be completed first)

560 Municipality (e.g., city, town)	**570** Province/state	**580** Country	**590** Postal/zip code

Part 6 – Language of preference

600 Indicate your language of preference by entering **1** for English or **2** for French. This is the language of preference recorded on the MGS public record for communications with the corporation. It may be different from line 990 on the T2 return.

Tax Instalments

For the taxation year ended 2019-12-31

Business number 86463 9562 RC0002

You can also mail a cheque or a money order payable to the Minister of Finance, to Ministry of Finance, HYDRO PILS DIVISION, 33 King St, Oshawa ON L1H 1A1

Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2019-01-31	14,779		15,469	-690	
2019-02-28	14,779		15,469	-1,380	
2019-03-31	14,779		15,469	-2,070	
2019-04-30	14,779		15,469	-2,760	
2019-05-31	14,779		15,469	-3,450	
2019-06-30	14,779				11,329
2019-07-31	14,779				14,779
2019-08-31	14,779				14,779
2019-09-30	14,779				14,779
2019-10-31	14,779				14,779
2019-11-30	14,779				14,779
2019-12-31	14,775				14,775
Totals	177,344		77,345		99,999

Canada Revenue Agency / Agence du revenu du Canada

T2 Corporation Income Tax Return

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 or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) 001 86463 9562 RC0002

Corporation's name
002 Orangeville Hydro Limited

Address of head office
Has this address changed since the last time we were notified? . . . . 010 Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 400 C Line
012 Station A Box 400

City	Province, territory, or state
015 Orangeville	016 ON
Country (other than Canada)	**Postal or ZIP code**
017 CA	018 L9W 2Z7

Mailing address (if different from head office address)
Has this address changed since the last time we were notified? . . . . 020 Yes [ ] No [X]
If **yes**, complete lines 021 to 028.
021 c/o
022
023

City	Province, territory, or state
025	026
Country (other than Canada)	**Postal or ZIP code**
027	028

Location of books and records (if different from head office address)
Has this address changed since the last time we were notified? . . . . 030 Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031 400 C Line
032 Station A Box 400

City	Province, territory, or state
035 Orangeville	036 ON
Country (other than Canada)	**Postal or ZIP code**
037 CA	038 L9W 2Z7

040 **Type of corporation at the end of the tax year** (tick one)
- [X] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [ ] 4 Corporation controlled by a public corporation
- [ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change . . . . 043 Year Month Day

To which tax year does this return apply?

Tax year start (Year Month Day)	Tax year-end (Year Month Day)
060 2018-01-01	061 2018-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? . . . . 063 Yes [ ] No [X]

If **yes**, provide the date control was acquired . . . . 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? . . . . 066 Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? . . . . 067 Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? . . . . 070 Yes [ ] No [X]
Amalgamation? . . . . 071 Yes [ ] No [X]
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 Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . 076 Yes [ ] No [X]

Is this the final return up to dissolution? . . . . 078 Yes [ ] No [X]

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 Yes [X] 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 Yes [ ] No [X]
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) (for tax years starting before 2019)
- [ ] 4 Exempt under other paragraphs of section 149

Do not use this area
095 096 898

Attachments

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

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		———
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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	X	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	———
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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	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)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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	X	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

		Yes	No
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	X	
Is the corporation inactive?	280		X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

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

284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

		Yes	No
Did the corporation immigrate to Canada during the tax year?	291		X
Did the corporation emigrate from Canada during the tax year?	292		X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293		

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 Year Month Day

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes ☐ No ☐

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	300		727,370	A
Deduct:				
Charitable donations from Schedule 2	311	5,050		
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine made before March 22, 2017, 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		5,050 ▶	5,050	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")			722,320	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355			D
Taxable income (amount C **plus** amount D)	360		722,320	
Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)	370			
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370)			722,320	Z
Taxable income for the year from a personal services business				Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7 . . . . . **400** 727,370 A

Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax . . . . . **405** 722,320 B

Business limit (see notes 1 and 2 below) . . . . . **410** 500,000 C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction

Amount C 500,000 x **415** *** 45,652 D / 11,250 = ... 2,028,978 E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** . **417** ________ – 50,000 = . . ________ F

Amount C 500,000 / 100,000 x Amount F ________ = ... ________ G

Subtotal (the greater of amount E and amount G) **422** 2,028,978 H

Reduced business limit for tax years starting before 2019 (amount C **minus** amount E) (if negative, enter "0") . . . . . **425** ________ I

Reduced business limit for tax years starting after 2018 (amount C **minus** amount H) (if negative, enter "0") . . . . . **426** ________ J

Business limit the CCPC assigns under subsection 125(3.2) (from line 515 on page 5) . . . . . ________ K

Reduced business limit after assignment for tax years starting before 2019 (amount I **minus** amount K) . . . . . **427** ________ L

Reduced business limit after assignment for tax years starting after 2018 (amount J **minus** amount K) . . . . . **428** ________ M

Small business deduction

Tax years starting before 2019

Amount A, B, C, or L, whichever is the least ________ x Number of days in the tax year before January 1, 2018 ________ / Number of days in the tax year 365 x 17.5 % = ________ 1

Amount A, B, C, or L, whichever is the least ________ x Number of days in the tax year after December 31, 2017, and before January 1, 2019 365 / Number of days in the tax year 365 x 18 % = ________ 2

Amount A, B, C, or L, whichever is the least ________ x Number of days in the tax year after December 31, 2018 ________ / Number of days in the tax year 365 x 19 % = ________ 3

Tax years starting after 2018

Amount A, B, C, or M, whichever is the least . . . . ________ . . . . . x 19 % = ________ 4

Small business deduction (total of amounts 1 to 4) . . . . . **430** ________ N

Enter amount N at amount J on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations. For the first tax year starting after 2018, use the total of lines 744 of Schedule 7. Otherwise, use the total of lines 745 of the preceding tax year.

Small business deduction (continued)

Specified corporate income and assignment under subsection 125(3.2)

	O1 Name of corporation receiving the income and assigned amount	O Business number of the corporation receiving the assigned amount 490	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O [3] 500	Q Business limit assigned to corporation identified in column O [4] 505
1.				
			Total 510	Total 515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
(A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
(B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
(I) persons (other than the private corporation) with which the corporation deals at arm's length, or
(II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column P in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 425 (426 for tax years starting after 2018).

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies)			722,320	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		B		
Amount 13K from Part 13 of Schedule 27		C		
Personal services business income	432	D		
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least		E		
Aggregate investment income from line 440 on page 6*		F		
Subtotal (**add** amounts B to F)		▶		G
Amount A **minus** amount G (if negative, enter "0")			722,320	H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %			93,902	I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies)				J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		K		
Amount 13K from Part 13 of Schedule 27		L		
Personal services business income	434	M		
Subtotal (**add** amounts K to M)		▶		N
Amount J **minus** amount N (if negative, enter "0")				O
General tax reduction – Amount O **multiplied** by 13 %				P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 **440**	x 30 2/3 % =		A
Foreign non-business income tax credit from line 632 on page 8			B
Foreign investment income from Schedule 7 **445**	x 8 % =		C
Subtotal (amount B **minus** amount C) (if negative, enter "0")			D
Amount A **minus** amount D (if negative, enter "0")			E
Taxable income from line 360 on page 3	722,320		F
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least			G
Foreign non-business income tax credit from line 632 on page 8	x 75 / 29 =		H
Foreign business income tax credit from line 636 on page 8	x 4 =		I
Subtotal (**add** amounts G to I)			J
Subtotal (amount F **minus** amount J) (if negative, enter "0")	722,320 K	x 30 2/3 % = 221,511	L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)		104,592	M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450**			N

Refundable dividend tax on hand (for tax years starting before 2019)

Refundable dividend tax on hand at the end of the previous tax year **460**	17,854		
Dividend refund for the previous tax year **465**	17,854		
Subtotal (line 460 **minus** line 465)			O
Refundable portion of Part I tax from line 450 above			P
Total Part IV tax payable from Schedule 3			Q
Net refundable dividend tax on hand transferred on an amalgamation or the wind-up of a subsidiary **480**			
Subtotal (amount P **plus** amount Q **plus** line 480)			R
Refundable dividend tax on hand at the end of the tax year – Amount O **plus** amount R **485**			

Dividend refund (for tax years starting before 2019)

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 on page 3 of Schedule 3	447,092 x 38 1/3 % =	171,385	S
Refundable dividend tax on hand at the end of the tax year from line 485 above			T
Dividend refund – Amount S or T, whichever is less			U

Enter amount U on line 784 on page 9.

Refundable dividend tax on hand (for tax years starting after 2018)

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460			
Dividend refund for the previous tax year	465			
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480			
Subtotal (line 460 **minus** line 465 **plus** line 480)				A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53)				B
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)			C	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)			D	
Subtotal (amount C **minus** amount D) (if negative, enter "0")			▶	E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")			F	
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of schedule 53)			G	
Subtotal (amount F **plus** amount G)			▶	H
Amount H **multiplied** by 38 1 / 3 %				I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 ________ of the preceding tax year)			520	J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 ________ of the preceding tax year) (if negative, enter "0")			535	K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)			L	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)			M	
Subtotal (amount L **plus** amount M)			▶	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary			525	O
ERDTOH dividend refund for the previous tax year			570	P
Refundable portion of Part I tax (from line 450 on page 6)				Q
Part IV tax before deductions (amount 2A from Schedule 3)			R	
Part IV tax allocated to ERDTOH (amount N)			S	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)			T	
Subtotal (amount R **minus** total of amounts S and T)			▶	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary			540	V
NERDTOH dividend refund for the previous tax year			575	W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)				X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")				Y
NERDTOH at the end of the tax year* (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")			545	
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** amount X **plus** amount U, if amount X is greater than amount U, otherwise, amount N.) (if negative, enter "0")				Z
ERDTOH at the end of the tax year* (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")			530	

* For more information, consult the Help (F1).

Dividend refund (for tax years starting after 2018)

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)	AA
ERDTOH balance at the end of the tax year (line 530)	BB
Eligible dividend refund (amount AA or BB, whichever is less)	CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	DD
NERDTOH balance at the end of the tax year (line 545)	EE
Non-eligible dividend refund (amount DD or EE, whichever is less)	FF
Amount DD **minus** amount EE (if negative, enter "0")	GG
Amount BB **minus** amount CC (if negative, enter "0")	HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)	II
Dividend refund* – Amount CC **plus** amount FF **plus** amount II	JJ

Enter amount JJ on line 784 on page 9.

* For more information, consult the Help (F1).

Part I tax

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) **multiplied** by 38 %			550	274,482 A
Additional tax on personal services business income (section 123.5)				
Taxable income from a personal services business 555 ______ x 5 % =			560	B
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 on page 6			D	
Taxable income from line 360 on page 3	722,320 E			
Deduct:				
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least	F			
Net amount (amount E **minus** amount F)	722,320 ▶		722,320 G	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G			604	H
Subtotal (**add** amounts A, B, C, and H)				274,482 I

Deduct:

Small business deduction from line 430 on page 4		J	
Federal tax abatement	608	72,232	
Manufacturing and processing profits deduction from Schedule 27	616		
Investment corporation deduction	620		
Taxed capital gains 624			
Federal foreign non-business income tax credit from Schedule 21	632		
Federal foreign business income tax credit from Schedule 21	636		
General tax reduction for CCPCs from amount I on page 5	638	93,902	
General tax reduction from amount P on page 5	639		
Federal logging tax credit from Schedule 21	640		
Eligible Canadian bank deduction under section 125.21	641		
Federal qualifying environmental trust tax credit	648		
Investment tax credit from Schedule 31	652	3,756	
Subtotal		169,890 ▶	169,890 K

Part I tax payable – Amount I **minus** amount K .... 104,592 L

Enter amount L on line 700 on page 9.

Privacy statement

Personal information is collected under the Income Tax Act to administer tax, benefits, and related programs. It may also be used for any purpose related to the enforcement of the Act such as audit, compliance and collections activities. It may be shared or verified with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access, or request correction of, their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 at **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	104,592
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		104,592

Add provincial or territorial tax:

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

Net provincial or territorial tax payable (except Quebec and Alberta)	760	72,752
Total tax payable	770	177,344 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount U on page 6 or JJ on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit (Form T1131)	796	
Film or video production services tax credit (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	185,683
Labour tax credit for qualifying journalism organizations		
Total credits	890	185,683 ▶ 185,683 B

Balance (amount A **minus** amount B) -8,339

Refund code 894 1 Refund 8,339

If the result is negative, you have a **refund**.
If the result is positive, you have a **balance owing**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Balance owing

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No ☒

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 A6698

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Certification

I, 950 Tyrrell (Last name) 951 Ruth (First name) 954 Chief Corporate 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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2019-06-19 Date (yyyy/mm/dd) — Signature of the authorized signing officer of the corporation — 956 (519) 942-8000 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☐ No ☒

958 Suzanne Presseault (Name of other authorized person) 959 (519) 942-8000 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

Orangeville Hydro Limited
86463 9562 RC0002
REGULATION 1101(5b.1) ELECTION FOR THE YEAR ENDED
December 31, 2018

Orangeville Hydro Limited (“Orangeville”) is electing pursuant to paragraph 1101(5b.1) of the *Income Tax Regulations* to designate a separate 6% capital cost allowance class for eligible non-residential building additions acquired in the 2018 taxation year and included in Class 1.

Effectively, this election will permit Orangeville to claim an additional 2% capital cost allowance on Class 1 additions acquired during the 2018 taxation year. The Class 1 acquisitions made in the taxation year to which this election should apply are as follows:

- Class 1b addition – $69,750

Financial Statements of

ORANGEVILLE HYDRO LIMITED

Year ended December 31, 2018

KPMG LLP
115 King Street South
2nd Floor
Waterloo ON N2J 5A3
Canada
Tel 519 747-8800
Fax 519 747-8830

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Orangeville Hydro Limited

Opinion

We have audited the financial statements of Orangeville Hydro Limited (the Entity), which comprise:

- the statement of financial position as at December 31, 2018
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2018, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada

March 28, 2019

ORANGEVILLE HYDRO LIMITED

Statement of Financial Position
December 31, 2018, with comparative information for 2017

	Note	2018	2017
Assets			
Current assets			
Cash		$ 582,924	$ 2,521,688
Accounts receivable	6	4,045,053	2,767,846
Unbilled revenue		2,909,474	3,983,781
Inventory		322,002	289,430
Prepaid expenses		131,528	131,820
Income taxes receivable		15,429	-
Other		295	493
Total current assets		8,006,705	9,695,058
Non-current assets			
Property, plant and equipment	8	20,424,388	19,630,980
Intangible assets	9	195,626	219,867
Deferred tax assets	10	277,000	420,000
Total non-current assets		20,897,014	20,270,847
Total assets		28,903,719	29,965,905
Regulatory debit balances	11	1,847,583	2,174,552
Total assets and regulatory balances		$ 30,751,302	$ 32,140,457

See accompanying notes to the financial statements.

ORANGEVILLE HYDRO LIMITED

Statement of Financial Position
December 31, 2018, with comparative information for 2017

	Note	2018	2017
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	12	$ 4,345,892	$ 5,409,780
Long-term debt due within one year	13	500,846	486,205
Customer deposits		180,000	170,000
Other payables		108,660	220,609
Income taxes payable		-	61,624
Total current liabilities		5,135,398	6,348,218
Non-current liabilities			
Long-term debt	13	11,053,998	11,556,964
Employee future benefits	14	329,084	352,533
Customer deposits		686,522	742,076
Contributions in aid of construction	15	1,838,423	1,680,077
Total non-current liabilities		13,908,027	14,331,650
Total liabilities		19,043,425	20,679,868
Equity			
Share capital	16	8,290,714	8,290,714
Retained earnings		2,656,771	1,970,993
Accumulated other comprehensive income		47,400	27,896
Total equity		10,994,885	10,289,603
Total liabilities and equity		30,038,310	30,969,471
Regulatory credit balances	11	712,992	1,170,986
Total liabilities, equity and regulatory balances		$ 30,751,302	$ 32,140,457

See accompanying notes to the financial statements.

On behalf of the Board:

_____________________________ Director   _____________________________ Director

ORANGEVILLE HYDRO LIMITED

Statement of Comprehensive Income
Year ended December 31, 2018, with comparative information for 2017

	Note	2018	2017
Revenue			
Sale of energy	17	$ 28,491,290	$ 30,048,911
Distribution revenue	17	5,444,878	5,219,614
Other	17	335,894	491,754
		34,272,062	35,760,279
Operating expenses			
Cost of power purchased		28,490,799	30,807,313
General and administrative		1,687,281	1,542,584
Billing and collecting		793,905	807,242
Operating and maintenance		748,590	989,746
Depreciation and amortization		863,934	826,661
		32,584,509	34,973,546
Income from operating activities		1,687,553	786,733
Finance income	19	37,655	34,797
Finance costs	19	(418,652)	(406,774)
Income before income taxes		1,306,556	414,756
Income tax expense	10	304,711	185,663
Net income for the year		**1,001,845**	**229,093**
Net movement in regulatory balances, net of tax		131,025	841,057
Net income for the year and net movement in regulatory balances		**1,132,870**	**1,070,150**
Other comprehensive income			
Remeasurement of post-employment benefits	14	19,504	-
Other comprehensive income for the year		19,504	-
Total comprehensive income for the year		$ 1,152,374	$ 1,070,150

See accompanying notes to the financial statements.

ORANGEVILLE HYDRO LIMITED

Statement of Changes in Equity
Year ended December 31, 2018, with comparative information for 2017

	Share capital	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balance at January 1, 2017	$8,290,714	$1,547,137	$ 27,896	$ 9,865,747
Net income and net movement in regulatory balances	-	1,070,150	-	1,070,150
Other comprehensive loss	-	-	-	-
Dividends	-	(646,294)		(646,294)
Balance at December 31, 2017	$8,290,714	$1,970,993	$ 27,896	$ 10,289,603
Balance at January 1, 2018	$8,290,714	$1,970,993	$ 27,896	$ 10,289,603
Net income and net movement in regulatory balances	-	1,132,870	-	1,132,870
Other comprehensive loss	-	-	19,504	19,504
Dividends	-	(447,092)	-	(447,092)
Balance at December 31, 2018	$8,290,714	$2,656,771	$ 47,400	$ 10,994,885

See accompanying notes to the financial statements.

ORANGEVILLE HYDRO LIMITED

Statements of Cash Flows
Year ended December 31, 2018, with comparative information for 2017

	2018	2017
Operating activities		
Net Income and net movement in regulatory balances	$ 1,132,870	$ 1,070,150
Adjustments for:		
Depreciation and amortization	956,761	914,741
Loss (gain) on disposal of property, plant and equipment and intangible assets	39,851	(79,065)
Net finance costs	380,997	371,977
Income tax expense	304,711	185,663
Employee future benefits	(3,945)	12,512
Contributions received from customers revenue recognized	(47,366)	(36,513)
	2,763,879	2,439,465
Change in non-cash operating working capital:		
Accounts receivable	(1,277,207)	955,659
Unbilled revenue	1,074,307	(450,990)
Inventory	(32,572)	20,726
Prepaid expenses	292	(32,733)
Other current assets	198	(299)
Accounts payable and accrued liabilities	(1,063,888)	780,924
Other payables	(111,949)	139,652
Customer deposits	(45,554)	32,995
	(1,456,373)	1,445,934
Regulatory balances	(131,025)	(841,057)
Income tax paid	(238,764)	(129,219)
Interest paid	(418,652)	(406,774)
Interest received	37,655	34,797
Net cash from operating activities	556,720	2,543,146
Investing activities		
Purchase of property, plant and equipment	(1,771,730)	(2,505,502)
Proceeds on disposal of property, plant and equipment	28,322	207,022
Proceeds on disposal of intangible assets	-	4,963
Purchase of intangible assets	(22,371)	(55,131)
Contributions received from customers	205,712	633,962
Net cash used by investing activities	(1,560,067)	(1,714,686)
Financing activities		
Proceeds from long-term debt	-	2,000,000
Repayment of long-term debt	(488,325)	(462,031)
Dividends paid	(447,092)	(646,294)
Net cash from financing activities	(935,417)	891,675
Change in cash	(1,938,764)	1,720,135
Cash, beginning of year	2,521,688	801,553
Cash, end of year	$ 582,924	$ 2,521,688

See accompanying notes to the financial statements.

1. Reporting entity

Orangeville Hydro Limited (the “Corporation”) is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The address of the Corporation’s registered office is 400 C Line, Orangeville, Ontario.

The Corporation delivers electricity and related energy services to residential and commercial customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by the Town of Orangeville and Town of Grand Valley.

The financial statements are for the Corporation as at and for the year ended December 31, 2018.

2. Basis of presentation

(a) Statement of compliance

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on March 28, 2019.

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

2. Basis of presentation (continued)

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:

(i) Note 3(b) - measurement of unbilled revenue
(ii) Notes 8, 9 - estimation of useful lives of its property, plant and equipment and intangible assets
(iii) Note 11 - recognition and measurement of regulatory balances
(iv) Note 14 - measurement of defined benefit obligations: key actuarial assumptions
(v) Note 20 - recognition and measurement of provisions and contingencies

(e) Rate regulation

The Corporation is regulated by the Ontario Energy Board (“OEB”), under the authority granted by the *Ontario Energy Board Act, 1998*. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies (“LDCs”), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

The Corporation is required to bill customers for the debt retirement charge set by the province. The Corporation may file to recover uncollected debt retirement charges from Ontario Electricity Financial Corporation (“OEFC”) once each year.

2. Basis of presentation (continued)

(e) Rate regulation (continued)

Rate setting

Distribution revenue

For the distribution revenue included in sale of energy, the Corporation files a "Cost of Service" ("COS") rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenditures, debt and shareholder's equity required to support the Corporation's business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including any revisions resulting from that review.

In the intervening years an Incentive Rate Mechanism application ("IRM") is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year's rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflator for Final Domestic Demand ("GDP IPI-FDD") net of a productivity factor and a "stretch factor" determined by the relative efficiency of an electricity distributor.

As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers.

The Corporation last filed a COS application in October 2013 for rates effective May 1, 2014 to April 30, 2019. The GDP IPI-FDD for 2018 is 1.20%, the Corporation's productivity factor is nil% and the stretch factor is 0.3%, resulting in a net adjustment of 0.9% to the previous year's rates.

Electricity rates

The OEB sets electricity prices for low-volume consumers twice each year based on an estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

3. Significant accounting policies

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

(a) Financial instruments

All financial assets are classified as loans and receivables and all financial liabilities are classified as other liabilities. These financial instruments are recognized initially at fair value plus any directly attributable transaction costs. Subsequently, they are measured at amortized cost using the effective interest method less any impairment for the financial assets as described in note 3(f). The Corporation does not enter into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

(b) Revenue recognition

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Customer billings for debt retirement charges are recorded on a net basis as the Corporation is acting as an agent for this billing stream.

Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 *Revenue from Contracts with Customers*. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

3. Significant accounting policies (continued)

(b) Revenue recognition (continued)

Capital contributions (continued)

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

(c) Inventory

Inventory, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

(d) Property, plant and equipment

Items of property, plant and equipment (“PP&E”) used in rate-regulated activities and acquired prior to January 1, 2015 are measured at the deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated depreciation. All other items of PP&E are measured at cost, or, where the item is contributed by customers, its fair value, less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes contracted services, materials and transportation costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

3. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Corporation's borrowings. Qualifying assets are considered to be those that take in excess of 12 months to construct.

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and the asset is available for use.

The estimated useful lives are as follows:

	Years
Buildings	20-60 years
Distribution equipment	15-60 years
Vehicles	8-15 years
Other tools and equipment	10-60 years
Computer equipment	5 years

3. Significant accounting policies (continued)

(e) Intangible assets

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015 are measured at deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated amortization. All other intangible assets are measured at cost.

Computer software that is acquired or developed by the Corporation after January 1, 2015, including software that is not integral to the functionality of equipment purchased which has finite useful lives, is measured at cost less accumulated amortization.

Payments to obtain rights to access land ("land rights") are classified as intangible assets. These include payments made for easements, right of access and right of use over land for which the Corporation does not hold title. Land rights are measured at cost. Management has determined that land rights have an indefinite life. Land rights are tested for impairment when events or circumstances indicate their carrying amount exceeds their fair value. As at December 31, 2018, management has not identified any events or circumstances indicating that land rights are impaired.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Amortization methods and useful lives of all intangible assets are reviewed at each reporting date and adjusted prospectively if appropriate. The estimated useful lives are:

	Years
Computer software	5 years

(f) Impairment

(i) Financial assets measured at amortized cost

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss is calculated as the difference between an asset’s carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Interest on the impaired assets continues to be recognized through the unwinding of the discount. Losses are recognized in profit or loss. An impairment loss is reversed through profit or loss if the reversal can be related objectively to an event occurring after the impairment loss was recognized.

3. Significant accounting policies (continued)

(f) Impairment (continued)

(ii) Non-financial assets

The carrying amounts of the Corporation's non-financial assets, other than inventory and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or “CGU”). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Customer deposits

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

(h) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

3. Significant accounting policies (continued)

(i) Regulatory balances

Regulatory deferral account debit balances represent costs incurred in excess of amounts billed to the customer at OEB approved rates. Regulatory deferral account credit balances represent amounts billed to the customer at OEB approved rates in excess of costs incurred by the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future billings in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. When the customer is billed at rates approved by the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue. The regulatory deferral debit balance is reduced by the amount of these customer billings with the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory deferral debit account balances is assessed annually based upon the likelihood that the OEB will approve the change in rates to recover the balance. The assessment of likelihood of recovery is based upon previous decisions made by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is recognized in profit or loss in the year incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the Corporation recognizes a regulatory deferral account credit balance. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the customers are recognized as a reduction of revenue. The regulatory deferral credit balance is reduced by the amount of these customer repayments with the offset to net movement in regulatory balances in profit or loss or OCI.

3. Significant accounting policies (continued)

(j) Post-employment benefits

(i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System (“OMERS”). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund (“the Fund”), and provides pensions for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Corporation to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

(ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management’s best estimate of certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

3. Significant accounting policies (continued)

(k) Leased assets

Leases, where the terms cause the Corporation to assume substantially all the risks and rewards of ownership, are classified as finance leases. Upon initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

All other leases are classified as operating leases and the leased assets are not recognized on the Corporation's statement of financial position. Payments made under operating leases are recognized in profit or loss on a straight-line basis over the term of the lease.

(l) Finance income and finance costs

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash.

Finance costs comprise interest expense on borrowings and net interest expense on post-employment benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

(m) Income taxes

The income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the *Electricity Act*, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Tax Acts as modified by the *Electricity Act*, 1998, and related regulations. Prior to October 1, 2001, the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

3. Significant accounting policies (continued)

(m) Income taxes (continued)

Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at the reporting date.

4. Standards issued but not yet adopted

The Corporation is evaluating the adoption of the following new and revised standards along with any subsequent amendments.

Leases

In January 2016, IASB issued IFRS 16 to establish principles for the recognition, measurement, presentation, and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions. IFRS 16 replaces IAS 17 and it is effective for annual periods beginning on or after January 1, 2019. The standard introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. A lessee is required to recognize a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. This standard substantially carries forward the lessor accounting requirements of IAS 17, while requiring enhanced disclosures to be provided by the lessor. Other areas of the lease accounting model have been impacted, including the definition of a lease. Transitional provisions have been provided. The Corporation intends to adopt IFRS 16 in its financial statements for the annual period beginning January 1, 2019. The Corporation is assessing the impact of IFRS 16 on its results of operations, financial position and disclosures.

5. Change in accounting policy

IFRS 15 Revenue from Contracts with Customers and IFRS 9 Financial Instruments

The Company has initially applied IFRS 15 Revenue from Contracts with Customers from January 1, 2018 on a retrospective basis. The following practical expedients have been used in the initial application of this new standard:

For completed contracts, the Corporation did not restate contracts that:

(i) Began and ended within the same annual reporting period; or

(ii) Were completed at the beginning of January 1, 2017.

IFRS 15 contains a five step model that applies to contracts with customers that specifies that revenue is recognized when or as an entity transfers control of goods or services to a customer at the amount to which the entity expects to be entitled.

The Company has initially applied IFRS 9 Financial Instruments from January 1, 2018 on a retrospective basis. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for measuring impairment on financial assets, and new general hedge accounting requirements.

Despite the retrospective adoption, the accounting policy change did not result in a significant impact to the financial statements. As a result, the Company was not required to make any adjustments to the comparative figures upon initial adoption.

The updated accounting policies have been discussed further in note 3.

6. Accounts receivable

	December 31, 2018	December 31, 2017
Trade customer accounts receivable	$ 3,975,865	$ 2,480,830
Other receivables	99,188	317,016
Provision uncollectible accounts	(30,000)	(30,000)
	$ 4,045,053	$ 2,767,846

7. Inventory

Amount (recovered) written down due to obsolescence in 2018 was $(4,938) (2017 – $11,140).

8. Property, plant and equipment

	Land and buildings	Distribution equipment	Other fixed assets	Construction -in-Progress	Total
Cost or deemed cost					
Balance at January 1, 2018	$ 1,987,339	$19,640,467	$1,159,008	$ 23,027	$22,809,841
Additions	69,750	1,333,557	358,575	9,848	1,771,730
Transfers	-	3,517	-	(3,517)	-
Disposals/retirements	-	(61,837)	(59,579)	-	(121,416)
Balance at December 31, 2018	$ 2,057,089	$20,915,704	$1,458,004	$ 29,358	$24,460,155
Balance at January 1, 2017	$ 2,014,260	$17,260,506	$1,201,497	$ 14,006	$20,490,269
Additions	6,638	2,414,271	65,783	18,810	2,505,502
Transfers	-	9,789	-	(9,789)	-
Disposals/retirements	(33,559)	(44,099)	(108,272)	-	(185,930)
Balance at December 31, 2017	$ 1,987,339	$19,640,467	$1,159,008	$ 23,027	$22,809,841
Accumulated depreciation					
Balance at January 1, 2018	$ 312,779	$ 2,396,271	$ 469,811	$ -	$ 3,178,861
Depreciation	80,267	686,003	144,165	-	910,435
Disposals	-	(16,492)	(37,037)	-	(53,529)
Balance at December 31, 2018	$ 393,046	$ 3,065,782	$ 576,939	$ -	$ 4,035,767
Balance at January 1, 2017	$ 233,576	$ 1,769,321	$ 371,622	$ -	$ 2,374,519
Depreciation	79,203	639,990	143,122	-	862,315
Disposals	-	(13,040)	(44,933)	-	(57,973)
Balance at December 31, 2017	$ 312,779	$ 2,396,271	$ 469,811	$ -	$ 3,178,861
Carrying amounts					
At December 31, 2018	$ 1,664,043	$17,849,922	$ 881,065	$ 29,358	$20,424,388
At December 31, 2017	$ 1,674,560	$17,244,196	$ 689,197	$ 23,027	$19,630,980

9. Intangible assets

	Computer software	Land rights	Total
Cost or deemed cost			
Balance at January 1, 2018	$ 340,623	$ 113,118	$ 453,741
Additions	22,371	-	22,371
Disposals	(1,433)	-	(1,433)
Balance at December 31, 2018	$ 361,561	$ 113,118	$ 474,679
Balance at January 1, 2017	$ 308,394	$ 111,868	$ 420,262
Additions	53,881	1,250	55,131
Disposals	(21,652)	-	(21,652)
Balance at December 31, 2017	$ 340,623	$ 113,118	$ 453,741
Accumulated amortization			
Balance at January 1, 2018	$ 233,874	$ -	$ 233,874
Amortization	46,326	-	46,326
Disposals	(1,147)	-	(1,147)
Balance at December 31, 2018	$ 279,053	$	$ 279,053
Balance at January 1, 2017	$ 198,137	$ -	$ 198,137
Amortization	52,426	-	52,426
Disposals	(16,689)	-	(16,689)
Balance at December 31, 2017	$ 233,874	$ -	$ 233,874
Carrying amounts			
At December 31, 2018	$ 82,508	$ 113,118	$ 195,626
At December 31, 2017	$ 106,749	$ 113,118	$ 219,867

10. Income tax expense

Current tax expense (recovery)

	2018	2017
Current tax expense	$ 161,711	$ 185,663
Deferred tax expense	143,000	-
Income tax expense	$ 304,711	$ 185,663

10. Income tax expense (continued)

Reconciliation of effective tax rate

	2018	2017
Income before taxes	$1,306,556	$ 414,756
Canada and Ontario statutory Income tax rates	26.5%	26.5%
Expected tax provision on income at statutory rates	346,237	109,910
Increase (decrease) in income taxes resulting from:		
Permanent differences	852	20,423
Other	(42,378)	55,330
Income tax expense	$ 304,711	$ 185,663

Significant components of the Corporation's deferred tax balances

	2018	2017
Deferred tax assets (liabilities):		
Property, plant and equipment	$ 190,000	$ 327,000
Post-employment benefits	87,000	93,000
	$ 277,000	$ 420,000

11. Regulatory balances

Rreconciliation of the carrying amount for each class of regulatory balances

Regulatory deferral account debit balances	January 1, 2018	Additions	Recovery/ reversal	December 31, 2018	Remaining recovery/ reversal years
Retail settlement variances	$ 1,818,967	$ 85,785	$ (484,355)	$1,420,397	1
Regulatory transition to IFRS	156,999	2,687	-	159,686	-
Regulatory variances disposition	44,710	-	23,360	68,070	-
,Other	153,876	45,554	-	199,430	1
	$ 2,174,552	$ 134,026	$ (460,995)	$1,847,583	

Regulatory deferral account debit balances	January 1, 2017	Additions	Recovery/ reversal	December 31, 2017	Remaining recovery/ reversal years
Retail settlement variances	$ 1,357,410	$1,064,394	$(602,837)	$1,818,967	1
Regulatory transition to IFRS	155,237	1,762	-	156,999	-
Regulatory variances disposition	127,222	8,771	(91,283)	44,710	-
Other	13,635	140,241	-	153,876	1
	$ 1,653,504	$1,215,168	$(694,120)	$2,174,552	

Regulatory deferral account credit balances	January 1, 2018	Additions	Recovery/ reversal	December 31, 2018	Remaining years
Retail settlement variances	$ 491,058	$ 38,848	$(229,650)	$ 300,256	1
Change in asset useful lives	221,679	-	(150,363)	71,316	2
Deferred income tax	420,000	(143,000)	-	277,000	-
Other	38,249	26,249	(78)	64,420	1
	$ 1,170,986	$ (77,903)	$(380,091)	$ 712,992	

Regulatory deferral account credit balances	January 1, 2017	Additions	Recovery/ reversal	December 31, 2017	Remaining years
Retail settlement variances	$ 688,965	$ 264,723	$(462,630)	$ 491,058	1
Change in asset useful lives	360,405	-	(138,726)	221,679	2
Deferred income tax	420,000	-	-	420,000	-
Other	21,625	17,385	(761)	38,249	1
	$ 1,490,995	$ 282,108	$(602,117)	$1,170,986	

11. Regulatory balances (continued)

The regulatory balances are recovered or settled through rates approved by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy and weather. The Corporation has received approval from the OEB to establish its regulatory balances.

Settlement of the Group 1 deferral accounts is done on an annual basis through application to the OEB. An application will be made to the OEB to recover $185,068 for the Lost Revenue Adjustment Mechanism Variance Account for the 2019 rate application. In addition an application has been made to the OEB to recover $385,933 for Class A customer' global adjustment reconciling variance. Approval is pending. The Corporation received approval for deferral of a COS application for 2019 rates, and has applied for a deferral of 2020 rates, which approval is pending. The OEB requires the Corporation to estimate its income taxes when it files a COS application to set its rates. As a result, the Corporation has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates.

Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. In 2018, the rate ranged from 1.50% to 2.17%.

12. Accounts payable and accrued liabilities

	2018	2017
Accounts payable – energy purchases	$ 2,305,939	$ 2,753,457
Debt retirement charge payable to OEFC	-	191,615
Water and sewer charges payable	921,291	1,678,226
Other	1,118,662	786,482
	$ 4,345,892	$ 5,409,780

13. Long-term debt

	2018	2017
TD Bank term loan payable, interest at 3.38%, payable in monthly instalments, due 2022	$ 3,473,564	$ 3,816,613
TD Bank term loan payable, interest at 3.33%, payable in monthly instalments, due 2024	3,677,163	3,768,538
TD Bank term loan payable, interest at 3.40%, interest only payments, due 2022	2,500,000	2,500,000
TD Bank term loan payable, interest at 3.60%, payable in monthly instalments, due 2027	1,904,117	1,958,018
	11,554,844	12,043,169
Less current portion of long-term debt	500,846	486,205
	$ 11,053,998	$ 11,556,964

The TD Bank term loans holds as security a general security agreement representing a first charge on all assets and undertakings of the Corporation and assignment of general liability insurance for the Corporation.

The agreement with respect to the TD Bank term loans contain certain covenants regarding (i) leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v) limitations on additional debt and encumbrance of assets.

The agreement with TD Bank also contains financial covenants that require the Corporation to maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance with these covenants as at December 31, 2018.

Principal repayments for the next five years and thereafter are as follows:

2019	$ 500,846
2020	519,488
2021	538,214
2022	5,036,579
2023	169,861
Thereafter	4,789,856
	$ 11,554,844

14. Post-employment benefits

(a) OMERS pension plan

The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2018, the Corporation made employer contributions of $172,108 to OMERS (2017 - $150,960), of which has been recognized in profit or loss. The Corporation estimates that a contribution of $166,773 to OMERS will be made during the next fiscal year.

As at December 31, 2018, OMERS had approximately 496,000 members, of whom 19 are current employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2018, which reported that the plan was 96% funded, with an unfunded liability of $4.2 billion. This unfunded liability is likely to result in future payments by participating employers and members.

(b) Post-employment benefits other than pension

The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employment benefit plans.

Reconciliation of the obligation	2018	2017
Defined benefit obligation, beginning of year	$ 352,533	$ 340,021
Included in profit or loss		
Current service cost	15,330	14,726
Interest cost	13,776	13,617
	29,106	28,343
Included in OCI		
Actuarial losses arising from:		
changes in financial assumptions	(19,504)	-
	362,135	368,364
Benefits paid	33,051	15,831
Defined benefit obligation, end of year	$ 329,084	$ 352,533

Actuarial assumptions	2018	2017
Discount (interest) rate	4.00%	4.10%
Salary levels	3.00%	3.00%
Medical Costs	5.50%	4.10%
Dental Costs	4.50%	4.50%

14. Post-employment benefits (continued)

(b) Post-employment benefits other than pension (continued)

A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by $45,100. A 1% decrease in the assumed discount rate would result in the defined benefit obligation increasing by $59,700.

15. Contributions in aid of construction

	2018	2017
Contributions in aid of construction, beginning of year	$ 1,680,077	$ 1,082,628
Contributions in aid of construction received	205,712	633,962
Contributions in aid of construction recognized as distribution revenue	(47,366)	(36,513)
Contributions in aid of construction, end of year	$ 1,838,423	$ 1,680,077

16. Share capital

	2018	2017
Authorized:		
Unlimited number of common shares		
Issued:		
1,000 common shares	$ 8,290,714	$ 8,290,714

17. Revenues

	2018	2017
Collection and other service charges	$ 140,030	$ 155,699
Water and sewer billing services	74,533	69,668
Rent	63,808	54,053
CDM	45,645	128,648
Gain (loss) on disposals	(39,851)	79,065
Other	51,729	4,621
Total other revenue	$ 335,894	$ 491,754

In the following table, sale of energy and distribution revenue is disaggregated by type of customer.

	2018	2017
Residential	$ 13,452,008	$ 13,103,639
Commercial	20,195,200	21,852,646
Other	288,960	312,240
	$ 33,936,168	$ 35,268,525

18. Employee salaries and benefits

	2018	2017
Salaries, wages and benefits	$ 1,743,105	$ 1,563,221
CPP and EI remittances	63,786	59,014
Contributions to OMERS	172,108	150,960
	$ 1,978,999	$ 1,773,195

19. Finance income and costs

	2018	2017
Finance income		
Interest income on bank deposits	$ 37,655	$ 34,797
Finance costs		
Interest expense on long-term debt	(402,517)	(392,473)
Interest expense on customer deposits	(16,135)	(14,301)
	(418,652)	(406,774)
Net finance costs recognized in profit or loss	$ (380,997)	$ (371,977)

20. Commitments and contingencies

Cornerstone Hydro Electric Concepts (CHEC)

CHEC is an association of sixteen LDCs modelled after a co-operative to share resources and proficiencies (see note 21).

The Corporation may terminate its membership at any time upon the following terms:

(a) giving written notice 60 days in advance of termination; and

(b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2020. The prepayment cost of termination is a settlement of the Corporation's obligation under the agreement by reason of termination of its membership before the expiry of the term. The amount is liquidated damages and not a penalty for early termination and is intended to leave the remaining members in the same position as if the Corporation had not terminated the agreement. As at December 31, 2018, the obligation to CHEC includes 2019 to 2020 membership dues of approximately $43,000 per year, $86,000 total.

20. Commitments and contingencies (continued)

Utility Collaborative Services Inc. (UCS)

The Corporation has the right to redeem its shares in UCS (see note 21) by retraction upon the following terms:

(a) notice of such retraction shall be given 120 days prior to the effective date; and

(b) a redemption fee shall be paid equal to the previous three years' worth of average purchases from UCS for services or products; or in alternative to paying such fees, the Corporation may elect in writing to provide three years' written notice of the retraction, provided that the Corporation continues to receive services at the same or greater average volume as those received at the time the notice was given. As at December 31, 2018, the obligation to UCS includes 2019 fees of approximately $90,000.

General Liability Insurance

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2018, no assessments have been made.

21. Related party transactions

(a) Parents and ultimate controlling party

The common shares of Orangeville Hydro Limited are owned by the Town of Orangeville and Town of Grand Valley, the ultimate parents.

(b) Outstanding balances with related parties

	2018	2017
Town of Orangeville - receivable	$ 55,274	$ 98,275
Town of Grand Valley – receivable	2,308	365
Town of Orangeville - payable	(895,354)	(1,627,547)
Town of Grand Valley - payable	(25,937)	(50,679)
	$ (863,709)	$ (1,579,586)

21. Related party transactions (continued)

(c) Transactions with ultimate parents

The Corporation provides water and sewage billing and collection services to the customers of the Town of Orangeville and Town of Grand Valley, as well as supplying street light energy and street lighting maintenance services to the Town of Orangeville and Town of Grand Valley. Revenue includes $416,552 (2017 – $432,566) from the Town of Orangeville and $18,070 (2017 – $17,327) from the Town of Grand Valley for these services.

The Corporation also delivers electricity to the Town of Orangeville and Town of Grand Valley throughout the year for the electricity needs of the Townships and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The Corporation also provides additional services to the Townships, including streetlight maintenance services, sentinel lights and water and waste water billing and customer care services.

(d) Transactions with related parties

The Corporation paid $78,583 (2017 – $90,268) in fees to Cornerstone Hydro Electric Concepts Association Inc. (CHEC). CHEC is an association of sixteen electricity distribution utilities modeled after a cooperative to share resources and proficiencies.

The Corporation owns 100 common shares, at a cost of $100, in Utility Collaborative Services Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the immaterial amount, the investment was expensed. The Corporation paid $152,961 (2017 – $164,807) in fees to UCS. UCS offers standards-based back office services and the collaboration allows leverage in the reduction of costs for items such as information technology hosting and software licensing.

(e) Key management personnel

The key management personnel of the Corporation have been defined as members of its board of directors and executive management team members. The compensation paid during the year is $410,071 (2017 - $422,097).

22. Financial instruments and risk management

Fair value disclosure

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand.

The fair value of the TD Bank long-term debt at December 31, 2018 is $5,737,644. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value at December 31, 2018 ranged from 2.80% to 3.01%.

Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

(a) Credit risk

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the Town of Orangeville and Town of Grand Valley.

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for impairment at December 31, 2018 is $30,000 (2017 - $30,000). An impairment loss of $25,964 (2017 - $49,510) was recognized during the year.

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2018, approximately $106,010 (2017 - $54,249) is considered 60 days past due. The Corporation has over 12,000 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB and through credit insurance. As at December 31, 2018, the Corporation holds security deposits in the amount of $866,522 (2017 - $912,076) which also includes deposits received from developers.

22. Financial instruments and risk management (continued)

(b) Market risk

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

A 1% increase in the interest rate at December 31, 2018 would have increased interest expense on the long-term debt by $118,000 (2017 - $112,742), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.

(c) Liquidity risk

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a $2,500,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2018, the Corporation has $1,293,740 available on this credit facility.

The Corporation also has a facility for $1,206,260 (the "LC" facility) for the purpose of issuing letters of credit mainly to support the prudential requirements of the IESO, of which $nil has been drawn and posted with the IESO (2017 - $nil).

The majority of accounts payable, as reported on the statement of financial position, are due within 30 days.

(d) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes shareholder's equity and long-term debt. As at December 31, 2018, shareholder's equity amounts to $10,994,885 (2017 - $10,289,603) and long-term debt amounts to $11,053,998 (2017 - $11,556,964).

23. Subsequent events

The Corporation has borrowed an additional $2 million from TD Bank, the interest rate is prime rate and is repayable over a 10 year term in blended monthly payments.

Schedule of Instalment Remittances

Name of corporation contact
Telephone number

Effective interest date	Description (instalment remittance, split payment, assessed credit)	Amount of credit
	2018 Instalments	185,683

Total amount of instalments claimed (carry the result to line 840 of the T2 Return)	185,683	A
Total instalments credited to the taxation year per T9	185,683	B

Transfer

	Account number	Taxation year end	Amount	Effective interest date	Description
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- 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*.
- All legislative references are to the *Income Tax Act*.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 .... 1,152,374 A

Add:

Provision for income taxes – current	101	161,711	
Provision for income taxes – deferred	102	143,000	
Interest and penalties on taxes	103	622	
Amortization of tangible assets	104	956,761	
Loss on disposal of assets	111	39,851	
Charitable donations and gifts from Schedule 2	112	5,050	
Non-deductible meals and entertainment expenses	121	2,593	
Reserves from financial statements – balance at the end of the year	126	359,084	
Subtotal of additions		1,668,672 ▶	1,668,672

Other additions:

Miscellaneous other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	15,247
2	Paragraph 12(1)(x) - Contributed capital	205,712
3	Paragraph 12(1)(a) - Customer Deposits	866,522
	Total of column 2	1,087,481

Total of column 2 ▶	296	1,087,481	
Subtotal of other additions	199	1,087,481 ▶	1,087,481
Total additions	500	2,756,153 ▶	2,756,153 B

Amount A **plus** amount B .... 3,908,527 C

Deduct:

Capital cost allowance from Schedule 8	403	1,355,116	
Reserves from financial statements – balance at the beginning of the year	414	382,533	
Subtotal of deductions		1,737,649 ▶	1,737,649

Other deductions:

Miscellaneous other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	47,366
2	Deferred CGAAP Credits	150,363
3	2018 ATTC included in income	8,712
4	Subsection 13(7.4) election	205,712
5	Paragraph 20(1)(m) - Customer Deposits	866,522
6	Tax movement in reg account	143,000
7	True up of 2014 ITC income inclusion	2,329
8	OCI gain on employee future benefits	19,504
	Total of column 2	1,443,508

Total of column 2 ▶ 396 1,443,508

Subtotal of other deductions	499	1,443,508 ▶	1,443,508	
Total deductions	510	3,181,157 ▶	3,181,157	D
Net income (loss) for income tax purposes (amount C **minus** amount D)			727,370	E

Enter amount E on line 300 of the T2 return.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Federal

A		
X	Investment tax credit from apprenticeship job creation expenditures	3,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Labour tax credit for qualifying journalism organizations	

Ontario

A		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario co-operative education tax credit	
X	Ontario apprenticeship training tax credit	12,247
	Ontario computer animation and special effects tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario sound recording tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency / Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File one completed copy of this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Various donation slips	5,050
Subtotal	5,050
Add: Total donations of less than $100 each	
Total donations in current tax year	5,050

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			A		
Charitable donations expired after 5 tax years*	239				
Charitable donations at the beginning of the current tax year (amount A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1 Net Income (Loss) for Income Tax Purposes)	210	5,050		5,050	5,050
Subtotal (line 250 **plus** line 210)		5,050	B	5,050	5,050
Subtotal (line 240 **plus** amount B)		5,050	C	5,050	5,050
Adjustment for an acquisition of control	255				
Total charitable donations available (amount C **minus** line 255)		5,050	D	5,050	5,050
Amount applied in the current year against taxable income (cannot be more than amount L in Part 2) (enter this amount on line 311 of the T2 return)	260	5,050		5,050	5,050
Charitable donations closing balance (amount D **minus** line 260)	280				

The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013) . . . **262** ______

Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %) . . . ______ 1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015) . . . **263** ______

Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %) . . . ______ 2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016 and before January 1, 2020) . . . **265** ______

British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %) . . . ______ 3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2017-12-31			
2nd prior year	2016-12-31			
3rd prior year	2015-12-31			
4th prior year	2014-12-31			
5th prior year	2013-12-31			
6th prior year*	2012-12-31			
7th prior year	2011-12-31			
8th prior year	2010-12-31			
9th prior year	2009-12-31			
10th prior year				
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes* **multiplied** by 75 % .... 545,528 E

Taxable capital gains arising in respect of gifts of capital property included in Part 1 ** 225

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) 227

The amount of the recapture of capital cost allowance in respect of charitable donations 230

Proceeds of disposition, **less** outlays and expenses** .... F

Capital cost** .... G

Amount F or G, whichever is less 235

Amount on line 230 or 235, whichever is less .... H

Subtotal (**add** line 225, 227, and amount H) I

Amount I **multiplied** by 25 % .... J

Subtotal (amount E **plus** amount J) .... 545,528 K

Maximum allowable deduction for charitable donations (enter amount D from Part 1, amount K, or net income for tax purposes, whichever is less) .... 5,050 L

* For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

** This amount must be prorated by the following calculation: eligible amount of the gift **divided by** the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

	Line	Federal		Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			M		
Gifts of certified cultural property expired after 5 tax years*	439				
Gifts of certified cultural property at the beginning of the current tax year (amount M **minus** line 439)	440				
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450				
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410				
Subtotal (line 450 **plus** line 410)			N		
Subtotal (line 440 **plus** amount N)			O		
Adjustment for an acquisition of control	455				
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460				
Subtotal (line 455 **plus** line 460)			P		
Gifts of certified cultural property closing balance (amount O **minus** amount P)	480				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2017-12-31			
2nd prior year	2016-12-31			
3rd prior year	2015-12-31			
4th prior year	2014-12-31			
5th prior year	2013-12-31			
6th prior year*	2012-12-31			
7th prior year	2011-12-31			
8th prior year	2010-12-31			
9th prior year	2009-12-31			
10th prior year				
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

	Line	Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			Q		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount Q **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			R		
Subtotal (line 540 **plus** amount R)			S		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			T		
Gifts of certified ecologically sensitive land closing balance (amount S **minus** amount T)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2017-12-31			
2nd prior year	2016-12-31			
3rd prior year	2015-12-31			
4th prior year	2014-12-31			
5th prior year	2013-12-31			
6th prior year*	2012-12-31			
7th prior year	2011-12-31			
8th prior year	2010-12-31			
9th prior year	2009-12-31			
10th prior year				
11th prior year*				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

		Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year			U		
Additional deduction for gifts of medicine expired after 5 tax years*	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount U **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				
Additional deduction for gifts of medicine made before March 22, 2017:					
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			V		
Amount V **multiplied** by 50 %			W		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 . . . . **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 . . . . ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 . . . . ______

where:
a is the **lesser** of line 601 and amount W
b is the eligible amount of gifts (line 600)
c is the proceeds of disposition (line 602)

		Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			X		
Subtotal (line 640 **plus** amount X)			Y		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			Z		
Additional deduction for gifts of medicine closing balance (amount Y **minus** amount Z)	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2017-12-31			
2nd prior year	2016-12-31			
3rd prior year	2015-12-31			
4th prior year	2014-12-31			
5th prior year	2013-12-31			
6th prior year*	2012-12-31			
7th prior year	2011-12-31			
8th prior year	2010-12-31			
9th prior year	2009-12-31			
10th prior year				
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2017-12-31	
2nd prior year	2016-12-31	
3rd prior year	2015-12-31	
4th prior year	2014-12-31	
5th prior year	2013-12-31	
6th prior year*	2012-12-31	
7th prior year	2011-12-31	
8th prior year	2010-12-31	
9th prior year	2009-12-31	
10th prior year		
11th prior year		
12th prior year		
13th prior year		
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d); or
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3).
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A recipient corporation is **connected** with a payer corporation at any time in a tax year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends received from a foreign source.
- Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H and I **only if** the payer corporation is **connected.**

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing column J and K use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business Number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			

Total of column E (enter amount on line 402 of Schedule 1)

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d)note 1 240	F1	G Eligible dividends included in column F 242	H Total taxable dividends paid by **connected** payer corporation (for tax year in column D) 250	I Dividend refund of the **connected** payer corporation (for tax year in column D)note 2 260	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3%note 3 265	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3%note 4 275
1							

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) . . . . ______ 1A

Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) . . . . ______ 1B

Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 Return) ______ 1C

Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) . . . . ______ 1D

Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) . . . . ______ 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) . . . . ______ 1F

Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) . . . . ______ 1G

Subtotal (amount 1F **plus** amount 1G) ______ ▶ ______ 1H

Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) . . . . ______ 1I

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) . . . . ______ 1J

Subtotal (amount 1I **plus** amount 1J) ______ ▶ ______ 1K

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) . . . . ______ 1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column F.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320			
Subtotal (amount 2A **minus** line 320)			▶	2B
Current-year non-capital loss claimed to reduce Part IV tax	330			
Non-capital losses from previous years claimed to reduce Part IV tax	335			
Current-year farm loss claimed to reduce Part IV tax	340			
Farm losses from previous years claimed to reduce Part IV tax	345			
Total losses applied against Part IV tax (total of lines 330 to 345)			2C	
Amount 2C **multiplied** by 38 1 / 3 %				2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0")	360			

(enter amount on line 712 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations note 5 (amount 1F in part 1)		2E
Amount 4A from Schedule 43		2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E minus amount 2F, if negative enter "0")		2G

(enter at amount L on page 7 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)		2H
Amount 4C from Schedule 43		2I
Part IV tax payable on eligible dividends received from non-connected corporations (amount 2H minus amount 2I, if negative enter "0")		2J

(enter at amount M on page 7 of the T2 return)

5 To the extent of a dividend refund to the connected payer corporation from its eligible refundable dividend tax on hand (ERDTOH). Otherwise, the amount 2E is nil.

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of connected recipient corporation 400	M Business Number 410	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD 420	O Taxable dividends paid to connected corporations 430	P Eligible dividends included in column O 440
1	Corporation of the town of Orangeville	10698 6151 RC0001	2018-12-31	422,502	
2					
				422,502 (Total of column O)	(Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations		450	24,590
Eligible dividends included in line 450	455		
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)		460	447,092
Total eligible dividends paid in the tax year (total of column P **plus** line 455)		465	
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)		470	447,092

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	171,385	3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)				447,092
Other dividends paid in the tax year (total of 510 to 540)				
Total dividends paid in the tax year			500	447,092
Dividends paid out of capital dividend account	510			
Capital gains dividends	520			
Dividends paid on shares described in subsection 129(1.2)	530			
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540			
Subtotal (total of lines 510 to 540)			►	4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)				447,092 4B

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Schedule 5

Tax Calculation Supplementary – Corporations

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule if, during the tax year, your corporation:
  - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B and D in Part 1);
  - is claiming provincial or territorial tax credits or rebates (see Part 2); or
  - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- All legislative references are to the Income Tax Regulations.
- For more information, see the T2 Corporation – Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Allocation of taxable income

100 ______ Enter the Regulation that applies (402 to 413)

A Jurisdiction. Tick yes if the corporation had a permanent establishment in the jurisdiction during the tax year *		B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2** (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes	103		143		
Newfoundland and Labrador Offshore	004 Yes	104		144		
Prince Edward Island	005 Yes	105		145		
Nova Scotia	007 Yes	107		147		
Nova Scotia Offshore	008 Yes	108		148		
New Brunswick	009 Yes	109		149		
Quebec	011 Yes	111		151		
Ontario	013 Yes	113		153		
Manitoba	015 Yes	115		155		
Saskatchewan	017 Yes	117		157		
Alberta	019 Yes	119		159		
British Columbia	021 Yes	121		161		
Yukon	023 Yes	123		163		
Northwest Territories	025 Yes	125		165		
Nunavut	026 Yes	126		166		
Outside Canada	027 Yes	127		167		
Total		129 G		169 H		

* "Permanent establishment" is defined in subsection 400(2)

** For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:

1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation – Income Tax Guide.
2. If the corporation has provincial or territorial tax payable, complete Part 2.
3. If the corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits
722,320		722,320	83,067

	Line	Amount		Amount	
Ontario basic income tax (from Schedule 500)	270	83,067			
Ontario small business deduction (from Schedule 500)	402				
Subtotal (line 270 **minus** line 402)		83,067	▶	83,067	5A
Ontario transitional tax debits (from Schedule 506)	276				
Recapture of Ontario research and development tax credit (from Schedule 508)	277				
Subtotal (line 276 **plus** line 277)			▶		5B
Gross Ontario tax (amount 5A **plus** amount 5B)				83,067	5C
Ontario resource tax credit (from Schedule 504)	404				
Ontario tax credit for manufacturing and processing (from Schedule 502)	406				
Ontario foreign tax credit (from Schedule 21)	408				
Ontario credit union tax reduction (from Schedule 500)	410				
Ontario political contributions tax credit (from Schedule 525)	415				
Ontario non-refundable tax credits (total of lines 404 to 415)			▶		5D
Subtotal (amount 5C **minus** amount 5D) (if negative, enter "0")				83,067	5E
Ontario research and development tax credit (from Schedule 508)	416				
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E **minus** line 416) (if negative, enter "0")				83,067	5F
Ontario corporate minimum tax credit (from Schedule 510)	418				
Ontario community food program donation tax credit for farmers (from Schedule 2)	420				
Ontario corporate income tax payable (amount 5F **minus** the total of lines 418 and 420) (if negative enter "0")				83,067	5G
Ontario corporate minimum tax (from Schedule 510)	278				
Ontario special additional tax on life insurance corporations (from Schedule 512)	280				
Subtotal (line 278 **plus** line 280)			▶		5H
Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H)				83,067	5I
Ontario qualifying environmental trust tax credit	450				
Ontario co-operative education tax credit (from Schedule 550)	452	6,000			
Ontario apprenticeship training tax credit (from Schedule 552)	454	4,315			
Ontario computer animation and special effects tax credit (from Schedule 554)	456				
Ontario film and television tax credit (from Schedule 556)	458				
Ontario production services tax credit (from Schedule 558)	460				
Ontario interactive digital media tax credit (from Schedule 560)	462				
Ontario sound recording tax credit (from Schedule 562)	464				
Ontario book publishing tax credit (from Schedule 564)	466				
Ontario innovation tax credit (from Schedule 566)	468				
Ontario business-research institute tax credit (from Schedule 568)	470				
Ontario refundable tax credits (total of lines 450 to 470)		10,315	▶	10,315	5J
Net Ontario tax payable or refundable tax credit (amount 5I **minus** amount 5J) (if a credit, enter amount in brackets) Include this amount on line 255.	290			72,752	

Summary

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable tax credits **255** 72,752

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

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** Yes [ ] No [X]

	1 Class number * See note 1 (200)	Description	2 Undepreciated capital cost (UCC) at the beginning of the year (201)	3 Cost of acquisitions during the year (new property must be available for use) See note 2 (203)	4 Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) See note 3 (225)	5 Adjustments and transfers See note 4 (205)	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5 (221)	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6 (222)	8 Proceeds of dispositions See note 7 (207)	For tax years ending before November 21, 2018: 50% rule (1/2 of net acquisitions) (211)
1.	1	Buildings	8,669,082						0	
2.	8	Equipment	115,855	51,451	996				0	
3.	10	Trucks	197,361	293,225	1,051				8,000	
4.	12	Computer Software	26,941	22,371		-44,758			0	
5.	45	Computer equipment	43						0	
6.	47	Electric Distribution Equipment	9,699,544	1,131,362	678,373	-314,295			20,036	
7.	50	Computer equipment	19,712	13,899	4,769	-4,851			286	
8.	43.2	Solar Generation	879						0	
9.	14.1		133,072						0	
10.	1b		6,439						0	
11.	1b	2018 Addition		69,750	20,310				0	
12.	95	CIP		29,360					0	
		Totals	18,868,928	1,611,418	705,499	-363,904			28,322	

	1		9	10	11	12	13	14	15	16	17	18
	Class number * See note 1	Des- crip- tion	UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See note 8	Proceeds of disposition available to reduce the UCC of AIIP (column 8 **plus** column 6 **minus** column 3 **plus** column 4 **minus** column 7) (if negative, enter "0")	Net capital cost additions of AIIP acquired during the year (column 4 **minus** column 10) (if negative, enter "0")	UCC adjustment for AIIP acquired during the year (column 11 **multiplied** by the relevant factor) See note 9	UCC adjustment for non-AIIP acquired during the year (0.5 **multiplied** by the result of column 3 **minus** column 4 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") See note 10	CCA rate % See note 11	Recapture of CCA See note 12	Terminal loss See note 13	CCA (for declining balance method, the result of column 9 **plus** column 12 **minus** column 13, **multiplied** by column 14 or a lower amount) See note 14	UCC at the end of the year (column 9 **minus** column 17)
	200						224	212	213	215	217	220
1.	1	Buildin	8,669,082					4	0	0	346,763	8,322,319
2.	8	Equipn	167,306		996	498	25,228	20	0	0	28,515	138,791
3.	10	Trucks	482,586		1,051	526	142,087	30	0	0	102,308	380,278
4.	12	Compu	4,554				11,186	100	0	0		4,554
5.	45	Compu	43					45	0	0	19	24
6.	47	Electric	10,496,575		678,373	339,187	216,477	8	0	0	849,543	9,647,032
7.	50	Compu	28,474		4,769	2,385	4,422	55	0	0	14,540	13,934
8.	43.2	Solar G	879					50	0	0	440	439
9.	14.1		133,072					5	0	0	9,291	123,781
10.	1b		6,439					6	0	0	386	6,053
11.	1b	2018 A	69,750		20,310	10,155	24,720	6	0	0	3,311	66,439
12.	95	CIP	29,360				14,680	0	0	0		29,360
		Totals	20,088,120		705,499	352,751	438,800				1,355,116	18,733,004

Enter the total of column 15 on line 107 of Schedule 1.
Enter the total of column 16 on line 404 of Schedule 1.
Enter the total of column 17 on line 403 of Schedule 1.

Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).

Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 3. An accelerated investment incentive property (AIIP) is a property (other than property included in Class 54 or 55) that you acquired after November 20, 2018 and became available for use before 2028. See the T2 Corporation Income Tax Guide for more information. Classes 54 and 55 include property that is a zero-emission vehicle you acquired after March 18, 2019 and became available for use before 2028.

Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:

- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
- an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b).

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).

Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 9. The relevant factors for AIIP of a class in Schedule II and for property included in classes 54 and 55, available for use before 2024, are:

- 2 1/3 for property in Classes 43.1 and 54;
- 1 1/2 for property in Class 55;
- 1 for property in Classes 43.2 and 53;
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information); and
- 0.5 for all other property that is AIIP.

Note 10. The UCC adjustment for non-AIIP acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.

Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.

Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:

- passenger vehicles in Class 10.1;
- property in Class 14.1, unless you have ceased carrying on the business to which it relates; or
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply.

Note 14. 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:

- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction).
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC a the end of the tax year (before any CCA deduction).
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction).
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction).
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2 (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.
- Property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit: 150% of the amount determined by first subtracting the total of the residual value of the timber limit and all amounts you expended for the 1949 or later tax years for surveys, cruises or preparation of prints, maps or plans for the purpose of obtaining a licence or right to cut timber from the capital cost of the limit or right, and then dividing the result by the quantity of timber in the limit or the quantity of timber you have the right to cut.
- Industrial mineral mine or a right to remove industrial minerals from an industrial mineral mine: 150% of the amount determined by first subtracting the residual value, if any, of the mine or right from the capital cost of the mine or right, and then dividing the result by the number of units of commercially mineable material estimated to be in the mine when the mine or right was acquired (alternatively, if you have acquired a right to remove only a specified number of units, that number of units that you acquired a right to remove).

Fixed Assets Reconciliation

Reconciliation of change in fixed assets per financial statements to amounts used per tax return.

Tax return

Additions for tax purposes – Schedule 8 regular classes		1,611,418		
Additions for tax purposes – Schedule 8 leasehold improvements	+			
Operating leases capitalized for book purposes	+			
Capital gain deferred	+			
Recapture deferred	+			
Deductible expenses capitalized for book purposes – Schedule 1	+			
Other (specify):				
Contributed capital - Subsection 13(7.4) election	+	205,712		
Less: beg WIP balance	+	-23,029		
Total additions per books	=	1,794,101	▶	1,794,101
Proceeds up to original cost – Schedule 8 regular classes		28,322		
Proceeds up to original cost – Schedule 8 leasehold improvements	+			
Proceeds in excess of original cost – capital gain	+			
Recapture deferred – as above	+			
Capital gain deferred – as above	+			
Pre V-day appreciation	+			
Other (specify):				
	+			
Total proceeds per books	=	28,322	▶ –	28,322
Depreciation and amortization per accounts – Schedule 1			–	956,761
Loss on disposal of fixed assets per accounts			–	39,851
Gain on disposal of fixed assets per accounts			+	
Net change per tax return			=	769,167

Financial statements

Fixed assets (excluding land) per financial statements

Closing net book value		20,373,399
Opening net book value	–	19,604,232
Net change per financial statements	=	769,167

If the amounts from the tax return and the financial statements differ, explain why below.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Corporation of the Town of Orange\		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	30,000		30,000	30,000	30,000
2	Employee Future Benefits	352,533		-23,449		329,084
3						
	Reserves from Part 2 of Schedule 13					
	Totals	382,533		6,551	30,000	359,084

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for purposes of the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year is required to file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)

2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation

3 – Non-CCPC that is a **third corporation**

4 – Associated non-CCPC

5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . **025** Year Month Day

Enter the calendar year to which the agreement applies . . . . . **050** Year 2018

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . **075** [ ] Yes [X] No

	1 Name of associated corporations **100**	2 Business number of associated corporations **200**	3 Association code **300**	4 Business limit for the year before the allocation $	5 Percentage of the business limit % **350**	6 Business limit allocated* $ **400**	
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000	
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000			
3	Corporation of the Township of East Luther Gra	NR	1	500,000			
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000			
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000			
				Total	100.0000	500,000	A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (D - $10,000,000). Details of this formula and variable D are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year, whichever is less.

Canada Revenue Agency — Agence du revenu du Canada

Schedule 31

Investment Tax Credit – Corporations

General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year;
  - to claim a deduction against Part I tax payable;
  - to claim a refund of credit earned during the current tax year;
  - to claim a carryforward of credit from previous tax years;
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1);
  - to request a credit carryback to one or more previous years;
  - if you are subject to a recapture of ITC; or
  - if you are claiming:
    - the **Ontario Research and Development Tax Credit**;
    - the **Ontario Innovation Tax Credit.**
- Unless otherwise stated, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that earn an ITC are:
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule);
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, *Scientific Research and Experimental Development (SR&ED) Expenditures Claim*;
  - pre-production mining expenditures (Parts 18 to 20);
  - apprenticeship job creation expenditures (Parts 21 to 23); and
  - child care spaces expenditures (Parts 24 to 28).
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the investment tax credit. If you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.
- File this schedule with the *T2 Corporation Income Tax Return*. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, *T2 Corporation – Income Tax Guide* and read Information Circular IC78-4, *Investment Tax Credit Rates*, and its related Special Release.
- For more information on SR&ED, see guide T4088, *Guide to Form T661 – Scientific Research and Experimental Development (SR&ED) Expenditures Claim*.

Detailed information

- 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 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.
- An ITC deducted or refunded in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax 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 tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be **available for use** before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- 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 tax year in which it incurred the expenditures or capital costs.
- Expenditures for pre-production mining, apprenticeship, or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- 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 is not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners. For more information, see Guide T4068, *Guide for the Partnership Information Return*.
- For tax purposes**,** Canada includes the **exclusive economic zone of Canada** as defined in the *Oceans Act* (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).
- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and if acquired by the taxpayer **after** March 28, 2012, new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.

Detailed information (continued)

- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining exploration expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to determine the existence, location, extent, or quality of certain mineral resources in Canada, excluding expenses incurred in the exploration of an oil or gas well. See subparagraph (a)(i) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining development expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to bring a new mineral resource mine in Canada into production, excluding expenses in the development of a bituminous sands deposit or an oil shale deposit. See subparagraph (a)(ii) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.

Part 1 – Investments, expenditures, and percentages

Investments	**Specified percentage**
Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
– after March 28, 2012, and before 2014	10 %
– after 2013 and before 2016	5 %
– after 2015*	0 %

Expenditures

If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %

Note: If your current year's qualified expenditures are more than your expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 15 % rate.

If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada:	
– before 2014**	20 %
– after 2013**	15 %
If you are a taxable Canadian corporation that incurred pre-production mining expenditures before March 29, 2012	10 %
If you are a taxable Canadian corporation that incurred pre-production mining exploration expenditures:	
– after March 28, 2012, and before 2013	10 %
– in 2013	5 %
– after 2013	0 %
If you are a taxable Canadian corporation that incurred pre-production mining development expenditures***:	
– after March 28, 2012, and before 2014	10 %
– in 2014	7 %
– in 2015	4 %
– after 2015	0 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %
If you incurred expenditures after March 18, 2007 and before March 22, 2017 (or before 2020 if you entered into a written agreement before March 22, 2017) for the creation of licensed child care spaces for the children of your employees and, potentially, for other children	25 %

* A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.

** The reduction of the rate from 20% to 15% applies to 2014 and later tax years, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.

*** A transitional relief rate may apply to expenditures incurred after 2013 and before 2016, if the expenditure is incurred under a written agreement entered into before March 29, 2012, or the expenditure is incurred as part of the development of a new mine where the construction or the engineering and design work for the construction of the new mine started before March 29, 2012. See subparagraphs (k)(ii) and (iii) of the definition of **specified percentage** in subsection 127(9) for more information.

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

Part 2 – Determination of a qualifying corporation

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

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

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered **not** associated for the calculation of a refundable ITC if:

- 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.

* Capital expenditures incurred after December 31, 2013, including lease payments for property that would have been a capital expenditure if purchased directly, are **not** qualified SR&ED expenditures and are **not** eligible for an ITC on SR&ED expenditures.

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.

Contributions to agricultural organizations for SR&ED* . . . . **103** ____________
Enter on line 350 of Part 8.

* Enter only contributions not already included on Form T661.
Include 80% of the contributions made **after** 2012. For contributions made **before** 2013, include all of the contributions.

Qualified Property and Qualified Resource Property

Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

Capital cost allowance class number **105**	Description of investment **110**	Date available for use **115**	Location used in Atlantic Canada (province) **120**	Amount of investment **125**

Total of investments for qualified property and qualified resource property ____________ A1

Part 5 – Current-year credit and account balances – ITC from investments in qualified property and qualified resource property

ITC at the end of the previous tax year				B1
Credit deemed as a remittance of co-op corporations	210			
Credit expired	215			
Subtotal (line 210 **plus** line 215)			▶	C1
ITC at the beginning of the tax year (amount B1 **minus** amount C1)			220	
Credit transferred on an amalgamation or the wind-up of a subsidiary	230			
ITC from repayment of assistance	235			
Qualified property; and qualified resource property acquired after March 28, 2012, and before January 1, 2014* (applicable part from amount A1 in Part 4) ______ x 10 % =	240			
Qualified resource property acquired after December 31, 2013, and before January 1, 2016 (applicable part from amount A1 in Part 4) ______ x 5 % =	242			
Credit allocated from a partnership	250			
Subtotal (total of lines 230 to 250)			▶	D1
Total credit available (line 220 **plus** amount D1)				E1
Credit deducted from Part I tax	260			
Credit carried back to previous years (amount H1 in Part 6)			a	
Credit transferred to offset Part VII tax liability	280			
Subtotal (total of line 260, amount a, and line 280)			▶	F1
Credit balance before refund (amount E1 **minus** amount F1)				G1
Refund of credit claimed on investments from qualified property and qualified resource property (from Part 7)			310	
ITC closing balance of investments from qualified property and qualified resource property (amount G1 **minus** line 310)			320	

* Include investments acquired after 2013 and before 2017 that are eligible for transitional relief.

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

	Year	Month	Day			
1st previous tax year				Credit to be applied	901	
2nd previous tax year				Credit to be applied	902	
3rd previous tax year				Credit to be applied	903	

Total of lines 901 to 903
Enter at amount a in Part 5. H1

Part 7 – Refund of ITC for qualifying corporations on investments from qualified property and qualified resource property

Current-year ITCs (total of lines 240, 242, and 250 in Part 5)		I1
Credit balance before refund (from amount G1 in Part 5)		J1
Refund (40 % of amount I1 or J1, whichever is less)		K1

Enter amount K1 or a lesser amount on line 310 in Part 5 (also enter on line 780 of the T2 return if you do not claim an SR&ED ITC refund).

SR&ED

Part 8 – Qualified SR&ED expenditures

Current expenditures (from line 557 on Form T661)				
Contributions to agricultural organizations for SR&ED				
Deduct:				
Government assistance, non-government assistance, or contract payment				
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*		+		
Current expenditures (line 557 on Form T661 **plus** line 103 in Part 3)*			350	
Capital expenditures incurred **before** 2014 (from line 558 on Form T661)**			360	
Repayments made in the year (from line 560 on Form T661)			370	
Qualified SR&ED expenditures (total of lines 350 to 370)			380	

* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.

** Capital expenditures incurred after December 31, 2013, are not qualified SR&ED expenditures. Capital cost allowance can be claimed for depreciable property acquired for use in SR&ED after 2013.

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

Part 9 only applies if you are a CCPC.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if:

- 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 [X]

If you answered **no** to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398.
If you answered **yes**, the amounts for associated corporations will be determined on Schedule 49.

Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied)		390	694,911
Enter your taxable capital employed in Canada for the previous tax year minus $10 million. If this amount is nil or negative, enter "0". If this amount is over $40 million, enter $40 million	10,289,603	398	289,603

* If the tax year referred to on line 390 is less than 51 weeks, **multiply** the taxable income by the following result: 365 **divided** by the number of days in that tax year.

Part 10 – SR&ED expenditure limit for a CCPC

For a stand-alone (not associated) corporation:			$ 8,000,000	
Taxable income for the previous tax year (line 390 in Part 9) or $500,000, whichever is more	694,911	x 10 =	6,949,110	A2
Excess ($8,000,000 **minus** amount A2 if the taxation year ends before March 19, 2019; otherwise, enter $3,000,000) (if negative, enter "0")*			1,050,890	B2
$ 40,000,000 **minus** line 398 in Part 9	39,710,397	b		
Amount b **divided** by $ 40,000,000			0.99276	C2
Expenditure limit for the stand-alone corporation (amount B2 **multiplied** by amount C2)**			1,043,282	D2
For an associated corporation:				
If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49**		400		E2
If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:				
Amount D2 or E2 ______ x Number of days in the tax year / 365	365	=		F2
Your SR&ED expenditure limit for the year (enter amount D2, E2, or F2, whichever applies)		410	1,043,282	

* For taxation years ending after March 18, 2019, the taxable income is no longer taken into account in the SR&ED expenditure limit calculation. For more information, consult the Help (F1).

** Amount D2 or E2 cannot be more than $3,000,000.

Part 11 – Investment tax credits on SR&ED expenditures

Current expenditures (from line 350 in Part 8) or the expenditure limit (from line 410 in Part 10), whichever is less*	420		x	35 %	=	G2
Line 350 **minus** line 410 (if negative, enter "0")	430					
Amount from line 430 ___ x Number of days in the tax year before 2014 / Number of days in the tax year ___ x				20%	=	c
Amount from line 430** ___ x Number of days in the tax year after 2013 / Number of days in the tax year 365 / 365 x				15 %	=	d
Subtotal (amount c **plus** amount d)						H2
Line 410 **minus** line 350 (if negative, enter "0")		1,043,282 e				
Capital expenditures (line 360 in Part 8) or amount e, whichever is less*	440		x	35 %	=	I2
Line 360 **minus** amount e (if negative, enter "0")	450					
Amount from line 450 ___ x Number of days in the tax year before 2014 / Number of days in the tax year ___ x				20%	=	f
Amount from line 450** ___ x Number of days in the tax year after 2013 / Number of days in the tax year 365 / 365 x				15 %	=	g
Subtotal (amount f **plus** amount g)						J2

If a corporation makes a repayment of any government or 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.

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

Enter the amount of the repayment on the line that corresponds to the appropriate rate.

Repayment of assistance that reduced a qualifying expenditure for a CCPC***	460		x	35 %	=	h
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015	480		x	20 %	=	i
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred after 2014	490		x	15 %	=	j
Subtotal (**add** amounts h to j)						K2

Current-year SR&ED ITC (total of amounts G2 to K2; enter on line 540 in Part 12) L2

* For corporations that are not CCPCs, enter "0" for amounts G2 and I2.

** For tax years that end after 2013, the general SR&ED ITC rate is reduced from 20% to 15%, except that, for 2014 tax years that start **before** 2014, the reduction is pro-rated based on the number of days in the tax year that are **after** 2013. For tax years that have a start date **after** 2013, **multiply** the amount by 15%.

*** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), **additions to investment tax credit**. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as appropriate.

Part 12 – Current-year credit and account balances – ITC from SR&ED expenditures

ITC at the end of the previous tax year				M2
Credit deemed as a remittance of co-op corporations	510			
Credit expired	515			
Subtotal (line 510 **plus** line 515)			▶	N2
ITC at the beginning of the tax year (amount M2 **minus** amount N2)			520	
Credit transferred on an amalgamation or the wind-up of a subsidiary	530			
Total current-year credit (from amount L2 in Part 11)	540			
Credit allocated from a partnership	550			
Subtotal (total of lines 530 to 550)			▶	O2
Total credit available (line 520 **plus** amount O2)				P2
Credit deducted from Part I tax	560			
Credit carried back to previous years (amount S2 in Part 13)			k	
Credit transferred to offset Part VII tax liability	580			
Subtotal (total of line 560, amount k, and line 580)			▶	Q2
Credit balance before refund (amount P2 **minus** amount Q2)				R2
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15, whichever applies)			610	
ITC closing balance on SR&ED (amount R2 **minus** line 610)			620	

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

	Year	Month	Day			
1st previous tax year				Credit to be applied	911	
2nd previous tax year				Credit to be applied	912	
3rd previous tax year				Credit to be applied	913	
				Total of lines 911 to 913 Enter at amount k in Part 12.		S2

Part 14 – Refund of ITC for qualifying corporations – SR&ED

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

Is the corporation an excluded corporation as defined under subsection 127.1(2)?	650	1 Yes [ ] 2 No [X]
Current-year ITC (lines 540 **plus** 550 in Part 12 **minus** amount K2 in Part 11)		I
Refundable credits (amount I or amount R2 in Part 12, whichever is less)*		T2
Amount T2 or amount G2 in Part 11, whichever is less		U2
Net amount (amount T2 **minus** amount U2; if negative, enter "0")		V2
Amount V2 **multiplied** by 40 %		W2
Amount U2		X2
Refund of ITC (amount W2 **plus** amount X2 – enter this, or a lesser amount, on line 610 in Part 12)		Y2

Enter the total of line 310 in Part 5 and line 610 in 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 must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y2.

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

Complete this part only if you are a CCPC that is not a qualifying or excluded corporation as determined on line 101 in Part 2.

Credit balance before refund (amount R2 in Part 12)		Z2
Amount Z2 or amount G2 in Part 11, whichever is less		AA2
Net amount (amount Z2 **minus** amount AA2; if negative, enter "0")		BB2
Amount BB2 or amount I2 in Part 11, whichever is less		CC2
Amount CC2 **multiplied** by 40 %		DD2
Amount AA2		EE2
Refund of ITC (amount DD2 **plus** amount EE2)		FF2

Enter FF2, or a lesser amount, on line 610 in Part 12 and also on line 780 of the T2 return.

Recapture – SR&ED

Part 16 – Recapture of ITC for corporations and 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 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008;
- 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 calculating 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 that 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 tax 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

Subtotal Enter at amount C3 in Part 17. ____ A3

Calculation 2 – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil on line B3.

A Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement 720	B 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 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	D Amount determined by the formula (A x B) – C	E ITC earned by the transferee for the qualified expenditures that were transferred 750	F Amount from column D or E, whichever is less

Subtotal (total of column F) Enter at amount D3 in Part 17. ____ B3

Part 16 – Recapture of ITC for corporations and partnerships – SR&ED (continued)

Calculation 3

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED 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 enough 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 760.

Corporate partner's share of the excess of SR&ED ITC **760** ____________
Enter at amount E3 in Part 17.

Part 17 – Total recapture of SR&ED investment tax credit

Recaptured ITC from calculation 1, amount A3 in Part 16		C3
Recaptured ITC from calculation 2, amount B3 in Part 16		D3
Recaptured ITC from calculation 3, line 760 in Part 16		E3
Total recapture of SR&ED investment tax credit (total of amounts C3 to E3) Enter at amount A8 in Part 29.		F3

Pre-Production Mining

Part 18 – 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 tax year.

For each of the minerals reported in column 800, identify each project (in column 805), mineral title (in column 806), and mining division (in column 807) where title is registered. If there is no mineral title, identify only the project and mining division.

List of minerals 800	Project name 805

Mineral title 806	Mining division 807

Pre-production mining expenditures*

Exploration:
Pre-production mining expenditures that you incurred in the tax year (**before** January 1, 2014) for the purpose of determining the existence, location, extent, or quality of a mineral resource in Canada:

Prospecting 810

Geological, geophysical, or geochemical surveys 811

Drilling by rotary, diamond, percussion, or other methods 812

Trenching, digging test pits, and preliminary sampling 813

Development:
Pre-production mining expenditures incurred in the tax year 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

Sinking a mine shaft, constructing an adit, or other underground entry 821

Other pre-production mining expenditures incurred in the tax year:

Description 825	Amount 826

Total of column 826 ► A4

Total pre-production mining expenditures (total of lines 810 to 821 and amount A4) 830

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 on line 830 above 832

Excess (line 830 **minus** line 832) (if negative, enter "0") B4

Repayments of government and non-government assistance 835

Pre-production mining expenditures (amount B4 **plus** line 835) C4

* A pre-production mining expenditure is defined under subsection 127(9).

Part 19 – Current-year credit and account balances – ITC from pre-production mining expenditures

ITC at the end of the previous tax year . . . D4

Credit deemed as a remittance of co-op corporations . . . 841

Credit expired . . . 845

Subtotal (line 841 **plus** line 845) ▶ E4

ITC at the beginning of the tax year (amount D4 **minus** amount E4) . . . 850

Credit transferred on an amalgamation or the wind-up of a subsidiary . . . 860

Pre-production mining expenditures* incurred before January 1, 2013 (applicable part from amount C4 in Part 18) . . 870 x 10 % = m

Pre-production mining exploration expenditures** incurred in 2013 (applicable part from amount C4 in Part 18) . . 872 x 5 % = n

Pre-production mining development expenditures incurred in 2014 (applicable part from amount C4 in Part 18) . . 874 x 7 % = o

Pre-production mining development expenditures incurred in 2015 (applicable part from amount C4 in Part 18) . . 876 x 4 % = p

Current year credit (total of amounts m to p) 880 ▶ F4

Total credit available (total of lines 850, 860, and amount F4) . . . G4

Credit deducted from Part I tax . . . 885

Credit carried back to previous years (amount I4 in Part 20) . . . q

Subtotal (line 885 **plus** amount q) ▶ H4

ITC closing balance from pre-production mining expenditures (amount G4 **minus** amount H4) . . . 890

* Also include pre-production mining development expenditures incurred before 2014 and pre-production mining development expenditures incurred after 2013 and before 2016 that are eligible for transitional relief.

** Also include pre-production mining development expenditures incurred in 2015 if the expense is described in subparagraph (a)(ii) of the definition **pre-production mining expenditure** in subsection 127(9) of the Act because of paragraph (g.4) of the definition **Canadian exploration expense** in subsection 66.1(6) of the Act.

Part 20 – Request for carryback of credit from pre-production mining expenditures

	Year Month Day			
1st previous tax year		Credit to be applied	921	
2nd previous tax year		Credit to be applied	922	
3rd previous tax year		Credit to be applied	923	

Total of lines 921 to 923
Enter at amount q in Part 19. I4

Apprenticeship Job Creation

Part 21 – Total current-year credit – ITC from apprenticeship job creation expenditures

If you are a related person as defined under subsection 251(2), has it been agreed in writing that you are the only employer who will be claiming the apprenticeship job creation tax credit for this tax year for each apprentice whose contract number (or social insurance number (SIN) or name) appears below? (If not, you cannot claim the tax credit.) . . . 611 1 Yes ☐ 2 No ☐

For each apprentice in their first 24 months of the apprenticeship, enter the apprenticeship contract number registered with Canada, or a province or territory, under an apprenticeship program designed to certify or license individuals in the trade. For the province, the trade must be a Red Seal trade. If there is no contract number, enter the SIN or the name of the eligible apprentice.

	A Contract number (SIN or name of apprentice) 601	B Name of eligible trade 602	C Eligible salary and wages* 603	D Column C x 10 % 604	E Lesser of column D or $ 2,000 605
1.	SYS045899	Powerline Technician	90,927	9,093	2,000

A Contract number (SIN or name of apprentice) 601	B Name of eligible trade 602	C Eligible salary and wages* 603	D Column C x 10 % 604	E Lesser of column D or $ 2,000 605
2. SYS089443	Powerline Technician	17,556	1,756	1,756

Total current-year credit (total of column E) Enter on line 640 in Part 22. 3,756 A5

* Other than qualified expenditure incurred, and net of any other government or non-government assistance received or to be received. **Eligible salary and wages**, and **qualified expenditures** are defined under subsection 127(9).

Part 22 – Current-year credit and account balances – ITC from apprenticeship job creation expenditures

ITC at the end of the previous tax year				B5
Credit deemed as a remittance of co-op corporations	612			
Credit expired after 20 tax years	615			
Subtotal (line 612 **plus** line 615)			▶	C5
ITC at the beginning of the tax year (amount B5 **minus** amount C5)			625	
Credit transferred on an amalgamation or the wind-up of a subsidiary	630			
ITC from repayment of assistance	635			
Total current-year credit (amount A5 in Part 21)	640	3,756		
Credit allocated from a partnership	655			
Subtotal (total of lines 630 to 655)		3,756	▶ 3,756	D5
Total credit available (line 625 **plus** amount D5)			3,756	E5
Credit deducted from Part I tax	660	3,756		
Credit carried back to previous years (amount G5 in Part 23)			r	
Subtotal (line 660 **plus** amount r)		3,756	▶ 3,756	F5
ITC closing balance from apprenticeship job creation expenditures (amount E5 **minus** amount F5)			690	

Part 23 – Request for carryback of credit from apprenticeship job creation expenditures

	Year	Month	Day			
1st previous tax year				Credit to be applied	931	
2nd previous tax year				Credit to be applied	932	
3rd previous tax year				Credit to be applied	933	

Total of lines 931 to 933
Enter at amount r in Part 22. G5

Child Care Spaces

Part 24 – Eligible child care spaces expenditures

Enter the eligible expenditures that you incurred after March 18, 2007 and before March 22, 2017* to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property); and
- the specified child care start-up expenditures.

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

Cost of depreciable property from the current tax year

	Capital cost allowance class number 665	Description of investment 675	Date available for use 685	Amount of investment 695
1.				

Total cost of depreciable property from the current tax year (total of column 695) **715** ______

Specified child care start-up expenditures from the current tax year . . . . **705** ______

Total gross eligible expenditures for child care spaces (line 715 **plus** line 705) . . . . ______ A6

Total of all assistance (including 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 in amount A6 . . . . **725** ______

Excess (amount A6 **minus** line 725) (if negative, enter "0") . . . . ______ B6

Repayments by the corporation of government and non-government assistance . . . . **735** ______

Total eligible expenditures for child care spaces (amount B6 **plus** line 735) . . . . **745** ______

* If you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.

Part 25 – Current-year credit – ITC from child care spaces expenditures

The credit is equal to 25% of eligible child care spaces expenditures incurred to a maximum of $10,000 per child care space created in a licensed child care facility.

Eligible expenditures (from line 745 in Part 24) . . . . ______ x 25 % = ______ C6

Number of child care spaces . . . . **755** ______ x $ 10,000 = ______ D6

ITC from child care spaces expenditures (amount C6 or D6, whichever is less) . . . . ______ E6

Part 26 – Current-year credit and account balances – ITC from child care spaces expenditures

ITC at the end of the previous tax year				F6
Credit deemed as a remittance of co-op corporations	765			
Credit expired after 20 tax years	770			
Subtotal (line 765 **plus** line 770)			►	G6
ITC at the beginning of the tax year (amount F6 **minus** amount G6)			775	
Credit transferred on an amalgamation or the wind-up of a subsidiary	777			
Total current-year credit (amount E6 in Part 25)	780			
Credit allocated from a partnership	782			
Subtotal (total of lines 777 to 782)			►	H6
Total credit available (line 775 **plus** amount H6)				I6
Credit deducted from Part I tax	785			
Credit carried back to previous years (amount K6 in Part 27)			s	
Subtotal (line 785 **plus** amount s)			►	J6
ITC closing balance from child care spaces expenditures (amount I6 **minus** amount J6)			790	

Part 27 – Request for carryback of credit from child care space expenditures

	Year Month Day			
1st previous tax year	2017-12-31	Credit to be applied	941	
2nd previous tax year	2016-12-31	Credit to be applied	942	
3rd previous tax year	2015-12-31	Credit to be applied	943	
		Total of lines 941 to 943 Enter at amount s in Part 26.		K6

Recapture – Child Care Spaces

Part 28 – Recapture of ITC for corporations and partnerships – Child care spaces

The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property:

- the new child care space is no longer available; or
- property that was an eligible expenditure for the child care space is:
  - disposed of or leased to a lessee; or
  - converted to another use.

If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a)) . . . . . **792** ______

In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:

The amount that can reasonably be considered to have been included in the original ITC . . . . **795** ______

25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property . . . . . **797** ______

Amount from line 795 or line 797, whichever is less . . . . . ______ A7

Partnerships

As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 26. However, if the partnership does not have enough 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 799 below.

Corporate partner's share of the excess of ITC **799** ______

Total recapture of child care spaces investment tax credit (total of line 792, amount A7, and line 799) . . . . . ______ B7

Enter at amount B8 in Part 29.

Summary of Investment Tax Credits

Part 29 – Total recapture of investment tax credit

Recaptured SR&ED ITC (amount F3 in Part 17)		A8
Recaptured child care spaces ITC (amount B7 in Part 28)		B8
Total recapture of investment tax credit (amount A8 **plus** amount B8)		C8

Enter on line 602 of the T2 return.

Part 30 – Total ITC deducted from Part I tax

ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)		D8
ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12)		E8
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 19)		F8
ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 22)	3,756	G8
ITC from child care space expenditures deducted from Part I tax (line 785 in Part 26)		H8
Total ITC deducted from Part I tax (total of amounts D8 to H8)	3,756	I8

Enter on line 652 of the T2 return.

Summary of Investment Tax Credit Carryovers

Continuity of investment tax credit carryovers

CCA class number 97 Apprenticeship job creation ITC

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)
3,756	3,756			

Prior years

Taxation year	ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2017-12-31				
2016-12-31				
2015-12-31				
2014-12-31				
2013-12-31				
2012-12-31				
2011-12-31				
2010-12-31				
2009-12-31				
				*
				*
Total				

B+C+D+G **Total ITC utilized** 3,756

* The **ITC end of year** includes the amount of ITC expired from the 10th preceding year if it is before January 1, 1998, or the amount of ITC expired from the 20th preceding year if it is after December 31, 1997. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

Canada Revenue Agency / Agence du revenu du Canada

Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

	Line	Amount		
Reserves that have not been deducted in calculating income for the year under Part I	101	359,084		
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714		
Retained earnings	104	2,656,771		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108			
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		11,306,569 ►	11,306,569	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
a) those lines applied to partnerships in the same manner that they apply to corporations, and
b) those amounts were computed without reference to amounts owing by the partnership
(i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
(ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Subtotal A (from page 1)		11,306,569	A
Deduct the following amounts:			
Deferred tax debit balance at the end of the year	121		
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122		
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123		
Deferred unrealized foreign exchange losses at the end of the year	124		
Subtotal (**add** lines 121 to 124)		▶	B
Capital for the year (amount A **minus** amount B) (if negative, enter "0")	190	11,306,569	

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		11,306,569	C
Deduct: Investment allowance for the year (line 490)			D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	11,306,569	

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500)	11,306,569	x	Taxable income earned in Canada **610**	722,320	= **Taxable capital employed in Canada** **690**	11,306,569
			Taxable income	722,320		

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

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

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

Deduct the following amounts:

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

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

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

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

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

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690)		F
Deduct:	10,000,000	G
Excess (amount F **minus** amount G) (if negative, enter "0")		H
Calculation for purposes of the small business deduction (amount H x 0.225%)		I

Enter this amount at line 415 of the T2 return.

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SCHEDULE 50

SHAREHOLDER INFORMATION

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

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)	Provide only one number per shareholder: Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
	100	200	300	350	400	500
1	The Corporation of the Town of Orangeville	10698 6151 RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

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Schedule 53

General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

On: 2018-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 *Corporation Income Tax Return*. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.

Eligibility for the various additions

Answer the following questions to determine the corporation's eligibility for the various additions:

2006 addition

1. Is this the corporation's first taxation year that includes January 1, 2006? . . . . . ☐ Yes ☒ No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006? Enter the date and go directly to question 4 2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA? . . . . . ☐ Yes ☐ No
   If the answer to question 3 is yes, complete Part "GRIP addition for 2006".

Change in the type of corporation

4. Was the corporation a CCPC during its preceding taxation year? . . . . . ☒ Yes ☐ No
5. Corporations that become a CCPC or a DIC . . . . . ☐ Yes ☒ No
   If the answer to question 5 is yes, complete Part 4.

Amalgamation (first year of filing after amalgamation)

6. Corporations that were formed as a result of an amalgamation . . . . . ☐ Yes ☒ No
   If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC? . . . . . ☐ Yes ☐ No
   If the answer to question 7 is yes, complete Part 4.
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation? . . . . . ☐ Yes ☐ No
   If the answer to question 8 is yes, complete Part 3.

Winding-up

9. Has the corporation wound-up a subsidiary in the preceding taxation year? . . . . . ☐ Yes ☒ No
   If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year? . . . . . ☐ Yes ☐ No
    If the answer to question 10 is yes, complete Part 4.
11. Was the subsidiary a CCPC or a DIC during its last taxation year? . . . . . ☐ Yes ☐ No
    If the answer to question 11 is yes, complete Part 3.

Part 1 – General rate income pool (GRIP)

GRIP at the end of the previous tax year			100	7,978,892	A
Taxable income for the year (DICs enter "0") *	110	722,320	B		
Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less * 130					
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income * 140					
Subtotal (line 130 **plus** line 140) ►			C		
Income taxable at the general corporate rate (amount B **minus** amount C) (if negative enter "0")	150	722,320			
After-tax income (line 150 **multiplied** by 0.72 (the general rate factor for the tax year))			190	520,070	D
Eligible dividends received in the tax year	200				
Dividends deductible under section 113 received in the tax year	210				
Subtotal (line 200 **plus** line 210)			►		E
Becoming a CCPC (amount W5 in Part 4)	220				
Post-amalgamation (total of amounts E4 in Part 3 and amounts W5 in Part 4)	230				
Post-wind-up (total of amounts E4 in Part 3 and amounts W5 in Part 4)	240				
Subtotal (**add** lines 220, 230, and 240)	290		►		F
Subtotal (**add** amounts A, D, E, and F)				8,498,962	G
Eligible dividends paid in the previous tax year	300	610,747			
Excessive eligible dividend designations made in the previous tax year	310				
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)					
Subtotal (line 300 **minus** line 310)		610,747	►	610,747	H
GRIP before adjustment for specified future tax consequences (amount G **minus** amount H) (amount can be negative)			490	7,888,215	
Total GRIP adjustment for specified future tax consequences to previous tax years (amount N3 in Part 2)			560		
GRIP at the end of the tax year (line 490 **minus** line 560) Enter this amount on line 160 of Schedule 55.			590	7,888,215	

* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560.

First previous tax year 2017-12-31

Taxable income before specified future tax consequences from the current tax year 694,911 A1

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ B1

Aggregate investment income (line 440 of the T2 return) 58,221 C1

Subtotal (amount B1 **plus** amount C1) 58,221 ▶ 58,221 D1

Subtotal (amount A1 **minus** amount D1) (if negative, enter "0") 636,690 ▶ 636,690 E1

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ______ F1

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ G1

Aggregate investment income (line 440 of the T2 return) . . . . ______ H1

Subtotal (amount G1 **plus** amount H1) ______ ▶ ______ I1

Subtotal (amount F1 **minus** amount I1) (if negative, enter "0") ______ ▶ ______ J1

Subtotal (amount E1 **minus** amount J1) (if negative, enter "0") ______ K1

GRIP adjustment for specified future tax consequences to the first previous tax year
(amount K1 **multiplied** by 0.72) . . . . **500** ______

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Second previous tax year 2016-12-31

Taxable income before specified future tax consequences from the current tax year . . . . ______ A2

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ B2

Aggregate investment income (line 440 of the T2 return) . . . . ______ C2

Subtotal (amount B2 **plus** amount C2) ______ ▶ ______ D2

Subtotal (amount A2 **minus** amount D2) (if negative, enter "0") ______ ▶ ______ E2

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ______ F2

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less . . . . ______ G2

Aggregate investment income (line 440 of the T2 return) . . . . ______ H2

Subtotal (amount G2 **plus** amount H2) ______ ▶ ______ I2

Subtotal (amount F2 **minus** amount I2) (if negative, enter "0") ______ ▶ ______ J2

Subtotal (amount E2 **minus** amount J2) (if negative, enter "0") ______ K2

GRIP adjustment for specified future tax consequences to the second previous tax year
(amount K2 **multiplied** by 0.72) . . . . **520** ______

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Third previous tax year 2015-12-31

Taxable income before specified future tax consequences from the current tax year A3

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less B3

Aggregate investment income (line 440 of the T2 return) C3

Subtotal (amount B3 **plus** amount C3) ▶ D3

Subtotal (amount A3 **minus** amount D3) (if negative, enter "0") ▶ E3

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences F3

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, or 427 of the T2 return, whichever is less G3

Aggregate investment income (line 440 of the T2 return) H3

Subtotal (amount G3 **plus** amount H3) ▶ I3

Subtotal (amount F3 **minus** amount I3) (if negative, enter "0") ▶ J3

Subtotal (amount E3 **minus** amount J3) (if negative, enter "0") K3

GRIP adjustment for specified future tax consequences to the third previous tax year
(amount K3 **multiplied by** 0.72) **540**

Total GRIP adjustment for specified future tax consequences to previous tax years:
(**add** lines 500, 520, and 540) (if negative, enter "0") L3

Enter amount L3 on line 560 in part 1.

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

nb. 1 Post amalgamation . . . ☐ Post wind-up . . . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year			A4
Eligible dividends paid by the corporation in its last tax year		B4	
Excessive eligible dividend designations made by the corporation in its last tax year		C4	
Subtotal (amount B4 **minus** amount C4)		►	D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 **minus** amount D4)			E4

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:

- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC

nb. 1 Corporation becoming a CCPC . . . . . . ☐ Post amalgamation . . . . ☐ Post wind-up . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or a DIC in its last tax year.The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year . . . . ______ A5

The corporation's money on hand immediately before the end of its previous/last tax year . . . . ______ B5

Total of subsection 111(1) losses that would have been deductible in calculating the corporation's taxable income for the previous/last tax year if the corporation had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for the previous/last tax year:

Non-capital losses . . . . ______ C5

Net capital losses . . . . ______ D5

Farm losses . . . . ______ E5

Restricted farm losses . . . . ______ F5

Limited partnership losses . . . . ______ G5

Subtotal (**add** amounts C5 to G5) ______ ▶ ______ H5

Total of all amounts deducted under subsection 111(1) in calculating the corporation's taxable income for the previous/last tax year:

Non-capital losses . . . . ______ I5

Net capital losses . . . . ______ J5

Farm losses . . . . ______ K5

Restricted farm losses . . . . ______ L5

Limited partnership losses . . . . ______ M5

Subtotal (**add** amounts I5 to M5) ______ ▶ ______ N5

Unused and unexpired losses at the end of the corporation's previous/last tax year (amount H5 **minus** amount N5) ______ ▶ ______ O5

Subtotal (**add** amounts A5, B5, and O5) ______ P5

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year . . . . ______ Q5

Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year . . . . ______ R5

All the corporation's reserves deducted in its previous/last tax year . . . . ______ S5

The corporation's capital dividend account immediately before the end of its previous/last tax year . . . . ______ T5

The corporation's low rate income pool immediately before the end of its previous/last tax year . . . . ______ U5

Subtotal (**add** amounts Q5 to U5) ______ ▶ ______ V5

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (amount P5 **minus** amount V5) (if negative, enter "0") . . . . ______ W5

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the W5 amounts. Enter this total amount on:

- line 220 for a corporation becoming a CCPC;
- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, *General Rate Income Pool (GRIP) Calculation*, or Schedule 54, *Low Rate Income Pool (LRIP) Calculation*, whichever is applicable.
- File the completed schedules with your *T2 Corporation Income Tax Return* no later than six months from the end of the tax year.
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool (GRIP), and low rate income pool (LRIP).
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

	Line	Amount	Line	Amount	
Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3		447,092			
Total taxable dividends paid in the tax year	100	447,092			
Total eligible dividends paid in the tax year			150		A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")			160	7,888,215	B
Excessive eligible dividend designation (line 150 **minus** line 160)					C
Deduct:					
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			180		D
Subtotal (amount C **minus** amount D)					E
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E **multiplied** by 20 %)			190		F

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

	Line	Amount	Line	Amount	
Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3					
Total taxable dividends paid in the tax year	200				
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)					G
Deduct:					
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			280		H
Subtotal (amount G **minus** amount H)					I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I **multiplied** by 20 %)			290		J

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to **www.cra.gc.ca/eligibledividends**.

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Schedule 500

Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule if the corporation had a permanent establishment, under section 400 of the federal Income Tax Regulations, in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Part 1 – Ontario basic income tax

Ontario taxable income *	722,320	A
Ontario basic rate of tax for the year	11.5 %	B
Ontario basic income tax (amount A **multiplied** by amount B **)	83,067	C

* If the corporation has a permanent establishment only in Ontario, enter the amount from line 360 or amount Z, whichever applies, of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

** If the corporation has a permanent establishment in more than one jurisdiction, or is claiming an Ontario tax credit in addition to Ontario basic income tax, or has Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount C on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 return.

Part 2 – Ontario small business deduction (OSBD)

Complete this part if the corporation claimed the federal small business deduction under subsection 125(1).

Amount from line 400 of the T2 return	727,370	1		
Amount from line 405 of the T2 return	722,320	2		
Amount from line 427 of the T2 return (note)		3		
Enter the least of amounts 1, 2 or 3		▶		D
Ontario domestic factor (ODF): Taxable income for Ontario * / Taxable income for all provinces **	722,320.00 / 722,320 =		1.00000	E
Amount D **multiplied** by amount E		4		
Ontario taxable income (amount A from Part 1)	722,320	5		
Ontario small business income (lesser of amount 4 or amount 5)		▶		F

Ontario small business deduction rate for the year

Number of days in the tax year before January 1, 2018 / Number of days in the tax year	/ 365	x	7 % =	%	G1
Number of days in the tax year after December 31, 2017 / Number of days in the tax year	365 / 365	x	8 % =	8.00000 %	G2

OSBD rate for the year (rate G1 **plus** rate G2)	8.00000 %	▶	8.00000 %	G
Ontario small business deduction (amount F **multiplied** by rate G)				H

Enter amount H on line 402 of Schedule 5.

* Enter amount A from Part 1.

** Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Note: On November 15, 2018, the Government of Ontario announced, in Bill 57, that the reduction in the business limit relating to the amount of passive investment income for taxation years starting after December 31, 2018, will not be applied when calculating the Ontario small business deduction. As a result, the calculation on line 3 does not take the amount on line G of Schedule 200 (Jump Code: **J**) into account.

Part 3 – Ontario adjusted small business income

Complete this part if the corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.

Ontario adjusted small business income (lesser of amount D and amount 5) . . . . ________ I

Enter amount I at amount K in Part 4 of this schedule or at amount B in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.

Part 4 – Credit union tax reduction

Complete this part and Schedule 17, Credit Union Deductions, if the corporation was a credit union throughout the tax year.

Amount 2H from Schedule 17		J		
Ontario adjusted small business income (amount I)		K		
Subtotal (amount J **minus** amount K, if negative, enter "0")		L		
Amount L **multiplied** by amount G				M
Ontario domestic factor (amount E)			1.00000	N
Ontario credit union tax reduction (amount M **multiplied** by amount N)				O

Enter amount O on line 410 of Schedule 5.

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Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  4) a congregation or business agency to which section 143 of the federal Act applies;
  5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	30,751,302
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	50,000,000
Total assets (total of lines 112 to 116)		80,751,302
Total revenue of the corporation for the tax year **	142	34,309,717
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	100,000,000
Total revenue (total of lines 142 to 146)		134,309,717

The corporation is subject to CMT if:

– for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than $5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than $10,000,000.

– for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than $50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than $100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* **Rules for total assets**

– Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.

– Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

– The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.

– A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** **Rules for total revenue**

– Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.

– If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.

– The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.

– A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

Net income/loss per financial statements *			210	1,152,374
Add (to the extent reflected in income/loss):				
Provision for current income taxes/cost of current income taxes	220	161,711		
Provision for deferred income taxes (debits)/cost of future income taxes	222	143,000		
Equity losses from corporations	224			
Financial statement loss from partnerships and joint ventures	226			
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230			
Other additions (see note below):				
Share of adjusted net income of partnerships and joint ventures **	228			
Total patronage dividends received, not already included in net income/loss	232			
281	282			
283	284			
Subtotal		304,711 ▶		304,711 A
Deduct (to the extent reflected in income/loss):				
Provision for recovery of current income taxes/benefit of current income taxes	320			
Provision for deferred income taxes (credits)/benefit of future income taxes	322			
Equity income from corporations	324			
Financial statement income from partnerships and joint ventures	326			
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330			
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332			
Gain on donation of listed security or ecological gift	340			
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342			
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344			
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346			
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348			
Other deductions (see note below):				
Share of adjusted net loss of partnerships and joint ventures **	328			
Tax payable on dividends under subsection 191.1(1) of the federal Act **multiplied** by 3	334			
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336			
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338			
381 Tax movement in reg. accounts	382	143,000		
383	384			
385	386			
387	388			
389	390			
Subtotal		143,000 ▶		143,000 B
Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)			490	1,314,085

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

* **Rules for net income/loss**

- Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

– Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.

– Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.

– Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.

** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.

*** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.

**** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.

***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)		515	1,314,085		
Deduct:					
CMT loss available (amount R from Part 7)					
Minus: Adjustment for an acquisition of control *	518				
Adjusted CMT loss available		▶		C	
Net income subject to CMT calculation (if negative, enter "0")		520	1,314,085		

Amount from line 520		Number of days in the tax year before July 1, 2010 / Number of days in the tax year				
1,314,085	x	/ 365	x	4 % =		1

Amount from line 520		Number of days in the tax year after June 30, 2010 / Number of days in the tax year				
1,314,085	x	365 / 365	x	2.7 % =	35,480	2

Subtotal (amount 1 **plus** amount 2) 35,480 3

Gross CMT: amount on line 3 above x OAF **	540	35,480	
Deduct:			
Foreign tax credit for CMT purposes ***	550		
CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0")		35,480	D
Deduct:			
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		83,067	
Net CMT payable (if negative, enter "0")			E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

** **Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

Ontario taxable income **** / Taxable income ***** =

Ontario allocation factor . . . . . 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were $1,000.

*****Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *		G		
Deduct:				
CMT credit expired *	**600**			
CMT credit carryforward at the beginning of the current tax year * (see note below)		▶	**620**	
Add:				
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)			**650**	
CMT credit available for the tax year (amount on line 620 **plus** amount on line 650)				H
Deduct:				
CMT credit deducted in the current tax year (amount P from Part 5)				I
Subtotal (amount H **minus** amount I)				J
Add:				
Net CMT payable (amount E from Part 3)				
SAT payable (amount O from Part 6 of Schedule 512)				
Subtotal		▶		K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)			**670**	L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)				M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		83,067 1		
For a corporation that is not a life insurance corporation:				
CMT after foreign tax credit deduction (amount D from Part 3)	35,480 2			
For a life insurance corporation:				
Gross CMT (line 540 from Part 3)	3			
Gross SAT (line 460 from Part 6 of Schedule 512)	4			
The **greater** of amounts 3 and 4	5			
Deduct: line 2 or line 5, whichever applies:		35,480 6		
Subtotal (if negative, enter "0")		47,587 ▶	47,587	N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		83,067		
Deduct:				
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)		10,315		
Subtotal (if negative, enter "0")		72,752 ▶	72,752	O
CMT credit deducted in the current tax year (least of amounts M, N, and O)				P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? **675** 1 Yes ☐ 2 No ☒

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year * . . . . Q

Deduct:

CMT loss expired * 700

CMT loss carryforward at the beginning of the tax year * (see note below) . . . . ► 720

Add:

CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below) 750

CMT loss available (line 720 **plus** line 750) . . . . R

Deduct:

CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3) . . . .

Subtotal (if negative, enter "0") S

Add:

Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if **negative**) (enter as a positive amount) 760

CMT loss carryforward balance at the end of the tax year (amount S **plus** line 760) . . . . 770 T

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line Q or line 700;
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

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SCHEDULE 511

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return.*

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	0	0
4	Orangvile Railway Development Corporation	86433 3166 RC0001	0	0
		Total	450 50,000,000	550 100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.
Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter ¨NR¨ if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

*** Rules for total assets**

– Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
– Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

**** Rules for total revenue**

– Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
– If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
– Include the associated corporation's share of the total revenue of partnerships and joint ventures.
– If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.

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SCHEDULE 546

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario *Corporations Information Act* Annual Return must be delivered within six months after the end of the corporation's tax year-end. The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.
- It is the corporation's responsibility to ensure that the information shown on the MGS public record is accurate and up-to-date. To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. Visit **www.ServiceOntario.ca** for more information.
- This schedule contains non-tax information collected under the authority of the Ontario *Corporations Information Act*. This information will be sent to the MGS for the purposes of recording the information on the public record maintained by the MGS.

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record)
Orangeville Hydro Limited

Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	**110** Date of incorporation or amalgamation, whichever is the most recent (Year Month Day)	**120** Ontario Corporation No.
Ontario	2009-01-01	1787206

Part 2 – Head or registered office address (P.O. box not acceptable as stand-alone address)

200 Care of (if applicable)

210 Street number	**220** Street name/Rural route/Lot and Concession number	**230** Suite number
400	C-Line	

240 Additional address information if applicable (line 220 must be completed first)
Station A Box 400

250 Municipality (e.g., city, town)	**260** Province/state	**270** Country	**280** Postal/zip code
Orangeville	ON	CA	L9W 2Z7

Part 3 – Change identifier

Have there been any changes in any of the information most recently filed for the public record maintained by the MGS for the corporation with respect to names, addresses for service, and the date elected/appointed and, if applicable, the date the election/appointment ceased of the directors and five most senior officers, or with respect to the corporation's mailing address or language of preference? To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. For more information, visit **www.ServiceOntario.ca**.

300 1 If there have been no changes, enter **1** in this box and then go to "Part 4 – Certification."
If there are changes, enter **2** in this box and complete the applicable parts on the next page, and then go to "Part 4 – Certification."

Part 4 – Certification

I certify that all information given in this *Corporations Information Act* Annual Return is true, correct, and complete.

450 Tyrrell (Last name) **451** Ruth (First name)

454 ______________________, (Middle name(s))

460 1 Please enter one of the following numbers in this box for the above-named person: **1** for director, **2** for officer, or **3** for other individual having knowledge of the affairs of the corporation. If you are a director and officer, enter **1** or **2**.

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

Complete the applicable parts to report changes in the information recorded on the MGS public record.

Part 5 – Mailing address

500 [ ] Please enter one of the following numbers in this box:
1 - Show no mailing address on the MGS public record.
2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule.
3 - The corporation's complete mailing address is as follows:

510 Care of (if applicable)

520 Street number	**530** Street name/Rural route/Lot and Concession number	**540** Suite number

550 Additional address information if applicable (line 530 must be completed first)

560 Municipality (e.g., city, town)	**570** Province/state	**580** Country	**590** Postal/zip code

Part 6 – Language of preference

600 [ ] Indicate your language of preference by entering **1** for English or **2** for French. This is the language of preference recorded on the MGS public record for communications with the corporation. It may be different from line 990 on the T2 return.

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SCHEDULE 550

ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the *Taxation Act, 2007* (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is $1,000 for each qualifying work placement ending before March 27, 2009, and $3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation;
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the *T2 Corporation Income Tax Return*.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Corporate information

110 Name of person to contact for more information	120 Telephone number including area code
Suzanne Presseault	(519) 942-8000

Is the claim filed for a CETC earned through a partnership?* . . . . **150** 1 Yes [ ] 2 No [X]

If you answered **yes** to the question at line 150, what is the name of the partnership? . . . . . . **160** ____________

Enter the percentage of the partnership's CETC allocated to the corporation . . . . . . **170** ______ %

* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 550 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 550 to claim the partner's share of the partnership's CETC. The allocated amounts can not exceed the amount of the partnership's CETC.

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year? . . . . . . **200** 1 Yes [X] 2 No [ ]
2. Was the corporation exempt from tax under Part III of the *Taxation Act*, 2007 (Ontario)? . . . . . . **210** 1 Yes [ ] 2 No [X]

If you answered **no** to question 1 or **yes** to question 2, then the corporation is **not eligible** for the CETC.

Part 3 – Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year * **300** 900,000

For eligible expenditures incurred before March 27, 2009:

– If line 300 is $400,000 or less, enter 15% on line 310.
– If line 300 is $600,000 or more, enter 10% on line 310.
– If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 310 using the following formula:

$$\text{Eligible percentage} = 15\% - \left[5\% \times \left(\frac{\text{amount on line 300} \; \textbf{minus} \; \$400{,}000}{\$200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . . **310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

– If line 300 is $400,000 or less, enter 30% on line 312.
– If line 300 is $600,000 or more, enter 25% on line 312.
– If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 312 using the following formula:

$$\text{Eligible percentage} = 30\% - \left[5\% \times \left(\frac{\text{amount on line 300} \; \textbf{minus} \; \$400{,}000}{\$200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . . **312** 25.000 %

* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act, 2007* (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

	A Name of university, college, or other eligible educational institution **400**	**B** Name of qualifying co-operative education program **405**
1.	Conestoga College	Powerline Technician
2.	Conestoga College	Powerline Technician
3.		

	C Name of student **410**	**D** Start date of WP (see note 1 below) **430**	**E** End date of WP (see note 2 below) **435**
1.	Brendyn Parish	2018-01-02	2018-05-12
2.	Noah Conway	2018-05-14	2018-08-31
3.			

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

Part 4 – Calculation of the Ontario co-operative education tax credit (continued)

	F1 Eligible expenditures before March 27, 2009 (see note 1 below) 450	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	F2 Eligible expenditures after March 26, 2009 (see note 1 below) 452	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.		10.000 %	17,865	25.000 %		18
2.		10.000 %	12,383	25.000 %		16
3.		10.000 %		25.000 %		

	G Eligible amount (eligible expenditures **multiplied** by eligible percentage) (see note 2 below) 460	H Maximum CETC per WP (see note 3 below) 462	I CETC on eligible expenditures (column G or H, whichever is less) 470	J CETC on repayment of government assistance (see note 4 below) 480	K CETC for each WP (column I or column J) 490
1.	4,466	3,000	3,000		3,000
2.	3,096	3,000	3,000		3,000
3.					

Ontario co-operative education tax credit (total of amounts in column K) **500** 6,000 **L**

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:

Amount L ______ x percentage on line 170 in Part 1 ______ % = ... ______ **M**

Enter amount L or M, whichever applies, on line 452 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is $1,000.
If the WP begins after March 26, 2009, the maximum credit amount for the WP is $3,000.
If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

($1,000 x X/Y) + [$3,000 x (Y – X)/Y]

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009, and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.

Canada Revenue Agency / Agence du revenu du Canada

Schedule 552

Ontario Apprenticeship Training Tax Credit

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2018-12-31

- Use this schedule to claim an Ontario apprenticeship training tax credit (ATTC) under section 89 of the *Taxation Act, 2007* (Ontario).
- The ATTC is a refundable tax credit that is equal to a specified percentage (25% to 45%) of the eligible expenditures incurred by a corporation for a qualifying apprenticeship. For eligible expenditures incurred after March 26, 2009 for an apprenticeship program that began before April 24, 2015, the maximum credit for each qualifying apprenticeship is $10,000 per year to a maximum credit of $40,000 over the first 48-month period of the qualifying apprenticeship. For an apprenticeship program that began after April 23, 2015, the maximum credit for each qualifying apprenticeship is $5,000 per year to a maximum credit of $15,000 over the first 36-month period of the qualifying apprenticeship.
- Eligible expenditures are salaries and wages (including taxable benefits) paid to an apprentice in a qualifying apprenticeship or fees paid to an employment agency for the provision of services performed by the apprentice in a qualifying apprenticeship. These expenditures must be:
  - paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario;
  - for services provided by the apprentice during the first 48 months of the apprenticeship program, if an apprenticeship program began before April 24, 2015; and
  - for services provided by the apprentice during the first 36 months of the apprenticeship program, if an apprenticeship program began after April 23, 2015.
- An expenditure is not eligible for an ATTC if:
  - the same expenditure was used, or will be used, to claim a co-operative education tax credit; or
  - it is more than an amount that would be paid to an arm's length apprentice.
- An apprenticeship must meet the following conditions to be a qualifying apprenticeship:
  - the apprenticeship is in a qualifying skilled trade approved by the Ministry of Training, Colleges and Universities (Ontario) or a person designated by him or her; and
  - the corporation and the apprentice must be participating in an apprenticeship program in which the training agreement has been registered under the *Ontario College of Trades and Apprenticeship Act, 2009, or* the *Apprenticeship and Certification Act, 1998,* or in which the contract of apprenticeship has been registered under the *Trades Qualification and Apprenticeship Act*.
- Do not submit the training agreement or contract of apprenticeship with your *T2 Corporation Income Tax Return*. Keep a copy of the training agreement or contract of apprenticeship to support your claim.
- File this schedule with your *T2 Corporation Income Tax Return*.

Part 1 – Corporate information

110 Name of person to contact for more information	**120** Telephone number
Suzanne Presseault	(519) 942-8000

Is the claim filed for an ATTC earned through a partnership? * . . . . . **150** 1 Yes ☐ 2 No ☒

If you answered **yes** to the question at line 150, what is the name of the partnership? . **160** ______

Enter the percentage of the partnership's ATTC allocated to the corporation . . . . . **170** ______ %

* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 552 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 552 to claim the partner's share of the partnership's ATTC. The total of the partners' allocated amounts can never exceed the amount of the partnership's ATTC.

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year? . . . . . **200** 1 Yes ☒ 2 No ☐
2. Was the corporation exempt from tax under Part III of the *Taxation Act, 2007* (Ontario)? . . . . . **210** 1 Yes ☐ 2 No ☒

If you answered **no** to question 1 or **yes** to question 2, then you are **not eligible** for the ATTC.

Part 3 – Specified percentage

Corporation's salaries and wages paid in the previous tax year * **300** 900,000

For eligible expenditures incurred after March 26, 2009 for an apprenticeship program that began before April 24, 2015:

– If line 300 is $400,000 or less, enter 45% on line 312.
– If line 300 is $600,000 or more, enter 35% on line 312.
– If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 312 using the following formula:

$$\text{Specified percentage} = 45\% - \left[10\% \times \frac{(\text{amount on line 300} \textbf{ minus } 400{,}000)}{200{,}000} \right]$$

Specified percentage . . . . **312** 35.000 %

For eligible expenditures incurred for an apprenticeship program that began after April 23, 2015:

– If line 300 is $400,000 or less, enter 30% on line 314.
– If line 300 is $600,000 or more, enter 25% on line 314.
– If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 314 using the following formula:

$$\text{Specified percentage} = 30\% - \left[5\% \times \frac{(\text{amount on line 300} \textbf{ minus } 400{,}000)}{200{,}000} \right]$$

Specified percentage . . . . **314** 25.000 %

* If this is the first tax year of an amalgamated corporation and subsection 89(6) of the *Taxation Act, 2007* (Ontario) applies, enter salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Ontario apprenticeship training tax credit

Complete a **separate entry** for each apprentice for each qualifying apprenticeship with the corporation. When claiming an ATTC for repayment of government assistance, complete a **separate entry** for each repayment, and complete columns A to G and M and N with the details for the employment period in the previous tax year in which the government assistance was received.

	A Trade code 400	B Apprenticeship program/trade name 405	C Name of apprentice 410
1.	434a	Powerline Technician	Drew Coyle
2.	434a	Powerline Technician	Brendyn Parish
3.			

	D Original contract or training agreement number 420	E Original registration date of apprenticeship contract or training agreement (YYYYMMDD) (see note 1) 425	F Start date of employment as an apprentice in the tax year (YYYYMMDD) (see note 2) 430	G End date of employment as an apprentice in the tax year (YYYYMMDD) (see note 3) 435
1.	SYS045899	2014-04-09	2018-01-01	2018-09-24
2.	SYS089443	2018-09-04	2018-09-04	2018-12-31
3.				

Note 1: Enter the original registration date of the apprenticeship contract or training agreement in all cases, even when multiple employers employed the apprentice.

Note 2: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that is the first day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the start date of employment as an apprentice for the tax year in which the government assistance was received.

Note 3: When there are multiple employment periods as an apprentice in the tax year with the corporation, enter the date that is the last day of employment as an apprentice in the tax year with the corporation. When claiming an ATTC for repayment of government assistance, enter the end date of employment as an apprentice for the tax year in which the government assistance was received.

Part 4 – Ontario apprenticeship training tax credit (continued)

	H1 Number of days in the tax year employed as an apprentice in a qualifying apprenticeship program that began before April 24, 2015 (see note 1) 442	H2 Number of days in the tax year employed as an apprentice in a qualifying apprenticeship program that began after April 23, 2015 (see note 1) 443	I Maximum credit amount for the tax year (see note 2) 445
1.	98		2,685
2.		119	1,630
3.			

Note 1: When there are multiple employment periods as an apprentice in the tax year with the corporation, do not include days in which the individual was not employed as an apprentice.
For H1: The days employed as an apprentice must be within 48 months of the registration date provided in column E.
For H2: The days employed as an apprentice must be within 36 months of the registration date provided in column E.

Note 2: Maximum credit = ($10,000 × H1/365*****) or ($5,000 × H2/365*****), whichever applies.
***** 366 days, if the tax year includes February 29

	J1 Eligible expenditures incurred after March 26, 2009 for a qualifying apprenticeship program that began before April 24, 2015 (see note 3) 452	J2 Eligible expenditures incurred for a qualifying apprenticeship program that began after April 23, 2015 (see note 3) 453	K Eligible expenditures **multiplied** by specified percentage (see note 4) 460
1.	93,612		32,764
2.		19,159	4,790
3.			

Note 3: Reduce eligible expenditures by all government assistance, as defined under subsection 89(19) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, in respect of the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.
For J1: Eligible expenditures must be for services provided by the apprentice to the taxpayer during the first 48 months of the apprenticeship program, and not relating to services performed before the apprenticeship program began or after it ended.
For J2: Eligible expenditures must be for services provided by the apprentice to the taxpayer during the first 36 months of the apprenticeship program, and not relating to services performed before the apprenticeship began or after it ended.

Note 4: Calculate the amount in column K as follows:
Column K = (J1 × line 312) or (J2 × line 314), whichever applies.

	L ATTC on eligible expenditures (lesser of columns I and K) 470	M ATTC on repayment of government assistance (see note 5) 480	N ATTC for each apprentice (column L or M, whichever applies) 490
1.	2,685		2,685
2.	1,630		1,630
3.			

Ontario apprenticeship training tax credit (total of amounts in column N) 500 4,315 **O**

Or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount O:

Amount O ______ x percentage on line 170 in Part 1 ______ % = ... ______ **P**

Enter amount O or P, whichever applies, on line 454 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 552, **add** the amounts from line O or P, whichever applies, on all the schedules, and enter the total amount on line 454 of Schedule 5.

Note 5: Include the amount of government assistance repaid in the tax year multiplied by the specified percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the ATTC in that tax year. Complete a **separate entry** for each repayment of government assistance.

See the privacy notice on your return.

APPENDIX 6-D 2019 PILS TAX RETURN

KPMG LLP
115 King Street South
2nd Floor
Waterloo ON N2J 5A3
Canada
Telephone (519) 747-8800
Fax (519) 747-8811

PRIVATE AND CONFIDENTIAL

Mr. Rob Koekkoek
President
Orangeville Hydro Limited
400 C Line
Station A Box 400
Orangeville ON L9W 2Z7

June 29, 2020

Dear Mr. Koekkoek:

Subject: Orangeville Hydro Limited - Corporate Income Tax Returns

We have enclose the income tax returns of Orangeville Hydro Limited (the Company) for the year ended December 31, 2019.

- ☑ T2 *Corporation Income Tax Return* EXEMPT
- ☑ T183 - *Information Return for CorporationsFiling Electronically*
  (Federal - to be e-filed with CRA) - Exempt
- ☑ T2 *Corporations Income Tax Return* (to be filed with Ministry of Finance)- PILS
- ☑ Instalment Schedule
- ☑ Client copy for your records

We have prepared these returns based on our understanding of the information provided to us by the Company and we recommend that you review the returns to ensure that all of the relevant facts are properly disclosed. When you are satisfied that the returns are in order, the returns should be completed by an authorized signing officer of the Company and filed as described below.

DUE DATE OF RETURNS AND PAYMENTS

All returns must be filed with the respective taxing authorities by September 1, 2020 if late filing penalties are to be avoided. We suggest that the returns be sent by registered mail and that the mailing receipt be kept on file in order to have evidence of the date of filing.

T2 – T183 INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY (FEDERAL-EXEMPT)

In order for us to electronically file the Companys corporate exempt income tax return, a signed copy of Form T183CORP Information Return for Corporations Filing Electronically must be returned to us. Please note that we will not electronically file the Companys corporate income tax return until we receive the signed Form T183 Corp.

The Form T183CORP Information Return for Corporations Filing Electronically includes information from your Companys income tax return and all applicable schedules (traditional federal forms).

Signature

☞ Form T183CORP Information Return for Corporations Filing Electronically should be completed and signed

No amount is payable for the **2019** taxation year.

Mailing

🖂 One copy of the signed Form T183 Corp should be returned to us in the self-addressed envelope no later than September 1, 2020 in order to have the Companys corporate income tax return filed on or before the due date for filing. **Alternatively, you can fax it at (519) 747-8811.**

T2 – *CORPORATION INCOME TAX RETURN* - MINISTRY OF FINANCE

Signature

☞ Form T2, the certification section on page 9 should be completed and signed.

Refund

A refund of $83,287 is claimed and therefore no amount is payable for the **2019** taxation year. We have requested that this refund not be applied against future instalments, but rather provided as a refund cheque.

Mailing

🖂 One copy of the amended corporate return and one copy of the Companys financial statements must be received by The Ministry of Finance, HYDRO PIL DIVISION, PO Box 620, 33 King Street West, Oshawa, ON, L1H 8E9 no later than **June 30, 2020.**

NOTICES OF ASSESSMENT

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

GENERAL RATE INCOME POOL ("GRIP")

Shareholders receiving eligible dividends as compared to non-eligible dividends, are subject to a reduced rate of income tax. Eligible dividends are paid out of the Companys GRIP balance, which at December 31, 2019 is estimated to be $8,135,461. The supporting calculation is summarized in Schedule 53 of the federal corporate tax return.

In addition, designation of eligible dividends is required, with each shareholder recipient being formally notified in writing at time of payment.

The Company did not designate the payment of an eligible dividend for the current taxation year.

INSTALMENTS

We have prepared and enclose an estimate of tax instalments as applicable for the Company for the taxation year ending on December 31, 2020. The amounts were computed with reference to the Companys taxable income and taxes payable for prior years.

If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Overpaid instalments may, in certain circumstances, be transferred to other accounts or applied to other liabilities such as payroll withholdings. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the tax authorities must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please feel free to contact us.

Yours truly,

Tony Italiano

Tony Italiano
Partner

Enclosure

Canada Revenue Agency / Agence du revenu du Canada

Information Return for Corporations Filing Electronically

- You have to complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed to the Canada Revenue Agency (CRA) on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the *Income Tax Act*, you have to keep all records used to prepare your corporation income tax return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your corporation income tax return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- **Do not submit** this form to the CRA unless we ask for it.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted it.

Part 1 – Identification

Corporation's name: Orangeville Hydro Limited

Business number: 86463 9562 RC0002

Tax year	From (Y M D)	To (Y M D)	Is this an amended return?
	2019-01-01	2019-12-31	☐ Yes ☒ No

Part 2 – Declaration

Enter the following amounts, if applicable, from your corporation income tax return for the tax year noted above:

Net income (or loss) for income tax purposes from Schedule 1, financial statements, or GIFI (line 300)	348,297
Part I tax payable (line 700)	
Part II surtax payable (line 708)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	

Part 3 – Certification and authorization

@CRA **Sign up for online mail!** Get your CRA mail electronically delivered in My Business Account at **cra.gc.ca/mybusinessaccount**

I understand that by providing an email address, I am **registering** the corporation for the 'Manage online mail' service. I understand and agree that all notices and other correspondence eligible for electronic delivery will no longer be printed and mailed. The CRA will notify the corporation at this email address when they are available in My Business Account and requiring immediate attention. They will be presumed to have been received on the date that the email is sent.

Email address for online mail (optional):

I, Koekkoek (Last name), Rob (First name), President (Position, office, or rank),

am an authorized signing officer of the corporation. I certify that I have examined the corporation T2 income tax return, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

I authorize the transmitter identified in Part 4 to electronically file the corporation income tax return identified in Part 1. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

Date (yyyy/mm/dd) | Signature of an authorized signing officer of the corporation | (519) 942-8000 Telephone number

Part 4 – Transmitter identification

The following transmitter has electronically filed the tax return of the corporation identified in Part 1.

KPMG LLP (Name of person or firm) | G1829 (Electronic filer number)

Privacy statement

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, personal information bank CRA PPU 047.

200

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 or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) 001 86463 9562 RC0002

Corporation's name
002 Orangeville Hydro Limited

Address of head office
Has this address changed since the last time we notified? . . . . 010 Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 400 C Line
012 Station A Box 400
City: 015 Orangeville
Province, territory, or state: 016 ON
Country (other than Canada): 017 CA
Postal or ZIP code: 018 L9W 2Z7

Mailing address (if different from head office address)
Has this address changed since the last time we notified? . . . . 020 Yes [ ] No [X]
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 or ZIP code: 028

Location of books and records (if different from head office address)
Has this address changed since the last time we notified? . . . . 030 Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031 400 C Line
032 Station A Box 400
City: 035 Orangeville
Province, territory, or state: 036 ON
Country (other than Canada): 037 CA
Postal or ZIP code: 038 L9W 2Z7

040 **Type of corporation at the end of the tax year** (tick one)
- [X] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [ ] 4 Corporation controlled by a public corporation
- [ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change . . . . 043 Year Month Day

To which tax year does this return apply?
Tax year start (Year Month Day): 060 2019-01-01
Tax year-end (Year Month Day): 061 2019-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? . . . . 063 Yes [ ] No [X]
If **yes**, provide the date control was acquired . . . . 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? . . . . 066 Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? . . . . 067 Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? . . . . 070 Yes [ ] No [X]
Amalgamation? . . . . 071 Yes [ ] No [X]
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 Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . 076 Yes [ ] No [X]

Is this the final return up to dissolution? . . . . 078 Yes [ ] No [X]

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 Yes [X] 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 Yes [ ] No [X]
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) (for tax years starting before 2019)
- [X] 4 Exempt under other paragraphs of section 149

Do not use this area
095 096 898

Attachments

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

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		———
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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 a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	———
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 tax for the tobacco manufacturers' surcharge?	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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	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)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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	X	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

		Yes	No
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	X	
Is the corporation inactive?	280		X

What is the corporation's main revenue-generating business activity? ..... 221122 Electric Power Distribution

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

284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

		Yes	No
Did the corporation immigrate to Canada during the tax year?	291		X
Did the corporation emigrate from Canada during the tax year?	292		X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293		

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 Year Month Day

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? ..... 295 Yes ☐ No ☐

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI			300	348,297 A
Deduct:				
Charitable donations from Schedule 2	311	4,900		
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine made before March 22, 2017, 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			
Employer deduction for non-qualified securities under an employee stock options agreement		a		
Subtotal		4,900 ▶		4,900 B
Subtotal (amount A **minus** amount B) (if negative, enter "0")				343,397 C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions			355	D
Taxable income (amount C **plus** amount D)			360	343,397
Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)			370	
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370)				Z
Taxable income for the year from a personal services business				Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	348,297	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax	405		B
Business limit (see notes 1 and 2 below)	410		C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction

Amount C ______ x 415 *** 47,940 / 11,250 D = ______ E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** . 417 ______ – 50,000 = ______ F

Amount C ______ x Amount F ______ / 100,000 = ______ G

Subtotal (the greater of amount E and amount G)	422		H
Reduced business limit for tax years starting before 2019 (amount C **minus** amount E) (if negative, enter "0")	425		I
Reduced business limit for tax years starting after 2018 (amount C **minus** amount H) (if negative, enter "0")	426		J
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 on page 5)			K
Reduced business limit after assignment for tax years starting before 2019 (amount I **minus** amount K)	427		L
Reduced business limit after assignment for tax years starting after 2018 (amount J **minus** amount K)	428		M

Small business deduction

Tax years starting before 2019

Amount A, B, C, or L, whichever is the least ______ x Number of days in the tax year before January 1, 2018 ______ / Number of days in the tax year 365 x 17.5 % = ______ 1

Amount A, B, C, or L, whichever is the least ______ x Number of days in the tax year after December 31, 2017, and before January 1, 2019 ______ / Number of days in the tax year 365 x 18 % = ______ 2

Amount A, B, C, or L, whichever is the least ______ x Number of days in the tax year after December 31, 2018 365 / Number of days in the tax year 365 x 19 % = ______ 3

Tax years starting after 2018

Amount A, B, C, or M, whichever is the least ______ x 19 % = ______ 4

Small business deduction (total of amounts 1 to 4) 430 ______ N

Enter amount N at amount J on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations. Each corporation with such income has to file a Schedule 7, which includes a line 744 and a line 745. For the first tax year starting after 2018, use the total of lines 744. Otherwise, use the total of lines 745 of the preceding tax year.

Small business deduction (continued)

Specified corporate income and assignment under subsection 125(3.2)

	O1 Name of corporation receiving the income and assigned amount	O Business number of the corporation receiving the assigned amount 490	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O [3] 500	Q Business limit assigned to corporation identified in column O [4] 505
1.				
		Total 510		Total 515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
(A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
(B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
(I) persons (other than the private corporation) with which the corporation deals at arm's length, or
(II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column P in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 425 (426 for tax years starting after 2018).

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies) . . . . ________ A

Lesser of amounts 9B and 9H from Part 9 of Schedule 27 . . . . ________ B

Amount 13K from Part 13 of Schedule 27 . . . . ________ C

Personal services business income . . . . 432 ________ D

Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least . . . . ________ E

Aggregate investment income from line 440 on page 6* . . . . ________ F

Subtotal (**add** amounts B to F) ________ ► ________ G

Amount A **minus** amount G (if negative, enter "0") . . . . ________ H

General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 % . . . . ________ I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies) . . . . ________ J

Lesser of amounts 9B and 9H from Part 9 of Schedule 27 . . . . ________ K

Amount 13K from Part 13 of Schedule 27 . . . . ________ L

Personal services business income . . . . 434 ________ M

Subtotal (**add** amounts K to M) ________ ► ________ N

Amount J **minus** amount N (if negative, enter "0") . . . . ________ O

General tax reduction – Amount O **multiplied** by 13 % . . . . ________ P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 . . . . **440** ______ x 30 2 / 3 % = ...			A
Foreign non-business income tax credit from line 632 on page 8		B	
Foreign investment income from Schedule 7 . . . . **445** ______ x 8 % =		C	
Subtotal (amount B **minus** amount C) (if negative, enter "0")		►	D
Amount A **minus** amount D (if negative, enter "0")			E
Taxable income from line 360 on page 3	343,397	F	
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least	G		
Foreign non-business income tax credit from line 632 on page 8 . . . . ______ x 75 / 29 =	H		
Foreign business income tax credit from line 636 on page 8 . . ______ x 4 =	I		
Subtotal (**add** amounts G to I)	►	J	
Subtotal (amount F **minus** amount J) (if negative, enter "0")	343,397	K x 30 2 / 3 % =	105,308 L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)			M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450**			N

Refundable dividend tax on hand (for tax years starting before 2019)

Refundable dividend tax on hand at the end of the previous tax year **460**			
Dividend refund for the previous tax year **465**			
Subtotal (line 460 **minus** line 465)		►	O
Refundable portion of Part I tax from line 450 above		P	
Total Part IV tax payable from Schedule 3		Q	
Net refundable dividend tax on hand transferred on an amalgamation or the wind-up of a subsidiary **480**			
Subtotal (amount P **plus** amount Q **plus** line 480)		►	R
Refundable dividend tax on hand at the end of the tax year – Amount O **plus** amount R **485**			

Dividend refund (for tax years starting before 2019)

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 on page 3 of Schedule 3 . . . . . . ______ x 38 1 / 3 % =		S
Refundable dividend tax on hand at the end of the tax year from line 485 above		T
Dividend refund – Amount S or T, whichever is less		U

Enter amount U on line 784 on page 9.

Refundable dividend tax on hand (for tax years starting after 2018)

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460			
Dividend refund for the previous tax year	465			
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480			
Subtotal (line 460 **minus** line 465 **plus** line 480)				A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53)			7,888,215	B
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)		C		
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)		D		
Subtotal (amount C **minus** amount D) (if negative, enter "0")		▶		E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")	7,888,215	F		
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of schedule 53)		G		
Subtotal (amount F **plus** amount G)	7,888,215	▶	7,888,215	H
Amount H **multiplied** by 38 1 / 3 %			3,023,816	I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 ________ of the preceding tax year)		520		J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 ________ of the preceding tax year) (if negative, enter "0")		535		K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)		L		
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)		M		
Subtotal (amount L **plus** amount M)		▶		N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary		525		O
ERDTOH dividend refund for the previous tax year		570		P
Refundable portion of Part I tax (from line 450 on page 6)				Q
Part IV tax before deductions (amount 2A from Schedule 3)		R		
Part IV tax allocated to ERDTOH (amount N)		S		
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)		T		
Subtotal (amount R **minus** total of amounts S and T)		▶		U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary		540		V
NERDTOH dividend refund for the previous tax year		575		W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)				X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")				Y
NERDTOH at the end of the tax year* (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")		545		
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")				Z
ERDTOH at the end of the tax year* (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")		530		

* For more information, consult the Help (F1).

Dividend refund (for tax years starting after 2018)

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	217,133	DD
NERDTOH balance at the end of the tax year (line 545)		EE
Non-eligible dividend refund (amount DD or EE, whichever is less)		FF
Amount DD **minus** amount EE (if negative, enter "0")	217,133	GG
Amount BB **minus** amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund* – Amount CC **plus** amount FF **plus** amount II		JJ

Enter amount JJ on line 784 on page 9.

* For more information, consult the Help (F1).

Part I tax

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) **multiplied** by 38 %	550		A
Additional tax on personal services business income (section 123.5)			
Taxable income from a personal services business 555 ______ x 5 % =	560		B
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 on page 6				D
Taxable income from line 360 on page 3	343,397	E		
Deduct:				
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least		F		
Net amount (amount E **minus** amount F)	343,397	►	343,397	G

Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G	604		H
Subtotal (**add** amounts A, B, C, and H)			I

Deduct:

Small business deduction from line 430 on page 4			J		
Federal tax abatement	608				
Manufacturing and processing profits deduction from Schedule 27	616				
Investment corporation deduction	620				
Taxed capital gains 624 ______					
Federal foreign non-business income tax credit from Schedule 21	632				
Federal foreign business income tax credit from Schedule 21	636				
General tax reduction for CCPCs from amount I on page 5	638				
General tax reduction from amount P on page 5	639				
Federal logging tax credit from Schedule 21	640				
Eligible Canadian bank deduction under section 125.21	641				
Federal qualifying environmental trust tax credit	648				
Investment tax credit from Schedule 31	652				
Subtotal			►		K

Part I tax payable – Amount I **minus** amount K		L

Enter amount L on line 700 on page 9.

Privacy statement

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities such as administering tax and benefits, audit, compliance, and collection. Personal information may be shared for purposes of other federal acts that provide for the imposition and collection of a tax or duty. Personal information may also be shared with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access their personal information, request correction, or file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 047 at **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	
Part II surcharge 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 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta) 760

Total tax payable 770 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount U on page 6 or JJ on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit (Form T1131)	796	
Film or video production services tax credit (Form T1177)	797	
Canadian journalism labour tax credit from Schedule 58	798	
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

Balance (amount A **minus** amount B)

Refund code 894 1 Refund

If the result is negative, you have a **refund**.
If the result is positive, you have a **balance owing**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Balance owing

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No ☒

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 G1829

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Certification

I, 950 Koekkoek (Last name) 951 Rob (First name) 954 President (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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax 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 (519) 942-8000 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☐ No ☒

958 Suzanne Presseault (Name of other authorized person) 959 (519) 942-8000 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

SCHEDULE 100

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
	Assets				
	Total current assets	1599	+	8,003,172	8,006,705
	Total tangible capital assets	2008	+	25,630,183	24,460,155
	Total accumulated amortization of tangible capital assets	2009	–	4,921,972	4,035,767
	Total intangible capital assets	2178	+	542,258	474,679
	Total accumulated amortization of intangible capital assets	2179	–	315,481	279,053
	Total long-term assets	2589	+	2,719,283	2,124,583
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	31,657,443	30,751,302
	Liabilities				
	Total current liabilities	3139	+	4,625,919	5,135,398
	Total long-term liabilities	3450	+	15,701,532	14,621,019
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	20,327,451	19,756,417
	Shareholder equity				
	Total shareholder equity (mandatory field)	3620	+	11,329,992	10,994,885
	Total liabilities and shareholder equity	3640	=	31,657,443	30,751,302
	Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849	=	2,991,878	2,656,771

* Generic item

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Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

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	+	34,839,317	33,936,168
	Cost of sales	8518	–	30,112,525	28,490,799
	Gross profit/loss	8519	=	4,726,792	5,445,369
	Cost of sales	8518	+	30,112,525	28,490,799
	Total operating expenses	9367	+	4,866,524	4,512,362
	Total expenses (mandatory field)	9368	=	34,979,049	33,003,161
	Total revenue (mandatory field)	8299	+	35,161,301	34,309,717
	Total expenses (mandatory field)	9368	–	34,979,049	33,003,161
	Net non-farming income	9369	=	182,252	1,306,556
	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	=	182,252	1,306,556
	Total other comprehensive income	9998	=		
	Extraordinary items and income (linked to Schedule 140)				
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		19,504
	Unusual items	9985	–	-822,535	-131,025
	Current income taxes	9990	–	-169,755	161,711
	Future (deferred) income tax provision	9995	–	273,000	143,000
	Total – Other comprehensive income	9998	+		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	901,542	1,152,374

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

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Schedule 141

Notes Checklist

Corporation's name	Business number	Tax Year End Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- 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. 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.
- For more information, see Guide RC4088, *General Index of Financial Information (GIFI)* and T4012, *T2 Corporation – Income Tax Guide.*
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the accountant who prepared or reported on the financial statements

Does the accountant have a professional designation? . . . . . **095** Yes [X] No [ ]

Is the accountant connected* with the corporation? . . . . . **097** Yes [ ] No [X]

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.

* 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.

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** Yes [ ] 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 [X]

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** Yes [X] No [ ]

If **yes**, complete lines 104 to 107 below:

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

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

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

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

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

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year? . . . . . 200 Yes [ ] No [X]

If **yes**, enter the amount recognized:

		In net income Increase (decrease)		In OCI Increase (decrease)
Property, plant, and equipment	210		211	
Intangible assets	215		216	
Investment property	220			
Biological assets	225			
Financial instruments	230		231	
Other	235		236	

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? . . . . . 250 Yes [ ] No [X]

Did the corporation apply hedge accounting during the tax year? . . . . . 255 Yes [ ] No [X]

Did the corporation discontinue hedge accounting during the tax year? . . . . . 260 Yes [ ] No [X]

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? . . . . . 265 Yes [ ] No [X]

If **yes**, you have to maintain a separate reconciliation.

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule to reconcile 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.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 . . . 901,542 A

Add:

Provision for income taxes – current	101	-169,755		
Provision for income taxes – deferred	102	273,000		
Amortization of tangible assets	104	981,874		
Loss on disposal of assets	111	38,418		
Charitable donations and gifts from Schedule 2	112	4,900		
Non-deductible meals and entertainment expenses	121	1,509		
Reserves from financial statements – balance at the end of the year	126	379,688		
Subtotal of additions		1,509,634	▶	1,509,634

Other additions:

Miscellaneous other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	14,071
2	Paragraph 12(1)(x) - Contributed capital	115,021
3	Paragraph 12(1)(a) - Customer Deposits	724,514
4	Tax grouped with change in regulatory	198,124
	Total of column 2	1,051,730

Total of column 2	296	1,051,730			
Subtotal of other additions	199	1,051,730	▶	1,051,730	D
Total additions	500	2,561,364	▶	2,561,364	

Amount A **plus** line 500 . . . 3,462,906 B

Deduct:

Capital cost allowance from Schedule 8	403	1,497,657		
Reserves from financial statements – balance at the beginning of the year	414	359,084		
Subtotal of deductions		1,856,741	▶	1,856,741

Other deductions:

Miscellaneous other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	94,119
2	Deferred CGAAP Credits	51,214
3	Subsection 13(7.4) election	115,021
4	Paragraph 20(1)(m) - Customer Deposits	724,514
5	Tax movement in reg account	273,000
	Total of column 2	1,257,868

Total of column 2 ▶ 396 1,257,868

Subtotal of other deductions	499	1,257,868 ▶	1,257,868	E
Total deductions	510	3,114,609 ▶	3,114,609	
Net income (loss) for income tax purposes (amount B **minus** line 510)			348,297	C

Enter amount C on line 300 of the T2 return.

T2 SCH 1 E (19)

Canada

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Explanatory note

For FS presentation, grouped $198,124 of tax expense as a reduction to regulatory movement.

Description	Operator (Note)	Amount
Movement in note 9 of FS for deferred tax balance		273,000 00
	+	
	Total	273,000 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Federal

A		
X	Investment tax credit from apprenticeship job creation expenditures	3,756
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	

Ontario

A		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	4,315
	Ontario computer animation and special effects tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario sound recording tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

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Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Various donation slips	4,900
Subtotal	4,900
Add: Total donations of less than $100 each	
Total donations in current tax year	4,900

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			A		
Charitable donations expired after 5 tax years*	239				
Charitable donations at the beginning of the current tax year (amount A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1 Net Income (Loss) for Income Tax Purposes)	210	4,900		4,900	4,900
Subtotal (line 250 **plus** line 210)		4,900	B	4,900	4,900
Subtotal (line 240 **plus** amount B)		4,900	C	4,900	4,900
Adjustment for an acquisition of control	255				
Total charitable donations available (amount C **minus** line 255)		4,900	D	4,900	4,900
Amount applied in the current year against taxable income (cannot be more than amount L in Part 2) (enter this amount on line 311 of the T2 return)	260	4,900		4,900	4,900
Charitable donations closing balance (amount D **minus** line 260)	280				

The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013) . . . . **262** ______

Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %) . . . . ______ 1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015) . . . . **263** ______

Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %) . . . . ______ 2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016 and before January 1, 2021) . . . . **265** ______

British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %) . . . . ______ 3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2018-12-31			
2nd prior year	2017-12-31			
3rd prior year	2016-12-31			
4th prior year	2015-12-31			
5th prior year	2014-12-31			
6th prior year*	2013-12-31			
7th prior year	2012-12-31			
8th prior year	2011-12-31			
9th prior year	2010-12-31			
10th prior year	2009-12-31			
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes Note 1 **multiplied** by 75 % .... 261,223 E

Taxable capital gains arising in respect of gifts of capital property included in Part 1 Note 2 ..... **225**

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) **227**

The amount of the recapture of capital cost allowance in respect of charitable donations **230**

Proceeds of disposition, **less** outlays and expenses Note 2 .... F

Capital cost Note 2 .... G

Amount F or G, whichever is less **235**

Amount on line 230 or 235, whichever is less .... H

Subtotal (**add** line 225, 227, and amount H) I

Amount I **multiplied** by 25 % J

Subtotal (amount E **plus** amount J) 261,223 K

Maximum allowable deduction for charitable donations
(enter amount D from Part 1, amount K, or net income for tax purposes, whichever is least) .... 4,900 L

Note 1 For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Note 2 This amount must be prorated by the following calculation: eligible amount of the gift **divided by** the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

		Federal		Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			M		
Gifts of certified cultural property expired after 5 tax years*	439				
Gifts of certified cultural property at the beginning of the current tax year (amount M **minus** line 439)	440				
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450				
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410				
Subtotal (line 450 **plus** line 410)			N		
Subtotal (line 440 **plus** amount N)			O		
Adjustment for an acquisition of control	455				
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460				
Subtotal (line 455 **plus** line 460)			P		
Gifts of certified cultural property closing balance (amount O **minus** amount P)	480				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2018-12-31			
2nd prior year	2017-12-31			
3rd prior year	2016-12-31			
4th prior year	2015-12-31			
5th prior year	2014-12-31			
6th prior year*	2013-12-31			
7th prior year	2012-12-31			
8th prior year	2011-12-31			
9th prior year	2010-12-31			
10th prior year	2009-12-31			
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			Q		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount Q **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			R		
Subtotal (line 540 **plus** amount R)			S		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			T		
Gifts of certified ecologically sensitive land closing balance (amount S **minus** amount T)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2018-12-31			
2nd prior year	2017-12-31			
3rd prior year	2016-12-31			
4th prior year	2015-12-31			
5th prior year	2014-12-31			
6th prior year*	2013-12-31			
7th prior year	2012-12-31			
8th prior year	2011-12-31			
9th prior year	2010-12-31			
10th prior year	2009-12-31			
11th prior year*				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

		Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year			U		
Additional deduction for gifts of medicine expired after 5 tax years*	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount U **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				

Additional deduction for gifts of medicine made before March 22, 2017:

		Federal		Québec	Alberta
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			V		
Amount V **multiplied** by 50 %			W		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

where:

a is the **lesser** of line 601 and amount W

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

		Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			X		
Subtotal (line 640 **plus** amount X)			Y		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			Z		
Additional deduction for gifts of medicine closing balance (amount Y **minus** amount Z)	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2018-12-31			
2nd prior year	2017-12-31			
3rd prior year	2016-12-31			
4th prior year	2015-12-31			
5th prior year	2014-12-31			
6th prior year*	2013-12-31			
7th prior year	2012-12-31			
8th prior year	2011-12-31			
9th prior year	2010-12-31			
10th prior year	2009-12-31			
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2018-12-31	
2nd prior year	2017-12-31	
3rd prior year	2016-12-31	
4th prior year	2015-12-31	
5th prior year	2014-12-31	
6th prior year*	2013-12-31	
7th prior year	2012-12-31	
8th prior year	2011-12-31	
9th prior year	2010-12-31	
10th prior year	2009-12-31	
11th prior year		
12th prior year		
13th prior year		
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d); or
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3).
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A recipient corporation is **connected** with a payer corporation at any time in a tax year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.
- Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H and I **only if** the payer corporation is **connected.**

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing column J and K use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business Number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			
					Total of column E (enter amount on line 402 of Schedule 1)	

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d)[note 1] 240	F1	G Eligible dividends included in column F 242	H Total taxable dividends paid by **connected** payer corporation (for tax year in column D) 250	I Dividend refund of the **connected** payer corporation (for tax year in column D)[note 2] 260	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3%[note 3] 265	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3%[note 4] 275
1							

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) . . . . ______ 1A

Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) . . . . ______ 1B

Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 Return) ______ 1C

Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) . . . . ______ 1D

Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) . . . . ______ 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) . . . . ______ 1F

Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) . . . . ______ 1G

Subtotal (amount 1F **plus** amount 1G) ______ ► ______ 1H

Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) . . . . ______ 1I

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) . . . . ______ 1J

Subtotal (amount 1I **plus** amount 1J) ______ ► ______ 1K

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) . . . . ______ 1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column F.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320			
Subtotal (amount 2A **minus** line 320)			▶	2B
Current-year non-capital loss claimed to reduce Part IV tax	330			
Non-capital losses from previous years claimed to reduce Part IV tax	335			
Current-year farm loss claimed to reduce Part IV tax	340			
Farm losses from previous years claimed to reduce Part IV tax	345			
Total losses applied against Part IV tax (total of lines 330 to 345)			2C	
Amount 2C **multiplied** by 38 1 / 3 %				2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0")	360			

(enter amount on line 712 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations note 5 (amount 1F in part 1)		2E
Amount 4A from Schedule 43		2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E minus amount 2F, if negative enter "0")		2G

(enter at amount L on page 7 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)		2H
Amount 4C from Schedule 43		2I
Part IV tax payable on eligible dividends received from non-connected corporations (amount 2H minus amount 2I, if negative enter "0")		2J

(enter at amount M on page 7 of the T2 return)

5 The program calculates the amount on line 2E from the amount on line 1F. If only a portion of the dividend refund to the connected payer corporation results in an eligible refundable dividend tax on hand (ERDTOH), enter this amount on line 2E, using an override. However, if the dividend refund to the connected payer corporation does not result in an ERDTOH, the amount on line 2E must be equal to "0."

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of connected recipient corporation 400	M Business Number 410	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD 420	O Taxable dividends paid to connected corporations 430	P Eligible dividends included in column O 440
1	Corporation of the town of Orangeville	10698 6151 RC0001	2019-12-31	535,281	
2					
				535,281 (Total of column O)	(Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations		450	31,154
Eligible dividends included in line 450	455		
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)		460	566,435
Total eligible dividends paid in the tax year (total of column P **plus** line 455)		465	
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)		470	566,435

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	217,133	3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)			566,435	
Other dividends paid in the tax year (total of 510 to 540)				
Total dividends paid in the tax year		500	566,435	
Dividends paid out of capital dividend account	510			
Capital gains dividends	520			
Dividends paid on shares described in subsection 129(1.2)	530			
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540			
Subtotal (total of lines 510 to 540)		►		4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)			566,435	4B

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

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** Yes [ ] No [X]

	1 Class number * See note 1 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) See note 2 203	4 Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) See note 3 225	5 Adjustments and transfers See note 4 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6 222	8 Proceeds of dispositions See note 7 207	For tax years ending before November 21, 2018: 50% rule (1/2 of net acquisitions) 211
1.	1	Buildings	8,322,319						0	
2.	8	Equipment	138,791	23,461	23,461				78	
3.	10	Trucks	380,278	32,823	32,823				0	
4.	12	Computer Software	4,554	49,155	49,155				0	
5.	45	Computer equipment	24						0	
6.	47	Electric Distribution Equipment	9,647,032	1,059,343	1,059,343				4,452	
7.	50	Computer equipment	13,934	30,297	30,297				0	
8.	43.2	Solar Generation	439						0	
9.	14.1		123,781						0	
10.	1b		6,053						0	
11.	1b	2018 Addition	66,439	35,528	35,528				0	
12.	95	CIP	29,360						0	
		Totals	18,733,004	1,230,607	1,230,607				4,530	

	1 Class number * See note 1 200	Des-crip-tion	9 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See note 8	10 Proceeds of disposition available to reduce the UCC of AIIP (column 8 **plus** column 6 **minus** column 3 **plus** column 4 **minus** column 7) (if negative, enter "0")	11 Net capital cost additions of AIIP acquired during the year (column 4 **minus** column 10) (if negative, enter "0")	12 UCC adjustment for AIIP acquired during the year (column 11 **multiplied** by the relevant factor) See note 9	13 UCC adjustment for non-AIIP acquired during the year (0.5 **multiplied** by the result of column 3 **minus** column 4 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") See note 10 224	14 CCA rate % See note 11 212	15 Recapture of CCA See note 12 213	16 Terminal loss See note 13 215	17 CCA (for declining balance method, the result of column 9 **plus** column 12 **minus** column 13, **multiplied** by column 14 or a lower amount) See note 14 217	18 UCC at the end of the year (column 9 **minus** column 17) 220
1.	1	Buildin	8,322,319					4	0	0	332,893	7,989,426
2.	8	Equipn	162,174	78	23,383	11,692		20	0	0	34,773	127,401
3.	10	Trucks	413,101		32,823	16,412		30	0	0	128,854	284,247
4.	12	Compu	53,709		49,155			100	0	0	53,709	
5.	45	Compu	24					45	0	0	11	13
6.	47	Electric	10,701,923	4,452	1,054,891	527,446		8	0	0	898,350	9,803,573
7.	50	Compu	44,231		30,297	15,149		55	0	0	32,659	11,572
8.	43.2	Solar G	439					50	0	0	220	219
9.	14.1		123,781					5	0	0	8,641	115,140
10.	1b		6,053					6	0	0	363	5,690
11.	1b	2018 A	101,967		35,528	17,764		6	0	0	7,184	94,783
12.	95	CIP	29,360					0	0	0		29,360
		Totals	19,959,081	4,530	1,226,077	588,463					1,497,657	18,461,424

Enter the total of column 15 on line 107 of Schedule 1.
Enter the total of column 16 on line 404 of Schedule 1.
Enter the total of column 17 on line 403 of Schedule 1.

Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).

Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 3. An accelerated investment incentive property (AIIP) is a property (other than property included in Class 54 or 55) that you acquired after November 20, 2018 and became available for use before 2028. See the T2 Corporation Income Tax Guide for more information. Classes 54 and 55 include property that is a zero-emission vehicle you acquired after March 18, 2019 and became available for use before 2028.

Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:

- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
- an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b).

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).

Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 9. The relevant factors for AIIP of a class in Schedule II and for property included in classes 54 and 55, available for use before 2024, are:

- 2 1/3 for property in Classes 43.1 and 54;
- 1 1/2 for property in Class 55;
- 1 for property in Classes 43.2 and 53;
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information); and
- 0.5 for all other property that is AIIP.

Note 10. The UCC adjustment for non-AIIP acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.

Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.

Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:

- passenger vehicles in Class 10.1;
- property in Class 14.1, unless you have ceased carrying on the business to which it relates; or
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply.

Note 14. 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:

- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction).
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction).
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction).
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction).
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.
- Property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit: 150% of the amount determined by first subtracting the total of the residual value of the timber limit and all amounts you expended for the 1949 or later tax years for surveys, cruises or preparation of prints, maps or plans for the purpose of obtaining a licence or right to cut timber from the capital cost of the limit or right, and then dividing the result by the quantity of timber in the limit or the quantity of timber you have the right to cut.
- Industrial mineral mine or a right to remove industrial minerals from an industrial mineral mine: 150% of the amount determined by first subtracting the residual value, if any, of the mine or right from the capital cost of the mine or right, and then dividing the result by the number of units of commercially mineable material estimated to be in the mine when the mine or right was acquired (alternatively, if you have acquired a right to remove only a specified number of units, that number of units that you acquired a right to remove).

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Corporation of the Town of Orangev		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	30,000		42,000	30,000	42,000
2	Employee Future Benefits	329,084		337,688	329,084	337,688
3						
	Reserves from Part 2 of Schedule 13					
	Totals	359,084		379,688	359,084	379,688

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)
2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
3 – Non-CCPC that is a **third corporation**
4 – Associated non-CCPC
5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . . **025** Year Month Day

Enter the calendar year the agreement applies to . . . . . . **050** Year 2019

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . . **075** ☐ Yes ☒ No

	1 Name of associated corporations **100**	2 Business number of associated corporations **200**	3 Association code **300**	4 Business limit for the year before the allocation $	5 Percentage of the business limit % **350**	6 Business limit allocated* $ **400**
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000		
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gra	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000	100.0000	500,000
5	Orangvilie Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000 A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - $10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

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Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

	Line	Amount		
Reserves that have not been deducted in calculating income for the year under Part I	101	379,688		
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714		
Retained earnings	104	2,991,878		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	13,009,817		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		24,672,097	▶ 24,672,097	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
- a) those lines applied to partnerships in the same manner that they apply to corporations, and
- b) those amounts were computed without reference to amounts owing by the partnership
  - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
  - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

	Subtotal A (from page 1)		24,672,097	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121			
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122			
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123			
Deferred unrealized foreign exchange losses at the end of the year	124			
Subtotal (**add** lines 121 to 124)		▶		B
Capital for the year (amount A **minus** amount B) (if negative, enter "0")	190		24,672,097	

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	145,623
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	145,623

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		24,672,097	C
Deduct: Investment allowance for the year (line 490)		145,623	D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	24,526,474	

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500)	24,526,474	x	Taxable income earned in Canada **610** 1,000 / Taxable income 1,000	=	**Taxable capital employed in Canada** **690**	24,526,474

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

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

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

Deduct the following amounts:

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

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

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

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

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

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690)		F
Deduct:	10,000,000	G
Excess (amount F **minus** amount G) (if negative, enter "0")		H
Calculation for purposes of the small business deduction (amount H x 0.225%)		I

Enter this amount at line 415 of the T2 return.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Description	Operator (Note)	Amount
Current portion of long-term debt		564,845 00
Long-term debt	+	12,444,972 00
	+	
	Total	13,009,817 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

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Schedule 50

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- 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 (business number, social insurance number or trust number).

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business number (If a corporation is not registered, enter "NR") 200	Social insurance number 300	Trust number 350	Percentage common shares 400	Percentage preferred shares 500
1	The Corporation of the Town of Orangeville	10698 6151 RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

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Schedule 53

General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

On: 2019-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.

Eligibility for the various additions

Answer the following questions to determine the corporation's eligibility for the various additions:

2006 addition

1. Is this the corporation's first taxation year that includes January 1, 2006? . . . . . ☐ Yes ☒ No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006? Enter the date and go directly to question 4 2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA? . . . . . ☐ Yes ☐ No
   If the answer to question 3 is yes, complete Part "GRIP addition for 2006".

Change in the type of corporation

4. Was the corporation a CCPC during its preceding taxation year? . . . . . ☒ Yes ☐ No
5. Corporations that become a CCPC or a DIC . . . . . ☐ Yes ☒ No
   If the answer to question 5 is yes, complete Part 4.

Amalgamation (first year of filing after amalgamation)

6. Corporations that were formed as a result of an amalgamation . . . . . ☐ Yes ☒ No
   If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC? . . . . . ☐ Yes ☐ No
   If the answer to question 7 is yes, complete Part 4.
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation? . . . . . ☐ Yes ☐ No
   If the answer to question 8 is yes, complete Part 3.

Winding-up

9. Has the corporation wound-up a subsidiary in the preceding taxation year? . . . . . ☐ Yes ☒ No
   If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year? . . . . . ☐ Yes ☐ No
    If the answer to question 10 is yes, complete Part 4.
11. Was the subsidiary a CCPC or a DIC during its last taxation year? . . . . . ☐ Yes ☐ No
    If the answer to question 11 is yes, complete Part 3.

Part 1 – General rate income pool (GRIP)

GRIP at the end of the previous tax year			100	7,888,215
Taxable income for the year (DICs enter "0") *		110		
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least *	130			
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income *	140			
Subtotal (line 130 **plus** line 140)		► A		
Income taxable at the general corporate rate (line 110 **minus** amount A) (if negative enter "0")		150		
After-tax income (line 150 **multiplied** by 0.72 (the general rate factor for the tax year))			190	
Eligible dividends received in the tax year		200		
Dividends deductible under section 113 received in the tax year		210		
Subtotal (line 200 **plus** line 210)			►	B
Becoming a CCPC (amount W5 in Part 4)		220		
Post-amalgamation (total of amounts E4 in Part 3 and amounts W5 in Part 4)		230		
Post-wind-up (total of amounts E4 in Part 3 and amounts W5 in Part 4)		240		
Subtotal (**add** lines 220, 230, and 240)		290	►	
Subtotal (**add** lines 100, 190, 290, and amount B)				7,888,215 C
Eligible dividends paid in the previous tax year		300		
Excessive eligible dividend designations made in the previous tax year		310		
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)				
Subtotal (line 300 **minus** line 310)			►	D
GRIP before adjustment for specified future tax consequences (amount C **minus** amount D) (amount can be negative)			490	7,888,215
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 in Part 2)			560	
GRIP at the end of the tax year (line 490 **minus** line 560) Enter this amount on line 160 of Schedule 55.			590	7,888,215

* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560.

First previous tax year 2018-12-31

Taxable income before specified future tax consequences from the current tax year 722,320 A1

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least B1

Aggregate investment income (line 440 of the T2 return) C1

Subtotal (amount B1 **plus** amount C1) ► D1

Subtotal (amount A1 **minus** amount D1) (if negative, enter "0") 722,320 ► 722,320 E1

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences F1

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least G1

Aggregate investment income (line 440 of the T2 return) H1

Subtotal (amount G1 **plus** amount H1) ► I1

Subtotal (amount F1 **minus** amount I1) (if negative, enter "0") ► J1

Subtotal (amount E1 **minus** amount J1) (if negative, enter "0") K1

GRIP adjustment for specified future tax consequences to the first previous tax year
(amount K1 **multiplied** by 0.72) **500**

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Second previous tax year 2017-12-31

Taxable income before specified future tax consequences from the current tax year 694,911 A2

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ B2

Aggregate investment income (line 440 of the T2 return) 58,221 C2

Subtotal (amount B2 **plus** amount C2) 58,221 ▶ 58,221 D2

Subtotal (amount A2 **minus** amount D2) (if negative, enter "0") 636,690 ▶ 636,690 E2

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ______ F2

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ G2

Aggregate investment income (line 440 of the T2 return) . . . . ______ H2

Subtotal (amount G2 **plus** amount H2) ______ ▶ ______ I2

Subtotal (amount F2 **minus** amount I2) (if negative, enter "0") ______ ▶ ______ J2

Subtotal (amount E2 **minus** amount J2) (if negative, enter "0") ______ K2

GRIP adjustment for specified future tax consequences to the second previous tax year
(amount K2 **multiplied** by 0.72) . . . . **520** ______

****** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Third previous tax year 2016-12-31

Taxable income before specified future tax consequences from the current tax year . . . . ____ A3

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ____ B3

Aggregate investment income (line 440 of the T2 return) . . . . ____ C3

Subtotal (amount B3 **plus** amount C3) ____ ► ____ D3

Subtotal (amount A3 **minus** amount D3) (if negative, enter "0") ____ ► ____ E3

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ____ F3

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ____ G3

Aggregate investment income (line 440 of the T2 return) . . . . ____ H3

Subtotal (amount G3 **plus** amount H3) ____ ► ____ I3

Subtotal (amount F3 **minus** amount I3) (if negative, enter "0") ____ ► ____ J3

Subtotal (amount E3 **minus** amount J3) (if negative, enter "0") ____ K3

GRIP adjustment for specified future tax consequences to the third previous tax year
(amount K3 **multiplied by** 0.72) . . . . **540** ____

Total GRIP adjustment for specified future tax consequences to previous tax years:
(**add** lines 500, 520, and 540) (if negative, enter "0") . . . . ____ L3

Enter amount L3 on line 560 in part 1.

** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

nb. 1 Post amalgamation . . . ☐ Post wind-up . . . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year . . .				A4
Eligible dividends paid by the corporation in its last tax year . . .		B4		
Excessive eligible dividend designations made by the corporation in its last tax year . . .		C4		
Subtotal (amount B4 **minus** amount C4)			►	D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 **minus** amount D4) . . .				E4

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:

- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC

nb. 1 Corporation becoming a CCPC . . . . . . ☐ Post amalgamation . . . . ☐ Post wind-up . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or a DIC in its last tax year.The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year . . . . ____________ A5

The corporation's money on hand immediately before the end of its previous/last tax year . . . . ____________ B5

Total of subsection 111(1) losses that would have been deductible in calculating the corporation's taxable income for the previous/last tax year if the corporation had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for the previous/last tax year:

Non-capital losses . . . . ____________ C5

Net capital losses . . . . ____________ D5

Farm losses . . . . ____________ E5

Restricted farm losses . . . . ____________ F5

Limited partnership losses . . . . ____________ G5

Subtotal (**add** amounts C5 to G5) ____________ ► ____________ H5

Total of all amounts deducted under subsection 111(1) in calculating the corporation's taxable income for the previous/last tax year:

Non-capital losses . . . . ____________ I5

Net capital losses . . . . ____________ J5

Farm losses . . . . ____________ K5

Restricted farm losses . . . . ____________ L5

Limited partnership losses . . . . ____________ M5

Subtotal (**add** amounts I5 to M5) ____________ ► ____________ N5

Unused and unexpired losses at the end of the corporation's previous/last tax year (amount H5 **minus** amount N5) ____________ ► ____________ O5

Subtotal (**add** amounts A5, B5, and O5) ____________ P5

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year . . . . ____________ Q5

Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year . . . . ____________ R5

All the corporation's reserves deducted in its previous/last tax year . . . . ____________ S5

The corporation's capital dividend account immediately before the end of its previous/last tax year . . . . ____________ T5

The corporation's low rate income pool immediately before the end of its previous/last tax year . . . . ____________ U5

Subtotal (**add** amounts Q5 to U5) ____________ ► ____________ V5

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (amount P5 **minus** amount V5) (if negative, enter "0") . . . . ____________ W5

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the W5 amounts. Enter this total amount on:

- line 220 for a corporation becoming a CCPC;
- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, *General Rate Income Pool (GRIP) Calculation*, or Schedule 54, *Low Rate Income Pool (LRIP) Calculation*, whichever is applicable.
- File the completed schedules with your *T2 Corporation Income Tax Return* no later than six months from the end of the tax year.
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool (GRIP), and low rate income pool (LRIP).
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

	Line	Amount	
Taxable dividends paid in the tax year **not included** in Schedule 3			
Taxable dividends paid in the tax year **included** in Schedule 3		566,435	
Total taxable dividends paid in the tax year	100	566,435	
Total eligible dividends paid in the tax year	150		A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")	160	7,888,215	B
Excessive eligible dividend designation (line 150 **minus** line 160)			C
Deduct:			
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	180		D
Subtotal (amount C **minus** amount D)			E
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E **multiplied** by 20 %)	190		F

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

	Line	Amount	
Taxable dividends paid in the tax year **not included** in Schedule 3			
Taxable dividends paid in the tax year **included** in Schedule 3			
Total taxable dividends paid in the tax year	200		
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)			G
Deduct:			
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	280		H
Subtotal (amount G **minus** amount H)			I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I **multiplied** by 20 %)	290		J

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to **www.cra.gc.ca/eligibledividends**.

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SCHEDULE 546

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario *Corporations Information Act* Annual Return must be delivered within six months after the end of the corporation's tax year-end. The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.
- It is the corporation's responsibility to ensure that the information shown on the MGS public record is accurate and up-to-date. To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. Visit **www.ServiceOntario.ca** for more information.
- This schedule contains non-tax information collected under the authority of the Ontario *Corporations Information Act*. This information will be sent to the MGS for the purposes of recording the information on the public record maintained by the MGS.

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record)
Orangeville Hydro Limited

Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	110 Date of incorporation or amalgamation, whichever is the most recent (Year Month Day)	120 Ontario Corporation No.
Ontario	2009-01-01	1787206

Part 2 – Head or registered office address (P.O. box not acceptable as stand-alone address)

200 Care of (if applicable)

210 Street number	220 Street name/Rural route/Lot and Concession number	230 Suite number
400	C-Line	

240 Additional address information if applicable (line 220 must be completed first)
Station A Box 400

250 Municipality (e.g., city, town)	260 Province/state	270 Country	280 Postal/zip code
Orangeville	ON	CA	L9W 2Z7

Part 3 – Change identifier

Have there been any changes in any of the information most recently filed for the public record maintained by the MGS for the corporation with respect to names, addresses for service, and the date elected/appointed and, if applicable, the date the election/appointment ceased of the directors and five most senior officers, or with respect to the corporation's mailing address or language of preference? To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. For more information, visit **www.ServiceOntario.ca**.

300 1 If there have been no changes, enter **1** in this box and then go to "Part 4 – Certification."
If there are changes, enter **2** in this box and complete the applicable parts on the next page, and then go to "Part 4 – Certification."

Part 4 – Certification

I certify that all information given in this *Corporations Information Act* Annual Return is true, correct, and complete.

450 Koekkoek (Last name) **451** Rob (First name)

454 ______________________, (Middle name(s))

460 1 Please enter one of the following numbers in this box for the above-named person: **1** for director, **2** for officer, or **3** for other individual having knowledge of the affairs of the corporation. If you are a director and officer, enter **1** or **2**.

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

Complete the applicable parts to report changes in the information recorded on the MGS public record.

Part 5 – Mailing address

500 Please enter one of the following numbers in this box:

1 - Show no mailing address on the MGS public record.
2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule.
3 - The corporation's complete mailing address is as follows:

510 Care of (if applicable)

520 Street number	**530** Street name/Rural route/Lot and Concession number	**540** Suite number

550 Additional address information if applicable (line 530 must be completed first)

560 Municipality (e.g., city, town)	**570** Province/state	**580** Country	**590** Postal/zip code

Part 6 – Language of preference

600 Indicate your language of preference by entering **1** for English or **2** for French. This is the language of preference recorded on the MGS public record for communications with the corporation. It may be different from line 990 on the T2 return.

Corporate Taxpayer Summary

Corporate information

Corporation's name . . . . Orangeville Hydro Limited

Taxation Year . . . . 2019-01-01 to 2019-12-31

Jurisdiction . . . . Ontario

BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC
				X											

Corporation is associated . . . . Y

Corporation is related . . . . Y

Number of associated corporations . . . 4

Type of corporation . . . . Canadian-Controlled Private 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		348,297
Taxable income		
Donations		4,900
Calculation of income from an active business carried on in Canada		348,297
Dividends paid		566,435
Dividends paid – Regular	566,435	
Dividends paid – Eligible		
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		7,888,215
Balance of the general rate income pool at the end of the year		7,888,215
Part I tax (base amount)		

Summary of federal carryforward/carryback information

Carryforward balances

Capital dividend amount	58,221
Financial statement reserve	379,688

Summary of provincial information – provincial income tax payable

	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	348,297		
Taxable income			
% Allocation	100.00		
Attributed taxable income			
Tax payable before deduction*			
Deductions and credits			
Net tax payable			
Attributed taxable capital	N/A		N/A
Capital tax payable**	N/A		N/A
Total tax payable***			
Instalments and refundable credits			
Balance due/Refund (-)			

Logging tax payable (COZ-1179)

	Ontario	Québec (CO-17)	Alberta (AT1)
Tax payable	N/A		N/A

* For Québec, this includes special taxes.

** For Québec, this includes compensation tax and registration fee.

*** For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations. The Balance due/Refund is included in the federal Balance due/refund.

Summary – taxable capital

Federal

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Orangeville Hydro Limited	11,306,569	11,306,569	24,526,474	24,526,474
Corporation of the Town of Orangeville	15,000,000	15,000,000		
Corporation of the Township of East Luther Grand	5,000,000	5,000,000		
Orangeville Hydro Services Inc.	1	1	1	1
Orangville Railway Development Corporation				
Total	31,306,570	31,306,570	24,526,475	24,526,475

Québec

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771) and to calculate the additional deduction for transportation costs of remote manufacturing SMEs (CO-156.TR)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN) and to determine the applicability of Form CO-1029.8.33.TE	Paid-up capital used to calculate the $1 million deduction (CO-1137.A and CO-1137.E)	Paid-up capital used to determine the applicability of Form CO-737.SI
Total				

Ontario

Corporate name	Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
Total	

Other provinces

Corporate name	Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)
Total	

Five-Year Comparative Summary

Federal information (T2)

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Taxation year end	**2019-12-31**	**2018-12-31**	**2017-12-31**	**2016-12-31**	**2015-12-31**
Net income	348,297	727,370	699,911		
Taxable income		722,320	694,911		
Active business income	348,297	727,370	641,690		
Dividends paid	566,435	447,092	646,294		
Dividends paid – Regular	566,435	447,092	35,547		
Dividends paid – Eligible			610,747		
LRIP – end of the previous year					
LRIP – end of the year					
GRIP – end of the previous year	7,888,215	7,978,892	7,520,475		
GRIP – end of the year	7,888,215	7,888,215	7,978,892		
Donations	4,900	5,050	5,000		
Balance due/refund (-)		-8,339	43,747		
Line 996 – Amended tax return	☐	☐	☐	☐	☐

Loss carrybacks requested in prior years to reduce taxable income

Taxation year end	**2019-12-31**	**2018-12-31**	**2017-12-31**	**2016-12-31**	**2015-12-31**
Taxable income before loss carrybacks	N/A	N/A	694,911		
Non-capital losses	N/A	N/A			
Net capital losses (50%)	N/A	N/A			
Restricted farm losses	N/A	N/A			
Farm losses	N/A	N/A			
Listed personal property losses (50%)	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted taxable income after loss carrybacks	N/A	N/A	694,911		

Losses in the current year carried back to previous years to reduce taxable income (according to Schedule 4)

Taxation year end	**2019-12-31**	**2018-12-31**	**2017-12-31**	**2016-12-31**	**2015-12-31**
Adjusted taxable income before current year loss carrybacks*	N/A	722,320	694,911		N/A
Non-capital losses	N/A				N/A
Net capital losses (50%)	N/A				N/A
Restricted farm losses	N/A				N/A
Farm losses	N/A				N/A
Listed personal property losses (50%)	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted taxable income after loss carrybacks	N/A	722,320	694,911		N/A

* The adjusted taxable income before current year loss carryback takes into account loss carrybacks that were made in prior taxation years.

Loss carrybacks requested in prior years to reduce taxable dividends subject to Part IV tax

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			
Farm losses	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A	N/A			

Losses in the current year carried back to previous years to reduce taxable dividends subject to Part IV tax (according to Schedule 4)

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before current-year loss carrybacks***	N/A				N/A
Non-capital losses	N/A				N/A
Farm losses	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A				N/A

** The multiplication factor is 3 for dividends received before January 1, 2016, and 100 / 38 1/3 for dividends received after December 31, 2015.

*** The adjusted Part IV tax multiplied by the multiplication factor before current-year loss carrybacks takes into account loss carrybacks that were made in prior taxation years. This amount is multiplied by the multiplication factor to help you determine the loss amount that must be used to reduce Part IV tax payable to zero.

Federal taxes

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Part I		104,592	118,015		
Part IV					
Part III.1					
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

Credits against part I tax

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Small business deduction					
M&P deduction					
Foreign tax credit					
Investment tax credit		3,756			
Abatement/other*		166,134	152,261		

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

Refunds/credits

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
ITC refund					
Dividend refund					
– Eligible dividends					
– Non-eligible dividends			17,854		
Instalments		185,683	124,082		
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

Ontario

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Net income	348,297	727,370	699,911		
Taxable income		722,320	694,911		
% Allocation	100.00	100.00	100.00		
Attributed taxable income		722,320	694,911		
Surtax					
Income tax payable before deduction		83,067	79,915		
Income tax deductions /credits					
Net income tax payable		83,067	79,915		
Taxable capital					
Capital tax payable					
Total tax payable*		83,067	79,915		
Instalments and refundable credits		10,315	12,247		
Balance due/refund**		72,752	67,668		

* For taxation years ending before January 1, 2009, this includes the corporate minimum tax and the premium tax. For taxation years ending after December 31, 2008, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations.

** For taxation years ending after December 31, 2008, the Balance due/Refund is included in the federal Balance due/refund.

Tax Instalments

For the taxation year ended 2020-12-31

Business number 86463 9562 RC0002

The following is a list of instalments payable for the current taxation year, and the last column indicates the instalments payable to the Minister of Finance. The instalments must be paid on each of the dates indicated below, otherwise non-deductible interest might be charged.

-
-
-
-

You can mail a cheque or a money order payable to the Minister of Finance, to Ministry of Finance, HYDRO PILS DIVISION, 33 King St, PO Box 620, Oshawa ON L1H 8E9.

Do you want to calculate the instalments according to the extended payment date (COVID-19)?* [X] Yes [ ] No

* The answer to this question is **Yes** when at least one of the dates entered in the **Monthly instalments workchart** or the **Quarterly instalments workchart** sections is after March 17, 2020, and before September 1, 2020.

Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2020-01-31	6,917				6,917
2020-02-29	6,917				6,917
2020-03-31					
2020-04-30					
2020-05-31					
2020-06-30					
2020-07-31					
2020-08-31					
2020-09-30	6,917				6,917
2020-10-31	6,917				6,917
2020-11-30	6,917				6,917
2020-12-31	6,913				6,913
Instalment (COVID-19)					
2020-09-01	41,502				41,502
Totals	83,000				83,000

200

Canada Revenue Agency / Agence du revenu du Canada

T2 Corporation Income Tax Return

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 or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) 001 86463 9562 RC0002

Corporation's name
002 Orangeville Hydro Limited

Address of head office
Has this address changed since the last time we were notified? . . . . 010 Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 400 C Line
012 Station A Box 400
City: 015 Orangeville
Province, territory, or state: 016 ON
Country (other than Canada): 017 CA
Postal or ZIP code: 018 L9W 2Z7

Mailing address (if different from head office address)
Has this address changed since the last time we were notified? . . . . 020 Yes [ ] No [X]
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 or ZIP code: 028

Location of books and records (if different from head office address)
Has this address changed since the last time we were notified? . . . . 030 Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031 400 C Line
032 Station A Box 400
City: 035 Orangeville
Province, territory, or state: 036 ON
Country (other than Canada): 037 CA
Postal or ZIP code: 038 L9W 2Z7

040 **Type of corporation at the end of the tax year** (tick one)
- [X] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [ ] 4 Corporation controlled by a public corporation
- [ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change . . . . 043 Year Month Day

To which tax year does this return apply?
Tax year start: 060 Year Month Day 2019-01-01
Tax year-end: 061 Year Month Day 2019-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? . . . . 063 Yes [ ] No [X]
If **yes**, provide the date control was acquired . . . . 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? . . . . 066 Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? . . . . 067 Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? . . . . 070 Yes [ ] No [X]
Amalgamation? . . . . 071 Yes [ ] No [X]
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 Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . 076 Yes [ ] No [X]

Is this the final return up to dissolution? . . . . 078 Yes [ ] No [X]

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 Yes [X] 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 Yes [ ] No [X]
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) (for tax years starting before 2019)
- [ ] 4 Exempt under other paragraphs of section 149

Do not use this area
095 096 898

Attachments

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

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		———
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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	X	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	———
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 tax for the tobacco manufacturers' surcharge?	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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	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)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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	X	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

		Yes	No
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	X	
Is the corporation inactive?	280		X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

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

Line	Product or service	Line	%
284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

		Yes	No
Did the corporation immigrate to Canada during the tax year?	291		X
Did the corporation emigrate from Canada during the tax year?	292		X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293		

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 Year Month Day

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes ☐ No ☐

Taxable income

	Line		Amount	
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	300		348,297	A
Deduct:				
Charitable donations from Schedule 2	311	4,900		
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine made before March 22, 2017, 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			
Employer deduction for non-qualified securities under an employee stock options agreement		a		
Subtotal		4,900 ▶	4,900	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")			343,397	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355			D
Taxable income (amount C **plus** amount D)	360		343,397	
Income exempt under paragraph 149(1)(t) (for tax years starting before 2019)	370			
Taxable income for a corporation with exempt income under paragraph 149(1)(t) (line 360 **minus** line 370)			343,397	Z
Taxable income for the year from a personal services business				Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	348,297	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax	405	343,397	B
Business limit (see notes 1 and 2 below)	410		C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction

Amount C ______ x 415 *** 47,940 D / 11,250 = ______ E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** 417 ______ – 50,000 = ______ F

Amount C ______ x Amount F ______ / 100,000 = ______ G

Subtotal (the greater of amount E and amount G)	422		H
Reduced business limit for tax years starting before 2019 (amount C **minus** amount E) (if negative, enter "0")	425		I
Reduced business limit for tax years starting after 2018 (amount C **minus** amount H) (if negative, enter "0")	426		J
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 on page 5)			K
Reduced business limit after assignment for tax years starting before 2019 (amount I **minus** amount K)	427		L
Reduced business limit after assignment for tax years starting after 2018 (amount J **minus** amount K)	428		M

Small business deduction

Tax years starting before 2019

Amount A, B, C, or L, whichever is the least ______ x Number of days in the tax year before January 1, 2018 ______ / Number of days in the tax year 365 x 17.5 % = ______ 1

Amount A, B, C, or L, whichever is the least ______ x Number of days in the tax year after December 31, 2017, and before January 1, 2019 ______ / Number of days in the tax year 365 x 18 % = ______ 2

Amount A, B, C, or L, whichever is the least ______ x Number of days in the tax year after December 31, 2018 365 / Number of days in the tax year 365 x 19 % = ______ 3

Tax years starting after 2018

Amount A, B, C, or M, whichever is the least ______ x 19 % = ______ 4

Small business deduction (total of amounts 1 to 4) 430 ______ N

Enter amount N at amount J on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations. Each corporation with such income has to file a Schedule 7, which includes a line 744 and a line 745. For the first tax year starting after 2018, use the total of lines 744. Otherwise, use the total of lines 745 of the preceding tax year.

Small business deduction (continued)

Specified corporate income and assignment under subsection 125(3.2)

	O1 Name of corporation receiving the income and assigned amount	O Business number of the corporation receiving the assigned amount 490	P Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column O [3] 500	Q Business limit assigned to corporation identified in column O [4] 505
1.				
		Total	510	515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
(A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
(B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
(I) persons (other than the private corporation) with which the corporation deals at arm's length, or
(II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column P in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 425 (426 for tax years starting after 2018).

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from page 3 (line 360 or amount Z, whichever applies)			343,397	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		B		
Amount 13K from Part 13 of Schedule 27		C		
Personal services business income	432	D		
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least		E		
Aggregate investment income from line 440 on page 6*		F		
Subtotal (**add** amounts B to F)		►		G
Amount A **minus** amount G (if negative, enter "0")			343,397	H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %			44,642	I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies)				J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		K		
Amount 13K from Part 13 of Schedule 27		L		
Personal services business income	434	M		
Subtotal (**add** amounts K to M)		►		N
Amount J **minus** amount N (if negative, enter "0")				O
General tax reduction – Amount O **multiplied** by 13 %				P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 . . . . **440** ____ x 30 2 / 3 % =		. . . .		A
Foreign non-business income tax credit from line 632 on page 8		B		
Foreign investment income from Schedule 7 . . . . **445** ____ x 8 % =		C		
Subtotal (amount B **minus** amount C) (if negative, enter "0")		▶		D
Amount A **minus** amount D (if negative, enter "0")				E
Taxable income from line 360 on page 3	343,397	F		
Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least . . . . ____ G				
Foreign non-business income tax credit from line 632 on page 8 . . . . ____ x 75 / 29 = ____ H				
Foreign business income tax credit from line 636 on page 8 . . ____ x 4 = ____ I				
Subtotal (**add** amounts G to I) ____ ▶		J		
Subtotal (amount F **minus** amount J) (if negative, enter "0")	343,397	K	x 30 2 / 3 % = 105,308	L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)			49,509	M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450**				N

Refundable dividend tax on hand (for tax years starting before 2019)

Refundable dividend tax on hand at the end of the previous tax year **460**				
Dividend refund for the previous tax year **465**				
Subtotal (line 460 **minus** line 465)		▶		O
Refundable portion of Part I tax from line 450 above		P		
Total Part IV tax payable from Schedule 3		Q		
Net refundable dividend tax on hand transferred on an amalgamation or the wind-up of a subsidiary **480**				
Subtotal (amount P **plus** amount Q **plus** line 480)		▶		R
Refundable dividend tax on hand at the end of the tax year – Amount O **plus** amount R **485**				

Dividend refund (for tax years starting before 2019)

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 on page 3 of Schedule 3 . . . . . . ____	x 38 1 / 3 % =		S
Refundable dividend tax on hand at the end of the tax year from line 485 above			T
Dividend refund – Amount S or T, whichever is less			U

Enter amount U on line 784 on page 9.

Refundable dividend tax on hand (for tax years starting after 2018)

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460			
Dividend refund for the previous tax year	465			
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480			
Subtotal (line 460 **minus** line 465 **plus** line 480)				A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of schedule 53)			7,888,215	B
Total eligible dividends paid in the previous tax year (from line 300 of schedule 53)		C		
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)		D		
Subtotal (amount C **minus** amount D) (if negative, enter "0")		▶		E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")	7,888,215	F		
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of schedule 53)		G		
Subtotal (amount F **plus** amount G)	7,888,215	▶	7,888,215	H
Amount H **multiplied** by 38 1 / 3 %			3,023,816	I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)		520		J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")		535		K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)		L		
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)		M		
Subtotal (amount L **plus** amount M)		▶		N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary		525		O
ERDTOH dividend refund for the previous tax year		570		P
Refundable portion of Part I tax (from line 450 on page 6)				Q
Part IV tax before deductions (amount 2A from Schedule 3)		R		
Part IV tax allocated to ERDTOH (amount N)		S		
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)		T		
Subtotal (amount R **minus** total of amounts S and T)		▶		U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary		540		V
NERDTOH dividend refund for the previous tax year		575		W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)				X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")				Y
NERDTOH at the end of the tax year* (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")		545		
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")				Z
ERDTOH at the end of the tax year* (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")		530		

* For more information, consult the Help (F1).

Dividend refund (for tax years starting after 2018)

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	217,133	DD
NERDTOH balance at the end of the tax year (line 545)		EE
Non-eligible dividend refund (amount DD or EE, whichever is less)		FF
Amount DD **minus** amount EE (if negative, enter "0")	217,133	GG
Amount BB **minus** amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund* – Amount CC **plus** amount FF **plus** amount II		JJ

Enter amount JJ on line 784 on page 9.

* For more information, consult the Help (F1).

Part I tax

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) **multiplied** by 38 %			550	130,491	A
Additional tax on personal services business income (section 123.5)					
Taxable income from a personal services business	555	x 5 % =	560		B
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 on page 6				D	
Taxable income from line 360 on page 3	343,397	E			
Deduct: Amount from line 400, 405, 410, or 427 (428 instead of 427 for tax years starting after 2018) on page 4, whichever is the least		F			
Net amount (amount E **minus** amount F)	343,397	►	343,397	G	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G			604		H
Subtotal (**add** amounts A, B, C, and H)				130,491	I

Deduct:

Small business deduction from line 430 on page 4			J	
Federal tax abatement	608	34,340		
Manufacturing and processing profits deduction from Schedule 27	616			
Investment corporation deduction	620			
Taxed capital gains 624				
Federal foreign non-business income tax credit from Schedule 21	632			
Federal foreign business income tax credit from Schedule 21	636			
General tax reduction for CCPCs from amount I on page 5	638	44,642		
General tax reduction from amount P on page 5	639			
Federal logging tax credit from Schedule 21	640			
Eligible Canadian bank deduction under section 125.21	641			
Federal qualifying environmental trust tax credit	648			
Investment tax credit from Schedule 31	652	2,000		
Subtotal		80,982	► 80,982	K
Part I tax payable – Amount I **minus** amount K			49,509	L

Enter amount L on line 700 on page 9.

Privacy statement

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities such as administering tax and benefits, audit, compliance, and collection. Personal information may be shared for purposes of other federal acts that provide for the imposition and collection of a tax or duty. Personal information may also be shared with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access their personal information, request correction, or file a complaint to the Privacy Commissioner of Canada regarding the handling of the individual's personal information. Refer to Personal Information Bank CRA PPU 047 at **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	49,509
Part II surcharge 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		49,509

Add provincial or territorial tax:

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

Net provincial or territorial tax payable (except Quebec and Alberta)	760	33,491
Total tax payable	770	83,000 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780		
Dividend refund from amount U on page 6 or JJ on page 7	784		
Federal capital gains refund from Schedule 18	788		
Federal qualifying environmental trust tax credit refund	792		
Canadian film or video production tax credit (Form T1131)	796		
Film or video production services tax credit (Form T1177)	797		
Canadian journalism labour tax credit from Schedule 58	798		
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	166,287	
Total credits	890	166,287 ▶	166,287 B

Balance (amount A **minus** amount B) -83,287

If the result is negative, you have a **refund**.
If the result is positive, you have a **balance owing**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Refund code 894 1 Refund 83,287

Balance owing ....

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No ☒

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 G1829

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Certification

I, 950 Koekkoek (Last name) 951 Rob (First name) 954 President (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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax 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 (519) 942-8000 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☐ No ☒

958 Suzanne Presseault (Name of other authorized person) 959 (519) 942-8000 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

Orangeville Hydro Limited
BN: 86463 9562 RC0002
Regulation 1101(5b.1) Election
Taxation period end: December 31, 2019

The taxpayer hereby elects pursuant to subsection 1101(5b.1) of the Income Tax Regulations of Canada, to include each eligible non-residential building acquired during the year in a separate prescribed class.

Schedule of Instalment Remittances

Name of corporation contact

Telephone number

Effective interest date	Description (instalment remittance, split payment, assessed credit)	Amount of credit
	2019 installments	166,287

Total amount of instalments claimed (carry the result to line 840 of the T2 Return)	166,287	**A**
Total instalments credited to the taxation year per T9	166,287	**B**

Transfer

	Account number	Taxation year end	Amount	Effective interest date	Description
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule to reconcile 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.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 . . . . . 901,542 A

Add:

Provision for income taxes – current	101	-169,755	
Provision for income taxes – deferred	102	273,000	
Amortization of tangible assets	104	981,874	
Loss on disposal of assets	111	38,418	
Charitable donations and gifts from Schedule 2	112	4,900	
Non-deductible meals and entertainment expenses	121	1,509	
Reserves from financial statements – balance at the end of the year	126	379,688	
Subtotal of additions		1,509,634 ▶	1,509,634

Other additions:

Miscellaneous other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	14,071
2	Paragraph 12(1)(x) - Contributed capital	115,021
3	Paragraph 12(1)(a) - Customer Deposits	724,514
4	Tax grouped with change in regulatory	198,124
	Total of column 2	1,051,730 ▶

Total of column 2	296	1,051,730		
Subtotal of other additions	199	1,051,730 ▶	1,051,730	D
Total additions	500	2,561,364 ▶	2,561,364	

Amount A **plus** line 500 . . . . . 3,462,906 B

Deduct:

Capital cost allowance from Schedule 8	403	1,497,657	
Reserves from financial statements – balance at the beginning of the year	414	359,084	
Subtotal of deductions		1,856,741 ▶	1,856,741

Other deductions:

Miscellaneous other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	94,119
2	Deferred CGAAP Credits	51,214
3	Subsection 13(7.4) election	115,021
4	Paragraph 20(1)(m) - Customer Deposits	724,514
5	Tax movement in reg account	273,000
	Total of column 2	1,257,868 ▶

Total of column 2 ▶ 396 1,257,868

Subtotal of other deductions	499	1,257,868 ▶	1,257,868	E
Total deductions	510	3,114,609 ▶	3,114,609	
Net income (loss) for income tax purposes (amount B **minus** line 510)			348,297	C

Enter amount C on line 300 of the T2 return.

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Explanatory note

For FS presentation, grouped $198,124 of tax expense as a reduction to regulatory movement.

Description	Operator (Note)	Amount
Movement in note 9 of FS for deferred tax balance		273,000 00
	+	
	Total	273,000 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Federal

A		
X	Investment tax credit from apprenticeship job creation expenditures	3,756
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	

Ontario

A		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	4,315
	Ontario computer animation and special effects tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario sound recording tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency | Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years. Provincial food donation tax credits must be applied in the current tax year.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Various donation slips	4,900
Subtotal	4,900
Add: Total donations of less than $100 each	
Total donations in current tax year	4,900

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			A		
Charitable donations expired after 5 tax years*	239				
Charitable donations at the beginning of the current tax year (amount A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1 Net Income (Loss) for Income Tax Purposes)	210	4,900		4,900	4,900
Subtotal (line 250 **plus** line 210)		4,900	B	4,900	4,900
Subtotal (line 240 **plus** amount B)		4,900	C	4,900	4,900
Adjustment for an acquisition of control	255				
Total charitable donations available (amount C **minus** line 255)		4,900	D	4,900	4,900
Amount applied in the current year against taxable income (cannot be more than amount L in Part 2) (enter this amount on line 311 of the T2 return)	260	4,900		4,900	4,900
Charitable donations closing balance (amount D **minus** line 260)	280				

The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013) . . . **262** ________

Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %) . . . ________ 1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015) . . . **263** ________

Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %) . . . ________ 2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016 and before January 1, 2021) . . . **265** ________

British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %) . . . ________ 3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2018-12-31			
2nd prior year	2017-12-31			
3rd prior year	2016-12-31			
4th prior year	2015-12-31			
5th prior year	2014-12-31			
6th prior year*	2013-12-31			
7th prior year	2012-12-31			
8th prior year	2011-12-31			
9th prior year	2010-12-31			
10th prior year	2009-12-31			
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes Note 1 **multiplied** by 75 % . . . . . 261,223 E

Taxable capital gains arising in respect of gifts of capital property included in Part 1 Note 2 . . . . . **225**

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) **227**

The amount of the recapture of capital cost allowance in respect of charitable donations **230**

Proceeds of disposition, **less** outlays and expenses Note 2 . . . . . F

Capital cost Note 2 . . . . . G

Amount F or G, whichever is less **235**

Amount on line 230 or 235, whichever is less . . . . . H

Subtotal (**add** line 225, 227, and amount H) I

Amount I **multiplied** by 25 % J

Subtotal (amount E **plus** amount J) 261,223 K

Maximum allowable deduction for charitable donations
(enter amount D from Part 1, amount K, or net income for tax purposes, whichever is least) . . . . . 4,900 L

Note 1 For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Note 2 This amount must be prorated by the following calculation: eligible amount of the gift **divided by** the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

		Federal		Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			M		
Gifts of certified cultural property expired after 5 tax years*	439				
Gifts of certified cultural property at the beginning of the current tax year (amount M **minus** line 439)	440				
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450				
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410				
Subtotal (line 450 **plus** line 410)			N		
Subtotal (line 440 **plus** amount N)			O		
Adjustment for an acquisition of control	455				
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460				
Subtotal (line 455 **plus** line 460)			P		
Gifts of certified cultural property closing balance (amount O **minus** amount P)	480				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2018-12-31			
2nd prior year	2017-12-31			
3rd prior year	2016-12-31			
4th prior year	2015-12-31			
5th prior year	2014-12-31			
6th prior year*	2013-12-31			
7th prior year	2012-12-31			
8th prior year	2011-12-31			
9th prior year	2010-12-31			
10th prior year	2009-12-31			
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			Q		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount Q **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			R		
Subtotal (line 540 **plus** amount R)			S		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			T		
Gifts of certified ecologically sensitive land closing balance (amount S **minus** amount T)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2018-12-31			
2nd prior year	2017-12-31			
3rd prior year	2016-12-31			
4th prior year	2015-12-31			
5th prior year	2014-12-31			
6th prior year*	2013-12-31			
7th prior year	2012-12-31			
8th prior year	2011-12-31			
9th prior year	2010-12-31			
10th prior year	2009-12-31			
11th prior year*				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

		Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year			U		
Additional deduction for gifts of medicine expired after 5 tax years*	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount U **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				

Additional deduction for gifts of medicine made before March 22, 2017:

		Federal		Québec	Alberta
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			V		
Amount V **multiplied** by 50 %			W		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

where:

a is the **lesser** of line 601 and amount W

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

		Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			X		
Subtotal (line 640 **plus** amount X)			Y		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			Z		
Additional deduction for gifts of medicine closing balance (amount Y **minus** amount Z)	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2018-12-31			
2nd prior year	2017-12-31			
3rd prior year	2016-12-31			
4th prior year	2015-12-31			
5th prior year	2014-12-31			
6th prior year*	2013-12-31			
7th prior year	2012-12-31			
8th prior year	2011-12-31			
9th prior year	2010-12-31			
10th prior year	2009-12-31			
11th prior year				
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2018-12-31	
2nd prior year	2017-12-31	
3rd prior year	2016-12-31	
4th prior year	2015-12-31	
5th prior year	2014-12-31	
6th prior year*	2013-12-31	
7th prior year	2012-12-31	
8th prior year	2011-12-31	
9th prior year	2010-12-31	
10th prior year	2009-12-31	
11th prior year		
12th prior year		
13th prior year		
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83;
  - deductible dividends under subsection 138(6);
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d); or
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3).
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A recipient corporation is **connected** with a payer corporation at any time in a tax year, if at that time the recipient corporation:
  - controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b); or
  - owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation.
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.
- Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H and I **only if** the payer corporation is **connected.**

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing column J and K use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business Number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			

Total of column E (enter amount on line 402 of Schedule 1)

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d)note 1 240	F1	G Eligible dividends included in column F 242	H Total taxable dividends paid by **connected** payer corporation (for tax year in column D) 250	I Dividend refund of the **connected** payer corporation (for tax year in column D)note 2 260	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3%note 3 265	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3%note 4 275
1							

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) 1A

Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) 1B

Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 Return) 1C

Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) 1D

Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) 1F

Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) 1G

Subtotal (amount 1F **plus** amount 1G) ► 1H

Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) 1I

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) 1J

Subtotal (amount 1I **plus** amount 1J) ► 1K

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) 1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column F.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320		
Subtotal (amount 2A **minus** line 320)		▶	2B
Current-year non-capital loss claimed to reduce Part IV tax	330		
Non-capital losses from previous years claimed to reduce Part IV tax	335		
Current-year farm loss claimed to reduce Part IV tax	340		
Farm losses from previous years claimed to reduce Part IV tax	345		
Total losses applied against Part IV tax (total of lines 330 to 345)			2C
Amount 2C **multiplied** by 38 1 / 3 %			2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0")	360		

(enter amount on line 712 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations note 5 (amount 1F in part 1)	2E
Amount 4A from Schedule 43	2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E minus amount 2F, if negative enter "0")	2G

(enter at amount L on page 7 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)	2H
Amount 4C from Schedule 43	2I
Part IV tax payable on eligible dividends received from non-connected corporations (amount 2H minus amount 2I, if negative enter "0")	2J

(enter at amount M on page 7 of the T2 return)

5 The program calculates the amount on line 2E from the amount on line 1F. If only a portion of the dividend refund to the connected payer corporation results in an eligible refundable dividend tax on hand (ERDTOH), enter this amount on line 2E, using an override. However, if the dividend refund to the connected payer corporation does not result in an ERDTOH, the amount on line 2E must be equal to "0."

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of connected recipient corporation 400	M Business Number 410	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD 420	O Taxable dividends paid to connected corporations 430	P Eligible dividends included in column O 440
1	Corporation of the town of Orangeville	10698 6151 RC0001	2019-12-31	535,281	
2					
				535,281 (Total of column O)	(Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations		450	31,154
Eligible dividends included in line 450	455		
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)		460	566,435
Total eligible dividends paid in the tax year (total of column P **plus** line 455)		465	
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)		470	566,435

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	217,133	3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)				566,435
Other dividends paid in the tax year (total of 510 to 540)				
Total dividends paid in the tax year			500	566,435
Dividends paid out of capital dividend account	510			
Capital gains dividends	520			
Dividends paid on shares described in subsection 129(1.2)	530			
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540			
Subtotal (total of lines 510 to 540)			►	4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)				566,435 4B

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Schedule 5

Tax Calculation Supplementary – Corporations

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule if, during the tax year, your corporation:
  - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - is claiming provincial or territorial tax credits or rebates (see Part 2), or
  - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- All legislative references are to the Income Tax Regulations.
- For more information, see the T2 Corporation – Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Allocation of taxable income

100 ______ Enter the regulation that applies (402 to 413)

A Jurisdiction. Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year *		B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2** (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes ☐	103		143		
Newfoundland and Labrador Offshore	004 Yes ☐	104		144		
Prince Edward Island	005 Yes ☐	105		145		
Nova Scotia	007 Yes ☐	107		147		
Nova Scotia Offshore	008 Yes ☐	108		148		
New Brunswick	009 Yes ☐	109		149		
Quebec	011 Yes ☐	111		151		
Ontario	013 Yes ☐	113		153		
Manitoba	015 Yes ☐	115		155		
Saskatchewan	017 Yes ☐	117		157		
Alberta	019 Yes ☐	119		159		
British Columbia	021 Yes ☐	121		161		
Yukon	023 Yes ☐	123		163		
Northwest Territories	025 Yes ☐	125		165		
Nunavut	026 Yes ☐	126		166		
Outside Canada	027 Yes ☐	127		167		
Total		129 G		169 H		

* **Permanent establishment** is defined in subsection 400(2)

** For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:
1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation – Income Tax Guide.
2. If your corporation has provincial or territorial tax payable, complete Part 2.
3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits
343,397		343,397	39,491

	Line	Amount		Total	
Ontario basic income tax (from Schedule 500)	270	39,491			
Ontario small business deduction (from Schedule 500)	402				
Subtotal (line 270 **minus** line 402)		39,491	►	39,491	5A
Ontario transitional tax debits (from Schedule 506)	276				
Recapture of Ontario research and development tax credit (from Schedule 508)	277				
Subtotal (line 276 **plus** line 277)			►		5B
Gross Ontario tax (amount 5A **plus** amount 5B)				39,491	5C
Ontario resource tax credit (from Schedule 504)	404				
Ontario tax credit for manufacturing and processing (from Schedule 502)	406				
Ontario foreign tax credit (from Schedule 21)	408				
Ontario credit union tax reduction (from Schedule 500)	410				
Ontario political contributions tax credit (from Schedule 525)	415				
Ontario non-refundable tax credits (total of lines 404 to 415)			►		5D
Subtotal (amount 5C **minus** amount 5D) (if negative, enter "0")				39,491	5E
Ontario research and development tax credit (from Schedule 508)			416		
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E **minus** line 416) (if negative, enter "0")				39,491	5F
Ontario corporate minimum tax credit (from Schedule 510)			418		
Ontario community food program donation tax credit for farmers (from Schedule 2)			420		
Ontario corporate income tax payable (amount 5F **minus** the total of lines 418 and 420) (if negative, enter "0")				39,491	5G
Ontario corporate minimum tax (from Schedule 510)	278				
Ontario special additional tax on life insurance corporations (from Schedule 512)	280				
Subtotal (line 278 **plus** line 280)			►		5H
Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H)				39,491	5I
Ontario qualifying environmental trust tax credit	450				
Ontario co-operative education tax credit (from Schedule 550)	452	6,000			
Ontario apprenticeship training tax credit (from Schedule 552)	454				
Ontario computer animation and special effects tax credit (from Schedule 554)	456				
Ontario film and television tax credit (from Schedule 556)	458				
Ontario production services tax credit (from Schedule 558)	460				
Ontario interactive digital media tax credit (from Schedule 560)	462				
Ontario sound recording tax credit (from Schedule 562)	464				
Ontario book publishing tax credit (from Schedule 564)	466				
Ontario innovation tax credit (from Schedule 566)	468				
Ontario business-research institute tax credit (from Schedule 568)	470				
Ontario refundable tax credits (total of lines 450 to 470)		6,000	►	6,000	5J
Net Ontario tax payable or refundable tax credit (amount 5I **minus** amount 5J) (if a credit, enter amount in brackets) Include this amount on line 255.			290	33,491	

Summary

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable tax credits 255 33,491

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

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** Yes ☐ No ☒

	1 Class number * See note 1 (200)	Description	2 Undepreciated capital cost (UCC) at the beginning of the year (201)	3 Cost of acquisitions during the year (new property must be available for use) See note 2 (203)	4 Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) See note 3 (225)	5 Adjustments and transfers See note 4 (205)	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5 (221)	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6 (222)	8 Proceeds of dispositions See note 7 (207)	For tax years ending before November 21, 2018: 50% rule (1/2 of net acquisitions) (211)
1.	1	Buildings	8,322,319						0	
2.	8	Equipment	138,791	23,461	23,461				78	
3.	10	Trucks	380,278	32,823	32,823				0	
4.	12	Computer Software	4,554	49,155	49,155				0	
5.	45	Computer equipment	24						0	
6.	47	Electric Distribution Equipment	9,647,032	1,059,343	1,059,343				4,452	
7.	50	Computer equipment	13,934	30,297	30,297				0	
8.	43.2	Solar Generation	439						0	
9.	14.1		123,781						0	
10.	1b		6,053						0	
11.	1b	2018 Addition	66,439	35,528	35,528				0	
12.	95	CIP	29,360						0	
		Totals	18,733,004	1,230,607	1,230,607				4,530	

	1 Class number * See note 1 200	Des-crip-tion	9 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See note 8	10 Proceeds of disposition available to reduce the UCC of AIIP (column 8 **plus** column 6 **minus** column 3 **plus** column 4 **minus** column 7) (if negative, enter "0")	11 Net capital cost additions of AIIP acquired during the year (column 4 **minus** column 10) (if negative, enter "0")	12 UCC adjustment for AIIP acquired during the year (column 11 **multiplied** by the relevant factor) See note 9	13 UCC adjustment for non-AIIP acquired during the year (0.5 **multiplied** by the result of column 3 **minus** column 4 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") See note 10 224	14 CCA rate % See note 11 212	15 Recapture of CCA See note 12 213	16 Terminal loss See note 13 215	17 CCA (for declining balance method, the result of column 9 **plus** column 12 **minus** column 13, **multiplied** by column 14 or a lower amount) See note 14 217	18 UCC at the end of the year (column 9 **minus** column 17) 220
1.	1	Buildin	8,322,319					4	0	0	332,893	7,989,426
2.	8	Equipn	162,174	78	23,383	11,692		20	0	0	34,773	127,401
3.	10	Trucks	413,101		32,823	16,412		30	0	0	128,854	284,247
4.	12	Compu	53,709		49,155			100	0	0	53,709	
5.	45	Compu	24					45	0	0	11	13
6.	47	Electric	10,701,923	4,452	1,054,891	527,446		8	0	0	898,350	9,803,573
7.	50	Compu	44,231		30,297	15,149		55	0	0	32,659	11,572
8.	43.2	Solar G	439					50	0	0	220	219
9.	14.1		123,781					5	0	0	8,641	115,140
10.	1b		6,053					6	0	0	363	5,690
11.	1b	2018 A	101,967		35,528	17,764		6	0	0	7,184	94,783
12.	95	CIP	29,360					0	0	0		29,360
		Totals	19,959,081	4,530	1,226,077	588,463					1,497,657	18,461,424

Enter the total of column 15 on line 107 of Schedule 1.
Enter the total of column 16 on line 404 of Schedule 1.
Enter the total of column 17 on line 403 of Schedule 1.

Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).

Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 3. An accelerated investment incentive property (AIIP) is a property (other than property included in Class 54 or 55) that you acquired after November 20, 2018 and became available for use before 2028. See the T2 Corporation Income Tax Guide for more information. Classes 54 and 55 include property that is a zero-emission vehicle you acquired after March 18, 2019 and became available for use before 2028.

Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.

Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:

- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d); and
- an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b).

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).

Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 9. The relevant factors for AIIP of a class in Schedule II and for property included in classes 54 and 55, available for use before 2024, are:

- 2 1/3 for property in Classes 43.1 and 54;
- 1 1/2 for property in Class 55;
- 1 for property in Classes 43.2 and 53;
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information); and
- 0.5 for all other property that is AIIP.

Note 10. The UCC adjustment for non-AIIP acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.

Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.

Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:

- passenger vehicles in Class 10.1;
- property in Class 14.1, unless you have ceased carrying on the business to which it relates; or
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply.

Note 14. 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:

- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction).
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction).
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction).
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction).
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive.
- Property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit: 150% of the amount determined by first subtracting the total of the residual value of the timber limit and all amounts you expended for the 1949 or later tax years for surveys, cruises or preparation of prints, maps or plans for the purpose of obtaining a licence or right to cut timber from the capital cost of the limit or right, and then dividing the result by the quantity of timber in the limit or the quantity of timber you have the right to cut.
- Industrial mineral mine or a right to remove industrial minerals from an industrial mineral mine: 150% of the amount determined by first subtracting the residual value, if any, of the mine or right from the capital cost of the mine or right, and then dividing the result by the number of units of commercially mineable material estimated to be in the mine when the mine or right was acquired (alternatively, if you have acquired a right to remove only a specified number of units, that number of units that you acquired a right to remove).

Fixed Assets Reconciliation

Reconciliation of change in fixed assets per financial statements to amounts used per tax return.

Tax return

Additions for tax purposes – Schedule 8 regular classes		1,230,607		
Additions for tax purposes – Schedule 8 leasehold improvements	+			
Operating leases capitalized for book purposes	+			
Capital gain deferred	+			
Recapture deferred	+			
Deductible expenses capitalized for book purposes – Schedule 1	+			
Other (specify):				
Contributed capital - Subsection 13(7.4) election	+	115,021		
Less: Reduction in CIP	+	-28,510		
Additions of Land Rights	+	22,600		
Total additions per books	=	1,339,718	►	1,339,718
Proceeds up to original cost – Schedule 8 regular classes		4,530		
Proceeds up to original cost – Schedule 8 leasehold improvements	+			
Proceeds in excess of original cost – capital gain	+			
Recapture deferred – as above	+			
Capital gain deferred – as above	+			
Pre V-day appreciation	+			
Other (specify):				
Additions of land rights not included in NBV below	+	22,600		
Proceeds on stranded metres	+	-78		
Total proceeds per books	=	27,052	► –	27,052
Depreciation and amortization per accounts – Schedule 1			–	981,874
Loss on disposal of fixed assets per accounts			–	38,418
Gain on disposal of fixed assets per accounts			+	
Net change per tax return			=	292,374

Financial statements

Fixed assets (excluding land) per financial statements

Closing net book value		20,665,773
Opening net book value	–	20,373,399
Net change per financial statements	=	292,374

If the amounts from the tax return and the financial statements differ, explain why below.

Attached Schedule with Total

Financial statements – Fixed assets (excluding land) per financial statements – Closing net book value

Title Financial statements – Fixed assets (excluding land) per financial statemen

Description	Operator (Note)	Amount	
PP&E per FS Note 7		20,708,211	00
Intangibles per FS Note 8	+	226,777	00
Less: land rights per S8 01	-	135,717	93
Less: land per S8 01	-	133,496	94
	Total	20,665,773	13

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Financial statements – Fixed assets (excluding land) per financial statements – Opening net book value

Title Financial statements – Fixed assets (excluding land) per financial statemen

Explanatory note

All numbers per fixed asset continuity

Description	Operator (Note)	Amount	
Opening PPE per FS Note 7		20,424,388	00
Opening intangibles per FS Note 8	+	195,626	00
Less: land rights per S8 01	-	113,118	00
Less: total land per S8 01	-	133,496	94
	+		
	Total	20,373,399	06

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	30,000		42,000	30,000	42,000
2	Employee Future Benefits	329,084		337,688	329,084	337,688
3						
	Reserves from Part 2 of Schedule 13					
	Totals	359,084		379,688	359,084	379,688

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)
2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
3 – Non-CCPC that is a **third corporation**
4 – Associated non-CCPC
5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . . **025** Year Month Day

Enter the calendar year the agreement applies to . . . . . . **050** Year 2019

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . . **075** ☐ Yes ☒ No

	1 Name of associated corporations **100**	2 Business number of associated corporations **200**	3 Association code **300**	4 Business limit for the year before the allocation $	5 Percentage of the business limit % **350**	6 Business limit allocated* $ **400**
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000		
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gr	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000	100.0000	500,000
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000 A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - $10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

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Schedule 31

Investment Tax Credit – Corporations

General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year;
  - to claim a deduction against Part I tax payable;
  - to claim a refund of credit earned during the current tax year;
  - to claim a carryforward of credit from previous tax years;
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1);
  - to request a credit carryback to one or more previous years;
  - if you are subject to a recapture of ITC; or
  - if you are claiming:
    - the **Ontario Research and Development Tax Credit**;
    - the **Ontario Innovation Tax Credit.**
- Unless otherwise stated, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that earn an ITC are:
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule);
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, *Scientific Research and Experimental Development (SR&ED) Expenditures Claim*;
  - pre-production mining expenditures (Parts 18 to 20);
  - apprenticeship job creation expenditures (Parts 21 to 23); and
  - child care spaces expenditures (Parts 24 to 28).
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the investment tax credit. If you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.
- File this schedule with the *T2 Corporation Income Tax Return*. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, *T2 Corporation – Income Tax Guide* and read Information Circular IC78-4, *Investment Tax Credit Rates*, and its related Special Release.
- For more information on SR&ED, see guide T4088, *Guide to Form T661 – Scientific Research and Experimental Development (SR&ED) Expenditures Claim*.

Detailed information

- 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 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.
- An ITC deducted or refunded in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax 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 tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be **available for use** before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- 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 tax year in which it incurred the expenditures or capital costs.
- Expenditures for pre-production mining, apprenticeship, or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- 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 is not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners. For more information, see Guide T4068, *Guide for the Partnership Information Return*.
- For tax purposes**,** Canada includes the **exclusive economic zone of Canada** as defined in the *Oceans Act* (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).
- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and if acquired by the taxpayer **after** March 28, 2012, new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.

Detailed information (continued)

- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining exploration expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to determine the existence, location, extent, or quality of certain mineral resources in Canada, excluding expenses incurred in the exploration of an oil or gas well. See subparagraph (a)(i) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.
- For the purpose of this schedule, **pre-production mining development expenditures** are pre-production mining expenditures incurred **after** March 28, 2012, by the taxpayer to bring a new mineral resource mine in Canada into production, excluding expenses in the development of a bituminous sands deposit or an oil shale deposit. See subparagraph (a)(ii) of the definition of **pre-production mining expenditure** in subsection 127(9) for more information.

Part 1 – Investments, expenditures, and percentages

Investments	**Specified percentage**
Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
– after March 28, 2012, and before 2014	10 %
– after 2013 and before 2016	5 %
– after 2015*	0 %
Expenditures	
If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than your expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 15 % rate.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada:	
– before 2014**	20 %
– after 2013**	15 %
If you are a taxable Canadian corporation that incurred pre-production mining expenditures before March 29, 2012	10 %
If you are a taxable Canadian corporation that incurred pre-production mining exploration expenditures:	
– after March 28, 2012, and before 2013	10 %
– in 2013	5 %
– after 2013	0 %
If you are a taxable Canadian corporation that incurred pre-production mining development expenditures***:	
– after March 28, 2012, and before 2014	10 %
– in 2014	7 %
– in 2015	4 %
– after 2015	0 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %
If you incurred expenditures after March 18, 2007 and before March 22, 2017 (or before 2020 if you entered into a written agreement before March 22, 2017) for the creation of licensed child care spaces for the children of your employees and, potentially, for other children	25 %

* A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.

** The reduction of the rate from 20% to 15% applies to 2014 and later tax years, except that, for 2014 tax years that start before 2014, the reduction is pro-rated based on the number of days in the tax year that are after 2013.

*** A transitional relief rate may apply to expenditures incurred after 2013 and before 2016, if the expenditure is incurred under a written agreement entered into before March 29, 2012, or the expenditure is incurred as part of the development of a new mine where the construction or the engineering and design work for the construction of the new mine started before March 29, 2012. See subparagraphs (k)(ii) and (iii) of the definition of **specified percentage** in subsection 127(9) for more information.

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

Part 2 – Determination of a qualifying corporation

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

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

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered **not** associated for the calculation of a refundable ITC if:

- 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.

* Capital expenditures incurred after December 31, 2013, including lease payments for property that would have been a capital expenditure if purchased directly, are **not** qualified SR&ED expenditures and are **not** eligible for an ITC on SR&ED expenditures.

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.

Contributions to agricultural organizations for SR&ED* . . . . **103** ________
Enter on line 350 of Part 8.

* Enter only contributions not already included on Form T661.
Include 80% of the contributions made **after** 2012. For contributions made **before** 2013, include all of the contributions.

Qualified Property and Qualified Resource Property

Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

Capital cost allowance class number **105**	Description of investment **110**	Date available for use **115**	Location used in Atlantic Canada (province) **120**	Amount of investment **125**

Total of investments for qualified property and qualified resource property ________ A1

Part 5 – Current-year credit and account balances – ITC from investments in qualified property and qualified resource property

ITC at the end of the previous tax year			B1
Credit deemed as a remittance of co-op corporations	210		
Credit expired	215		
Subtotal (line 210 **plus** line 215)		▶	C1
ITC at the beginning of the tax year (amount B1 **minus** amount C1)		220	
Credit transferred on an amalgamation or the wind-up of a subsidiary	230		
ITC from repayment of assistance	235		
Qualified property; and qualified resource property acquired after March 28, 2012, and before January 1, 2014* (applicable part from amount A1 in Part 4) ______ x 10 % =	240		
Qualified resource property acquired after December 31, 2013, and before January 1, 2016 (applicable part from amount A1 in Part 4) ______ x 5 % =	242		
Credit allocated from a partnership	250		
Subtotal (total of lines 230 to 250)		▶	D1
Total credit available (line 220 **plus** amount D1)			E1
Credit deducted from Part I tax	260		
Credit carried back to previous years (amount H1 in Part 6)		a	
Credit transferred to offset Part VII tax liability	280		
Subtotal (total of line 260, amount a, and line 280)		▶	F1
Credit balance before refund (amount E1 **minus** amount F1)			G1
Refund of credit claimed on investments from qualified property and qualified resource property (from Part 7)		310	
ITC closing balance of investments from qualified property and qualified resource property (amount G1 **minus** line 310)		320	

* Include investments acquired after 2013 and before 2017 that are eligible for transitional relief.

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

	Year	Month	Day			
1st previous tax year				Credit to be applied	901	
2nd previous tax year				Credit to be applied	902	
3rd previous tax year				Credit to be applied	903	

Total of lines 901 to 903
Enter at amount a in Part 5. ______ H1

Part 7 – Refund of ITC for qualifying corporations on investments from qualified property and qualified resource property

Current-year ITCs (total of lines 240, 242, and 250 in Part 5)		I1
Credit balance before refund (from amount G1 in Part 5)		J1
Refund (40 % of amount I1 or J1, whichever is less)		K1

Enter amount K1 or a lesser amount on line 310 in Part 5 (also enter on line 780 of the T2 return if you do not claim an SR&ED ITC refund).

SR&ED

Part 8 – Qualified SR&ED expenditures

Current expenditures (from line 557 on Form T661) . . . .

Contributions to agricultural organizations for SR&ED . . . .

Deduct:

Government assistance, non-government assistance, or contract payment . . . .

Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)* . . . . ▶ +

Current expenditures (line 557 on Form T661 **plus** line 103 in Part 3)* . . . . ▶ **350**

Capital expenditures incurred **before** 2014 (from line 558 on Form T661)** **360**

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

Qualified SR&ED expenditures (total of lines 350 to 370) **380**

* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.

** Capital expenditures incurred after December 31, 2013, are not qualified SR&ED expenditures. Capital cost allowance can be claimed for depreciable property acquired for use in SR&ED after 2013.

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

Part 9 only applies if you are a CCPC.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if:

- 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 ☒

If you answered **no** to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398.
If you answered **yes**, the amounts for associated corporations will be determined on Schedule 49.

Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied) **390** 722,320

Enter your taxable capital employed in Canada for the previous tax year 11,306,569
minus $10 million. If this amount is nil or negative, enter "0".
If this amount is over $40 million, enter $40 million **398** 1,306,569

* If the tax year referred to on line 390 is less than 51 weeks, **multiply** the taxable income by the following result: 365 **divided** by the number of days in that tax year.

Part 10 – SR&ED expenditure limit for a CCPC

For a stand-alone (not associated) corporation: $ **8,000,000**

Taxable income for the previous tax year (line 390 in Part 9) or $500,000, whichever is more 722,320 x 10 = 7,223,200 A2

Excess ($8,000,000 **minus** amount A2 if the taxation year ends before March 19, 2019; otherwise, enter $3,000,000) (if negative, enter "0")* 3,000,000 B2

$ 40,000,000 **minus** line 398 in Part 9 . . . . 38,693,431 b

Amount b **divided** by $ 40,000,000 . . . . 0.96734 C2

Expenditure limit for the stand-alone corporation (amount B2 **multiplied** by amount C2)** 2,902,020 D2

For an associated corporation:

If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49** **400** E2

If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:

Amount D2 or E2 ______ x $\frac{\text{Number of days in the tax year}}{365}$ 365 = ... F2

Your SR&ED expenditure limit for the year (enter amount D2, E2, or F2, whichever applies) **410** 2,902,020

* For taxation years ending after March 18, 2019, the taxable income is no longer taken into account in the SR&ED expenditure limit calculation. For more information, consult the Help (F1).

**Amount D2 or E2 cannot be more than $3,000,000.

Part 11 – Investment tax credits on SR&ED expenditures

Current expenditures (from line 350 in Part 8) or the expenditure limit (from line 410 in Part 10), whichever is less*	**420**	x 35 % =		G2
Line 350 **minus** line 410 (if negative, enter "0")	**430**			
Amount from line 430 x (Number of days in the tax year before 2014 / Number of days in the tax year) x 20% =		c		
Amount from line 430** x (Number of days in the tax year after 2013 365 / Number of days in the tax year 365) x 15 % =		d		
Subtotal (amount c **plus** amount d)		▶		H2
Line 410 **minus** line 350 (if negative, enter "0")	2,902,020	e		
Capital expenditures (line 360 in Part 8) or amount e, whichever is less*	**440**	x 35 % =		I2
Line 360 **minus** amount e (if negative, enter "0")	**450**			
Amount from line 450 x (Number of days in the tax year before 2014 / Number of days in the tax year) x 20% =		f		
Amount from line 450** x (Number of days in the tax year after 2013 365 / Number of days in the tax year 365) x 15 % =		g		
Subtotal (amount f **plus** amount g)		▶		J2

If a corporation makes a repayment of any government or 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.

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

Enter the amount of the repayment on the line that corresponds to the appropriate rate.

Repayment of assistance that reduced a qualifying expenditure for a CCPC***	**460**	x 35 % =	h		
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015	**480**	x 20 % =	i		
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred after 2014	**490**	x 15 % =	j		
Subtotal (**add** amounts h to j)				▶	K2
Current-year SR&ED ITC (total of amounts G2 to K2; enter on line 540 in Part 12)					L2

* For corporations that are not CCPCs, enter "0" for amounts G2 and I2.

** For tax years that end after 2013, the general SR&ED ITC rate is reduced from 20% to 15%, except that, for 2014 tax years that start **before** 2014, the reduction is pro-rated based on the number of days in the tax year that are **after** 2013. For tax years that have a start date **after** 2013, **multiply** the amount by 15%.

*** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), **additions to investment tax credit**. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as appropriate.

Part 12 – Current-year credit and account balances – ITC from SR&ED expenditures

ITC at the end of the previous tax year				M2
Credit deemed as a remittance of co-op corporations	510			
Credit expired	515			
Subtotal (line 510 **plus** line 515)			▶	N2
ITC at the beginning of the tax year (amount M2 **minus** amount N2)			520	
Credit transferred on an amalgamation or the wind-up of a subsidiary	530			
Total current-year credit (from amount L2 in Part 11)	540			
Credit allocated from a partnership	550			
Subtotal (total of lines 530 to 550)			▶	O2
Total credit available (line 520 **plus** amount O2)				P2
Credit deducted from Part I tax	560			
Credit carried back to previous years (amount S2 in Part 13)			k	
Credit transferred to offset Part VII tax liability	580			
Subtotal (total of line 560, amount k, and line 580)			▶	Q2
Credit balance before refund (amount P2 **minus** amount Q2)				R2
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15, whichever applies)			610	
ITC closing balance on SR&ED (amount R2 **minus** line 610)			620	

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

	Year	Month	Day			
1st previous tax year				Credit to be applied	911	
2nd previous tax year				Credit to be applied	912	
3rd previous tax year				Credit to be applied	913	

Total of lines 911 to 913
Enter at amount k in Part 12. S2

Part 14 – Refund of ITC for qualifying corporations – SR&ED

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

Is the corporation an excluded corporation as defined under subsection 127.1(2)?	650	1 Yes ☐	2 No ☒
Current-year ITC (lines 540 **plus** 550 in Part 12 **minus** amount K2 in Part 11)			I
Refundable credits (amount I or amount R2 in Part 12, whichever is less)*			T2
Amount T2 or amount G2 in Part 11, whichever is less			U2
Net amount (amount T2 **minus** amount U2; if negative, enter "0")			V2
Amount V2 **multiplied** by 40 %			W2
Amount U2			X2
Refund of ITC (amount W2 **plus** amount X2 – enter this, or a lesser amount, on line 610 in Part 12)			Y2

Enter the total of line 310 in Part 5 and line 610 in 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 must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y2.

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

Complete this part only if you are a CCPC that is not a qualifying or excluded corporation as determined on line 101 in Part 2.

Credit balance before refund (amount R2 in Part 12)	Z2
Amount Z2 or amount G2 in Part 11, whichever is less	AA2
Net amount (amount Z2 **minus** amount AA2; if negative, enter "0")	BB2
Amount BB2 or amount I2 in Part 11, whichever is less	CC2
Amount CC2 **multiplied** by 40 %	DD2
Amount AA2	EE2
Refund of ITC (amount DD2 **plus** amount EE2)	FF2

Enter FF2, or a lesser amount, on line 610 in Part 12 and also on line 780 of the T2 return.

Recapture – SR&ED

Part 16 – Recapture of ITC for corporations and 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 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008;
- 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 calculating 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 that 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 tax 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

Subtotal Enter at amount C3 in Part 17. ______ A3

Calculation 2 – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil on line B3.

A Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement 720	B 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 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	D Amount determined by the formula (A x B) – C	E ITC earned by the transferee for the qualified expenditures that were transferred 750	F Amount from column D or E, whichever is less

Subtotal (total of column F) Enter at amount D3 in Part 17. ______ B3

Part 16 – Recapture of ITC for corporations and partnerships – SR&ED (continued)

Calculation 3

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED 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 enough 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 760.

Corporate partner's share of the excess of SR&ED ITC **760** ______
Enter at amount E3 in Part 17.

Part 17 – Total recapture of SR&ED investment tax credit

Recaptured ITC from calculation 1, amount A3 in Part 16		C3
Recaptured ITC from calculation 2, amount B3 in Part 16		D3
Recaptured ITC from calculation 3, line 760 in Part 16		E3
Total recapture of SR&ED investment tax credit (total of amounts C3 to E3) Enter at amount A8 in Part 29.		F3

Pre-Production Mining

Part 18 – 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 tax year.

For each of the minerals reported in column 800, identify each project (in column 805), mineral title (in column 806), and mining division (in column 807) where title is registered. If there is no mineral title, identify only the project and mining division.

List of minerals 800	Project name 805

Mineral title 806	Mining division 807

Pre-production mining expenditures*

Exploration:
Pre-production mining expenditures that you incurred in the tax year (**before** January 1, 2014) for the purpose of determining the existence, location, extent, or quality of a mineral resource in Canada:

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

Development:
Pre-production mining expenditures incurred in the tax year 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	
Sinking a mine shaft, constructing an adit, or other underground entry	821	

Other pre-production mining expenditures incurred in the tax year:

Description 825	Amount 826

Total of column 826 ► A4

Total pre-production mining expenditures (total of lines 810 to 821 and amount A4)	830		
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 on line 830 above	832		
Excess (line 830 **minus** line 832) (if negative, enter "0")			B4
Repayments of government and non-government assistance	835		
Pre-production mining expenditures (amount B4 **plus** line 835)			C4

* A pre-production mining expenditure is defined under subsection 127(9).

Part 19 – Current-year credit and account balances – ITC from pre-production mining expenditures

ITC at the end of the previous tax year					D4
Credit deemed as a remittance of co-op corporations		841			
Credit expired		845			
Subtotal (line 841 **plus** line 845)				►	E4
ITC at the beginning of the tax year (amount D4 **minus** amount E4)			850		
Credit transferred on an amalgamation or the wind-up of a subsidiary			860		
Pre-production mining expenditures* incurred before January 1, 2013 (applicable part from amount C4 in Part 18)	870	x 10 % =	m		
Pre-production mining exploration expenditures** incurred in 2013 (applicable part from amount C4 in Part 18)	872	x 5 % =	n		
Pre-production mining development expenditures incurred in 2014 (applicable part from amount C4 in Part 18)	874	x 7 % =	o		
Pre-production mining development expenditures incurred in 2015 (applicable part from amount C4 in Part 18)	876	x 4 % =	p		
Current year credit (total of amounts m to p)		880		►	F4
Total credit available (total of lines 850, 860, and amount F4)					G4
Credit deducted from Part I tax		885			
Credit carried back to previous years (amount I4 in Part 20)			q		
Subtotal (line 885 **plus** amount q)				►	H4
ITC closing balance from pre-production mining expenditures (amount G4 **minus** amount H4)			890		

* Also include pre-production mining development expenditures incurred before 2014 and pre-production mining development expenditures incurred after 2013 and before 2016 that are eligible for transitional relief.

** Also include pre-production mining development expenditures incurred in 2015 if the expense is described in subparagraph (a)(ii) of the definition **pre-production mining expenditure** in subsection 127(9) of the Act because of paragraph (g.4) of the definition **Canadian exploration expense** in subsection 66.1(6) of the Act.

Part 20 – Request for carryback of credit from pre-production mining expenditures

	Year	Month	Day			
1st previous tax year				Credit to be applied	921	
2nd previous tax year				Credit to be applied	922	
3rd previous tax year				Credit to be applied	923	
				Total of lines 921 to 923 Enter at amount q in Part 19.		I4

Apprenticeship Job Creation

Part 21 – Total current-year credit – ITC from apprenticeship job creation expenditures

If you are a related person as defined under subsection 251(2), has it been agreed in writing that you are the only employer who will be claiming the apprenticeship job creation tax credit for this tax year for each apprentice whose contract number (or social insurance number (SIN) or name) appears below? (If not, you cannot claim the tax credit.) . . . . **611** 1 Yes ☐ 2 No ☐

For each apprentice in their first 24 months of the apprenticeship, enter the apprenticeship contract number registered with Canada, or a province or territory, under an apprenticeship program designed to certify or license individuals in the trade. For the province, the trade must be a Red Seal trade. If there is no contract number, enter the SIN or the name of the eligible apprentice.

	A Contract number (SIN or name of apprentice) **601**	B Name of eligible trade **602**	C Eligible salary and wages* **603**	D Column C x 10 % **604**	E Lesser of column D or $ 2,000 **605**	
1.	SYS089443	Powerline Technician	72,237	7,224	2,000	
				Total current-year credit (total of column E) Enter on line 640 in Part 22.	2,000	A5

* Other than qualified expenditure incurred, and net of any other government or non-government assistance received or to be received. **Eligible salary and wages**, and **qualified expenditures** are defined under subsection 127(9).

Part 22 – Current-year credit and account balances – ITC from apprenticeship job creation expenditures

	Line	Amount		Total	
ITC at the end of the previous tax year					B5
Credit deemed as a remittance of co-op corporations	612				
Credit expired after 20 tax years	615				
Subtotal (line 612 **plus** line 615)			►		C5
ITC at the beginning of the tax year (amount B5 **minus** amount C5)			625		
Credit transferred on an amalgamation or the wind-up of a subsidiary	630				
ITC from repayment of assistance	635				
Total current-year credit (amount A5 in Part 21)	640	2,000			
Credit allocated from a partnership	655				
Subtotal (total of lines 630 to 655)		2,000	►	2,000	D5
Total credit available (line 625 **plus** amount D5)				2,000	E5
Credit deducted from Part I tax	660	2,000			
Credit carried back to previous years (amount G5 in Part 23)			r		
Subtotal (line 660 **plus** amount r)		2,000	►	2,000	F5
ITC closing balance from apprenticeship job creation expenditures (amount E5 **minus** amount F5)			690		

Part 23 – Request for carryback of credit from apprenticeship job creation expenditures

	Year	Month	Day		Line	Amount	
1st previous tax year				Credit to be applied	931		
2nd previous tax year				Credit to be applied	932		
3rd previous tax year				Credit to be applied	933		
				Total of lines 931 to 933 Enter at amount r in Part 22.			G5

Child Care Spaces

Part 24 – Eligible child care spaces expenditures

Enter the eligible expenditures that you incurred after March 18, 2007 and before March 22, 2017* to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property); and
- the specified child care start-up expenditures.

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

Cost of depreciable property from the current tax year

	Capital cost allowance class number 665	Description of investment 675	Date available for use 685	Amount of investment 695
1.				

Total cost of depreciable property from the current tax year (total of column 695)	715		
Specified child care start-up expenditures from the current tax year	705		
Total gross eligible expenditures for child care spaces (line 715 **plus** line 705)			A6
Total of all assistance (including 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 in amount A6	725		
Excess (amount A6 **minus** line 725) (if negative, enter "0")			B6
Repayments by the corporation of government and non-government assistance	735		
Total eligible expenditures for child care spaces (amount B6 **plus** line 735)	745		

* If you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.

Part 25 – Current-year credit – ITC from child care spaces expenditures

The credit is equal to 25% of eligible child care spaces expenditures incurred to a maximum of $10,000 per child care space created in a licensed child care facility.

Eligible expenditures (from line 745 in Part 24)			x	25 %	=	C6
Number of child care spaces	755		x	$ 10,000	=	D6
ITC from child care spaces expenditures (amount C6 or D6, whichever is less)						E6

Part 26 – Current-year credit and account balances – ITC from child care spaces expenditures

ITC at the end of the previous tax year				F6
Credit deemed as a remittance of co-op corporations	765			
Credit expired after 20 tax years	770			
Subtotal (line 765 **plus** line 770)			►	G6
ITC at the beginning of the tax year (amount F6 **minus** amount G6)			775	
Credit transferred on an amalgamation or the wind-up of a subsidiary	777			
Total current-year credit (amount E6 in Part 25)	780			
Credit allocated from a partnership	782			
Subtotal (total of lines 777 to 782)			►	H6
Total credit available (line 775 **plus** amount H6)				I6
Credit deducted from Part I tax	785			
Credit carried back to previous years (amount K6 in Part 27)		s		
Subtotal (line 785 **plus** amount s)			►	J6
ITC closing balance from child care spaces expenditures (amount I6 **minus** amount J6)			790	

Part 27 – Request for carryback of credit from child care space expenditures

	Year Month Day			
1st previous tax year	2018-12-31	Credit to be applied	941	
2nd previous tax year	2017-12-31	Credit to be applied	942	
3rd previous tax year	2016-12-31	Credit to be applied	943	
		Total of lines 941 to 943 Enter at amount s in Part 26.		K6

Recapture – Child Care Spaces

Part 28 – Recapture of ITC for corporations and partnerships – Child care spaces

The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property:

- the new child care space is no longer available; or
- property that was an eligible expenditure for the child care space is:
  - disposed of or leased to a lessee; or
  - converted to another use.

If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a)) . . . . **792** ______

In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:

The amount that can reasonably be considered to have been included in the original ITC . . . . **795** ______

25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property . . . . **797** ______

Amount from line 795 or line 797, whichever is less . . . . ______ A7

Partnerships

As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 26. However, if the partnership does not have enough 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 799 below.

Corporate partner's share of the excess of ITC **799** ______

Total recapture of child care spaces investment tax credit (total of line 792, amount A7, and line 799) . . . . ______ B7
Enter at amount B8 in Part 29.

Summary of Investment Tax Credits

Part 29 – Total recapture of investment tax credit

Recaptured SR&ED ITC (amount F3 in Part 17)		A8
Recaptured child care spaces ITC (amount B7 in Part 28)		B8
Total recapture of investment tax credit (amount A8 **plus** amount B8)		C8

Enter on line 602 of the T2 return.

Part 30 – Total ITC deducted from Part I tax

ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)		D8
ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12)		E8
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 19)		F8
ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 22)	2,000	G8
ITC from child care space expenditures deducted from Part I tax (line 785 in Part 26)		H8
Total ITC deducted from Part I tax (total of amounts D8 to H8)	2,000	I8

Enter on line 652 of the T2 return.

Summary of Investment Tax Credit Carryovers

Continuity of investment tax credit carryovers

CCA class number 97 Apprenticeship job creation ITC

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)
2,000	2,000			

Prior years

Taxation year	ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2018-12-31				
2017-12-31				
2016-12-31				
2015-12-31				
2014-12-31				
2013-12-31				
2012-12-31				
2011-12-31				
2010-12-31				
2009-12-31				*
				*
Total				

B+C+D+G **Total ITC utilized** 2,000

* The **ITC end of year** includes the amount of ITC expired from the 10th preceding year if it is before January 1, 1998, or the amount of ITC expired from the 20th preceding year if it is after December 31, 1997. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

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Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

	Line	Amount		
Reserves that have not been deducted in calculating income for the year under Part I	101	379,688		
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714		
Retained earnings	104	2,991,878		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	13,009,817		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		24,672,097	24,672,097	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  a) those lines applied to partnerships in the same manner that they apply to corporations, and
  b) those amounts were computed without reference to amounts owing by the partnership
    (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Subtotal A (from page 1)			24,672,097 A
Deduct the following amounts:			
Deferred tax debit balance at the end of the year	121		
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122		
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123		
Deferred unrealized foreign exchange losses at the end of the year	124		
Subtotal (**add** lines 121 to 124)		►	B
Capital for the year (amount A **minus** amount B) (if negative, enter "0")	190		24,672,097

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	145,623
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	145,623

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		24,672,097 C
Deduct: Investment allowance for the year (line 490)		145,623 D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	24,526,474

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500) 24,526,474 x (Taxable income earned in Canada **610** 343,397 / Taxable income 343,397) = **Taxable capital employed in Canada** **690** 24,526,474

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

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

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

Deduct the following amounts:

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

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

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

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

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

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690)		F
Deduct:	10,000,000	G
Excess (amount F **minus** amount G) (if negative, enter "0")		H
Calculation for purposes of the small business deduction (amount H x 0.225%)		I

Enter this amount at line 415 of the T2 return.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Description	Operator (Note)	Amount
Current portion of long-term debt		564,845 00
Long-term debt	+	12,444,972 00
	+	
	Total	13,009,817 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

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Schedule 50

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- 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 (business number, social insurance number or trust number).

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business number (If a corporation is not registered, enter "NR") 200	Social insurance number 300	Trust number 350	Percentage common shares 400	Percentage preferred shares 500
1	The Corporation of the Town of Orangeville	10698 6151 RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

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Schedule 53

General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

On: 2019-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.

Eligibility for the various additions

Answer the following questions to determine the corporation's eligibility for the various additions:

2006 addition

1. Is this the corporation's first taxation year that includes January 1, 2006? . . . . . [ ] Yes [X] No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006? Enter the date and go directly to question 4 2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA? . . . . . [ ] Yes [ ] No
   If the answer to question 3 is yes, complete Part "GRIP addition for 2006".

Change in the type of corporation

4. Was the corporation a CCPC during its preceding taxation year? . . . . . [X] Yes [ ] No
5. Corporations that become a CCPC or a DIC . . . . . [ ] Yes [X] No
   If the answer to question 5 is yes, complete Part 4.

Amalgamation (first year of filing after amalgamation)

6. Corporations that were formed as a result of an amalgamation . . . . . [ ] Yes [X] No
   If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC? . . . . . [ ] Yes [ ] No
   If the answer to question 7 is yes, complete Part 4.
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation? . . . . . [ ] Yes [ ] No
   If the answer to question 8 is yes, complete Part 3.

Winding-up

9. Has the corporation wound-up a subsidiary in the preceding taxation year? . . . . . [ ] Yes [X] No
   If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year? . . . . . [ ] Yes [ ] No
    If the answer to question 10 is yes, complete Part 4.
11. Was the subsidiary a CCPC or a DIC during its last taxation year? . . . . . [ ] Yes [ ] No
    If the answer to question 11 is yes, complete Part 3.

Part 1 – General rate income pool (GRIP)

GRIP at the end of the previous tax year				100	7,888,215
Taxable income for the year (DICs enter "0") *		110	343,397		
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least *	130				
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income *	140				
Subtotal (line 130 **plus** line 140)		►	A		
Income taxable at the general corporate rate (line 110 **minus** amount A) (if negative enter "0")		150	343,397		
After-tax income (line 150 **multiplied** by 0.72 (the general rate factor for the tax year))				190	247,246
Eligible dividends received in the tax year		200			
Dividends deductible under section 113 received in the tax year		210			
Subtotal (line 200 **plus** line 210)			►		B
Becoming a CCPC (amount W5 in Part 4)		220			
Post-amalgamation (total of amounts E4 in Part 3 and amounts W5 in Part 4)		230			
Post-wind-up (total of amounts E4 in Part 3 and amounts W5 in Part 4)		240			
Subtotal (**add** lines 220, 230, and 240)		290	►		
Subtotal (**add** lines 100, 190, 290, and amount B)					8,135,461 C
Eligible dividends paid in the previous tax year		300			
Excessive eligible dividend designations made in the previous tax year		310			
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)					
Subtotal (line 300 **minus** line 310)			►		D
GRIP before adjustment for specified future tax consequences (amount C **minus** amount D) (amount can be negative)				490	8,135,461
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 in Part 2)				560	
GRIP at the end of the tax year (line 490 **minus** line 560) Enter this amount on line 160 of Schedule 55.				590	8,135,461

* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560.

First previous tax year 2018-12-31

Taxable income before specified future tax consequences from the current tax year 722,320 A1

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least B1

Aggregate investment income (line 440 of the T2 return) C1

Subtotal (amount B1 **plus** amount C1) ► D1

Subtotal (amount A1 **minus** amount D1) (if negative, enter "0") 722,320 ► 722,320 E1

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences F1

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least G1

Aggregate investment income (line 440 of the T2 return) H1

Subtotal (amount G1 **plus** amount H1) ► I1

Subtotal (amount F1 **minus** amount I1) (if negative, enter "0") ► J1

Subtotal (amount E1 **minus** amount J1) (if negative, enter "0") K1

GRIP adjustment for specified future tax consequences to the first previous tax year
(amount K1 **multiplied** by 0.72) **500**

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Second previous tax year 2017-12-31

Taxable income before specified future tax consequences from the current tax year 694,911 A2

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ B2

Aggregate investment income (line 440 of the T2 return) 58,221 C2

Subtotal (amount B2 **plus** amount C2) 58,221 ▶ 58,221 D2

Subtotal (amount A2 **minus** amount D2) (if negative, enter "0") 636,690 ▶ 636,690 E2

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ______ F2

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ G2

Aggregate investment income (line 440 of the T2 return) . . . . ______ H2

Subtotal (amount G2 **plus** amount H2) ______ ▶ ______ I2

Subtotal (amount F2 **minus** amount I2) (if negative, enter "0") ______ ▶ ______ J2

Subtotal (amount E2 **minus** amount J2) (if negative, enter "0") ______ K2

GRIP adjustment for specified future tax consequences to the second previous tax year
(amount K2 **multiplied** by 0.72) . . . . **520** ______

****** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Third previous tax year 2016-12-31

Taxable income before specified future tax consequences from the current tax year . . . . ________ A3

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ________ B3

Aggregate investment income (line 440 of the T2 return) . . . . ________ C3

Subtotal (amount B3 **plus** amount C3) ________ ▶ ________ D3

Subtotal (amount A3 **minus** amount D3) (if negative, enter "0") ________ ▶ ________ E3

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ________ F3

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ________ G3

Aggregate investment income (line 440 of the T2 return) . . . . ________ H3

Subtotal (amount G3 **plus** amount H3) ________ ▶ ________ I3

Subtotal (amount F3 **minus** amount I3) (if negative, enter "0") ________ ▶ ________ J3

Subtotal (amount E3 **minus** amount J3) (if negative, enter "0") ________ K3

GRIP adjustment for specified future tax consequences to the third previous tax year
(amount K3 **multiplied by** 0.72) . . . . **540** ________

Total GRIP adjustment for specified future tax consequences to previous tax years:
(**add** lines 500, 520, and 540) (if negative, enter "0") . . . . ________ L3

Enter amount L3 on line 560 in part 1.

****** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

nb. 1 Post amalgamation . . . ☐ Post wind-up . . . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year				A4
Eligible dividends paid by the corporation in its last tax year		B4		
Excessive eligible dividend designations made by the corporation in its last tax year		C4		
Subtotal (amount B4 **minus** amount C4)		►		D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 **minus** amount D4)				E4

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:

- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC

nb. 1 Corporation becoming a CCPC . . . . . . ☐ Post amalgamation . . . . ☐ Post wind-up . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or a DIC in its last tax year.The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year . . . . ______ A5

The corporation's money on hand immediately before the end of its previous/last tax year . . . . ______ B5

Total of subsection 111(1) losses that would have been deductible in calculating the corporation's taxable income for the previous/last tax year if the corporation had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for the previous/last tax year:

Non-capital losses . . . . ______ C5

Net capital losses . . . . ______ D5

Farm losses . . . . ______ E5

Restricted farm losses . . . . ______ F5

Limited partnership losses . . . . ______ G5

Subtotal (**add** amounts C5 to G5) ______ ► ______ H5

Total of all amounts deducted under subsection 111(1) in calculating the corporation's taxable income for the previous/last tax year:

Non-capital losses . . . . ______ I5

Net capital losses . . . . ______ J5

Farm losses . . . . ______ K5

Restricted farm losses . . . . ______ L5

Limited partnership losses . . . . ______ M5

Subtotal (**add** amounts I5 to M5) ______ ► ______ N5

Unused and unexpired losses at the end of the corporation's previous/last tax year (amount H5 **minus** amount N5) ______ ► ______ O5

Subtotal (**add** amounts A5, B5, and O5) ______ P5

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year . . . . ______ Q5

Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year . . . . ______ R5

All the corporation's reserves deducted in its previous/last tax year . . . . ______ S5

The corporation's capital dividend account immediately before the end of its previous/last tax year . . . . ______ T5

The corporation's low rate income pool immediately before the end of its previous/last tax year . . . . ______ U5

Subtotal (**add** amounts Q5 to U5) ______ ► ______ V5

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (amount P5 **minus** amount V5) (if negative, enter "0") . . . . ______ W5

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the W5 amounts. Enter this total amount on:

– line 220 for a corporation becoming a CCPC;
– line 230 for post-amalgamation; or
– line 240 for post-wind-up.

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, *General Rate Income Pool (GRIP) Calculation*, or Schedule 54, *Low Rate Income Pool (LRIP) Calculation*, whichever is applicable.
- File the completed schedules with your *T2 Corporation Income Tax Return* no later than six months from the end of the tax year.
- All legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 89(1) defines the terms eligible dividend, excessive eligible dividend designation, general rate income pool (GRIP), and low rate income pool (LRIP).
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year **not included** in Schedule 3				
Taxable dividends paid in the tax year **included** in Schedule 3		566,435		
Total taxable dividends paid in the tax year	100	566,435		
Total eligible dividends paid in the tax year	150			A
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")	160		8,135,461	B
Excessive eligible dividend designation (line 150 **minus** line 160)				C
Deduct:				
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	180			D
Subtotal (amount C **minus** amount D)				E
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount E **multiplied** by 20 %)	190			F

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year **not included** in Schedule 3				
Taxable dividends paid in the tax year **included** in Schedule 3				
Total taxable dividends paid in the tax year	200			
Total excessive eligible dividend designations in the tax year (amount from line A of Schedule 54)				G
Deduct:				
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	280			H
Subtotal (amount G **minus** amount H)				I
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount I **multiplied** by 20 %)	290			J

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax. For more information on how to make this election, go to **www.cra.gc.ca/eligibledividends**.

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Schedule 500

Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule if your corporation had a permanent establishment, under section 400 of the federal Income Tax Regulations, in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Part 1 – Ontario basic income tax

Ontario taxable income Note 1	343,397	1A
Ontario basic rate of tax for the year	**11.5** %	1B
Ontario basic income tax (amount 1A **multiplied** by amount 1B) Note 2	39,491	1C

Note 1 If your corporation had a permanent establishment only in Ontario, enter the amount from line 360 or amount Z, whichever applies, from page 3 of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

Note 2 If your corporation had a permanent establishment in more than one jurisdiction, or is claiming an Ontario tax credit in addition to Ontario basic income tax, or Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount 1C on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 return.

Part 2 – Ontario small business deduction (OSBD)

Complete this part if your corporation claimed the federal small business deduction under subsection 125(1).

Line 400 of the T2 return		348,297	2A	
Line 405 of the T2 return			2B	
If your tax year starts before 2019, line 427 of the T2 return			2C	
If your tax year starts after 2018				
Line 410 of the T2 return	2D			
Line 415 of the T2 return: 47,940 2E				
Amount 2D x Amount 2E 47,940 / 11,250 =	2F			
Line 515 of the T2 return	2G			
Subtotal (amount 2D **minus** amount 2F **minus** amount 2G)	▶		2H	
Amount 2A, 2B, and 2C or 2H, whichever is least			▶	2I

Ontario domestic factor (ODF): Taxable income for Ontario Note 3 343,397.00 / Taxable income for all provinces Note 4 343,397 = 1.00000 2J

Amount 2I **multiplied** by amount 2J		2K
Ontario taxable income (amount 1A)	343,397	2L
Ontario small business income (amount 2K or 2L, whichever is least)	▶	2M

Part 2 – Ontario small business deduction (OSBD) (continued)

Ontario small business deduction rate for the year

Number of days in the tax year before January 1, 2018 / Number of days in the tax year	/ 365	x	7 %	=	%	2N.1
Number of days in the tax year after December 31, 2017 and before January 1, 2020 / Number of days in the tax year	365 / 365	x	8 %	=	8.00000 %	2N.2
Number of days in the tax year after December 31, 2019 / Number of days in the tax year	/ 365	x	8.3 %	=	%	2N.3

OSBD rate for the year (rate 2N.1 **plus** rate 2N.2 **plus** rate 2N.3) . . . . 8.00000 % ► 8.00000 % 2N.4

Ontario small business deduction (amount 2M **multiplied** by rate 2N.4) 2N

Enter amount 2N on line 402 of Schedule 5.

Note 3 Enter amount 1A.

Note 4 Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 3 – Ontario adjusted small business income

Complete this part if your corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.

Ontario adjusted small business income (amount 1A or 2I, whichever is least) 3A

Enter amount 3A at amount 4B in Part 4 of this schedule or at amount 2E in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.

Part 4 – Credit union tax reduction

Complete this part and Schedule 17, Credit Union Deductions, if the corporation was a credit union throughout the tax year.

Amount 3C of Schedule 17 . . . . 4A

Ontario adjusted small business income (amount 3A) 4B

Subtotal (amount 4A **minus** amount 4B, if negative, enter "0") 4C

Amount 4C **multiplied** by amount 2N.4 . . . . 4D

Ontario domestic factor (amount 2J) 1.00000 4E

Ontario credit union tax reduction (amount 4D **multiplied** by amount 4E) 4F

Enter amount 4F on line 410 of Schedule 5.

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Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  4) a congregation or business agency to which section 143 of the federal Act applies;
  5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	31,657,443
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	50,000,001
Total assets (total of lines 112 to 116)		81,657,444
Total revenue of the corporation for the tax year **	142	35,161,301
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	100,000,000
Total revenue (total of lines 142 to 146)		135,161,301

The corporation is subject to CMT if:
- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than $5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than $10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than $50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than $100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* **Rules for total assets**
- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** **Rules for total revenue**
- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

	Line	Amount		Line	Amount	
Net income/loss per financial statements *				210	901,542	
Add (to the extent reflected in income/loss):						
Provision for current income taxes/cost of current income taxes	220					
Provision for deferred income taxes (debits)/cost of future income taxes	222	273,000				
Equity losses from corporations	224					
Financial statement loss from partnerships and joint ventures	226					
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230					
Other additions (see note below):						
Share of adjusted net income of partnerships and joint ventures **	228					
Total patronage dividends received, not already included in net income/loss	232					
281	282					
283	284					
Subtotal		273,000	▶		273,000	A
Deduct (to the extent reflected in income/loss):						
Provision for recovery of current income taxes/benefit of current income taxes	320	169,755				
Provision for deferred income taxes (credits)/benefit of future income taxes	322					
Equity income from corporations	324					
Financial statement income from partnerships and joint ventures	326					
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330					
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332					
Gain on donation of listed security or ecological gift	340					
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342					
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344					
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346					
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348					
Other deductions (see note below):						
Share of adjusted net loss of partnerships and joint ventures **	328					
Tax payable on dividends under subsection 191.1(1) of the federal Act **multiplied** by 3	334					
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336					
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338					
381 Tax Movement in Regulatory Account	382	273,000				
383 Tax Reclassification	384	198,124				
385	386					
387	388					
389	390					
Subtotal		640,879	▶		640,879	B
Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)				490	533,663	

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

– exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
– include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

* **Rules for net income/loss**

– Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

– Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
– Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
– Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.

** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.

*** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.

**** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.

***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)		515	533,663	
Deduct:				
CMT loss available (amount R from Part 7)				
Minus: Adjustment for an acquisition of control *	518			
Adjusted CMT loss available		▶		C
Net income subject to CMT calculation (if negative, enter "0")		520	533,663	

Amount from line 520		Number of days in the tax year before July 1, 2010 / Number of days in the tax year				
533,663	x	/ 365	x	4 % =		1
533,663	x	365 / 365	x	2.7 % =	14,409	2

Number of days in the tax year after June 30, 2010 / Number of days in the tax year (second line)

Subtotal (amount 1 **plus** amount 2)			14,409	3
Gross CMT: amount on line 3 above x OAF **	540		14,409	
Deduct:				
Foreign tax credit for CMT purposes ***	550			
CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0")			14,409	D
Deduct:				
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)			39,491	
Net CMT payable (if negative, enter "0")				E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

** **Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

Ontario taxable income **** / Taxable income ***** =

Ontario allocation factor .... 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were $1,000.

***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *			G		
Deduct:					
CMT credit expired *	600				
CMT credit carryforward at the beginning of the current tax year * (see note below)			▶	620	
Add:					
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)				650	
CMT credit available for the tax year (amount on line 620 **plus** amount on line 650)					H
Deduct:					
CMT credit deducted in the current tax year (amount P from Part 5)					I
Subtotal (amount H **minus** amount I)					J
Add:					
Net CMT payable (amount E from Part 3)					
SAT payable (amount O from Part 6 of Schedule 512)					
Subtotal			▶		K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)				670	L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)				M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		39,491 1		
For a corporation that is not a life insurance corporation:				
CMT after foreign tax credit deduction (amount D from Part 3)	14,409 2			
For a life insurance corporation:				
Gross CMT (line 540 from Part 3)	3			
Gross SAT (line 460 from Part 6 of Schedule 512)	4			
The **greater** of amounts 3 and 4	5			
Deduct: line 2 or line 5, whichever applies:		14,409 6		
Subtotal (if negative, enter "0")		25,082 ▶	25,082	N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		39,491		
Deduct:				
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)		6,000		
Subtotal (if negative, enter "0")		33,491 ▶	33,491	O
CMT credit deducted in the current tax year (least of amounts M, N, and O)				P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? 675 1 Yes [ ] 2 No [X]

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year * . . . . ______ Q

Deduct:

CMT loss expired * . . . . 700 ______

CMT loss carryforward at the beginning of the tax year * (see note below) . . . . ______ ► 720 ______

Add:

CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below) . . . . 750 ______

CMT loss available (line 720 **plus** line 750) . . . . ______ R

Deduct:

CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3) . . . . ______

Subtotal (if negative, enter "0") ______ S

Add:

Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if **negative**) (enter as a positive amount) . . . . 760 ______

CMT loss carryforward balance at the end of the tax year (amount S **plus** line 760) . . . . 770 ______ T

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line Q or line 700;
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

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SCHEDULE 511

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return.*

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	450 50,000,001	550 100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.
Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter ¨NR¨ if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

*** Rules for total assets**

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

**** Rules for total revenue**

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.

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SCHEDULE 546

CORPORATIONS INFORMATION ACT ANNUAL RETURN FOR ONTARIO CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- This schedule should be completed by a corporation that is incorporated, continued, or amalgamated in Ontario and subject to the Ontario *Business Corporations Act* (BCA) or Ontario *Corporations Act* (CA), except for registered charities under the federal *Income Tax Act*. This completed schedule serves as a *Corporations Information Act* Annual Return under the *Ontario Corporations Information Act*.
- Complete parts 1 to 4. Complete parts 5 to 7 only to report change(s) in the information recorded on the Ontario Ministry of Government Services (MGS) public record.
- This schedule must set out the required information for the corporation as of the date of delivery of this schedule.
- A completed Ontario *Corporations Information Act* Annual Return must be delivered within six months after the end of the corporation's tax year-end. The MGS considers this return to be delivered on the date that it is filed with the Canada Revenue Agency (CRA) together with the corporation's income tax return.
- It is the corporation's responsibility to ensure that the information shown on the MGS public record is accurate and up-to-date. To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. Visit **www.ServiceOntario.ca** for more information.
- This schedule contains non-tax information collected under the authority of the Ontario *Corporations Information Act*. This information will be sent to the MGS for the purposes of recording the information on the public record maintained by the MGS.

Part 1 – Identification

100 Corporation's name (exactly as shown on the MGS public record)
Orangeville Hydro Limited

Jurisdiction incorporated, continued, or amalgamated, whichever is the most recent	110 Date of incorporation or amalgamation, whichever is the most recent (Year Month Day)	120 Ontario Corporation No.
Ontario	2009-01-01	1787206

Part 2 – Head or registered office address (P.O. box not acceptable as stand-alone address)

200 Care of (if applicable)

210 Street number	220 Street name/Rural route/Lot and Concession number	230 Suite number
400	C-Line	

240 Additional address information if applicable (line 220 must be completed first)
Station A Box 400

250 Municipality (e.g., city, town)	260 Province/state	270 Country	280 Postal/zip code
Orangeville	ON	CA	L9W 2Z7

Part 3 – Change identifier

Have there been any changes in any of the information most recently filed for the public record maintained by the MGS for the corporation with respect to names, addresses for service, and the date elected/appointed and, if applicable, the date the election/appointment ceased of the directors and five most senior officers, or with respect to the corporation's mailing address or language of preference? To review the information shown for the corporation on the public record maintained by the MGS, obtain a Corporation Profile Report. For more information, visit **www.ServiceOntario.ca**.

300 1 If there have been no changes, enter **1** in this box and then go to "Part 4 – Certification."
If there are changes, enter **2** in this box and complete the applicable parts on the next page, and then go to "Part 4 – Certification."

Part 4 – Certification

I certify that all information given in this *Corporations Information Act* Annual Return is true, correct, and complete.

450 Koekkoek (Last name) **451** Rob (First name)

454 ______________________, (Middle name(s))

460 1 Please enter one of the following numbers in this box for the above-named person: **1** for director, **2** for officer, or **3** for other individual having knowledge of the affairs of the corporation. If you are a director and officer, enter **1** or **2**.

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

Complete the applicable parts to report changes in the information recorded on the MGS public record.

Part 5 – Mailing address

500 Please enter one of the following numbers in this box:
1 - Show no mailing address on the MGS public record.
2 - The corporation's mailing address is the same as the head or registered office address in Part 2 of this schedule.
3 - The corporation's complete mailing address is as follows:

510 Care of (if applicable)

520 Street number	**530** Street name/Rural route/Lot and Concession number	**540** Suite number

550 Additional address information if applicable (line 530 must be completed first)

560 Municipality (e.g., city, town)	**570** Province/state	**580** Country	**590** Postal/zip code

Part 6 – Language of preference

600 Indicate your language of preference by entering **1** for English or **2** for French. This is the language of preference recorded on the MGS public record for communications with the corporation. It may be different from line 990 on the T2 return.

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SCHEDULE 550

ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2019-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the *Taxation Act, 2007* (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is $1,000 for each qualifying work placement ending before March 27, 2009, and $3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation;
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the *T2 Corporation Income Tax Return*.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Corporate information

110 Name of person to contact for more information: Suzanne Presseault	**120** Telephone number including area code: (519) 942-8000

Is the claim filed for a CETC earned through a partnership?* . . . . . **150** 1 Yes [ ] 2 No [X]

If you answered **yes** to the question at line 150, what is the name of the partnership? . . . . . **160** ______

Enter the percentage of the partnership's CETC allocated to the corporation . . . . . **170** ______ %

* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 550 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 550 to claim the partner's share of the partnership's CETC. The allocated amounts can not exceed the amount of the partnership's CETC.

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year? . . . . . **200** 1 Yes [X] 2 No [ ]
2. Was the corporation exempt from tax under Part III of the *Taxation Act*, 2007 (Ontario)? . . . . . **210** 1 Yes [ ] 2 No [X]

If you answered **no** to question 1 or **yes** to question 2, then the corporation is **not eligible** for the CETC.

Part 3 – Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year * **300** 10,000,000

For eligible expenditures incurred before March 27, 2009:

- If line 300 is $400,000 or less, enter 15% on line 310.
- If line 300 is $600,000 or more, enter 10% on line 310.
- If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 310 using the following formula:

$$\text{Eligible percentage} = 15\,\% - \left[5\,\% \times \left(\frac{\text{amount on line 300} \;\textbf{minus}\; \$\;400{,}000}{\$\;200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . **310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is $400,000 or less, enter 30% on line 312.
- If line 300 is $600,000 or more, enter 25% on line 312.
- If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 312 using the following formula:

$$\text{Eligible percentage} = 30\,\% - \left[5\,\% \times \left(\frac{\text{amount on line 300} \;\textbf{minus}\; \$\;400{,}000}{\$\;200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . **312** 25.000 %

* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act, 2007* (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

	A Name of university, college, or other eligible educational institution **400**	B Name of qualifying co-operative education program **405**
1.	Conestoga College	Powerline Technician
2.	Conestoga College	Powerline Technician
3.		

	C Name of student **410**	D Start date of WP (see note 1 below) **430**	E End date of WP (see note 2 below) **435**
1.	Anthony Provenzano	2019-05-03	2019-08-31
2.	Michael Mantle	2019-01-04	2019-04-26
3.			

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

Part 4 – Calculation of the Ontario co-operative education tax credit (continued)

	F1 Eligible expenditures before March 27, 2009 (see note 1 below) 450	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	F2 Eligible expenditures after March 26, 2009 (see note 1 below) 452	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.		10.000 %	12,870	25.000 %		17
2.		10.000 %	14,465	25.000 %		16
3.		10.000 %		25.000 %		

	G Eligible amount (eligible expenditures **multiplied** by eligible percentage) (see note 2 below) 460	H Maximum CETC per WP (see note 3 below) 462	I CETC on eligible expenditures (column G or H, whichever is less) 470	J CETC on repayment of government assistance (see note 4 below) 480	K CETC for each WP (column I or column J) 490
1.	3,218	3,000	3,000		3,000
2.	3,616	3,000	3,000		3,000
3.					

Ontario co-operative education tax credit (total of amounts in column K) 500 6,000 L

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:

Amount L ______ x percentage on line 170 in Part 1 ______ % = ... M

Enter amount L or M, whichever applies, on line 452 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is $1,000.
If the WP begins after March 26, 2009, the maximum credit amount for the WP is $3,000.
If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

($1,000 x X/Y) + [$3,000 x (Y – X)/Y]

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009, and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.

Corporate Taxpayer Summary

Corporate information

Corporation's name . . . . Orangeville Hydro Limited

Taxation Year . . . . 2019-01-01 to 2019-12-31

Jurisdiction . . . . Ontario

BC	AB	SK	MB	ON	QC	NB	NS	NO	PE	NL	XO	YT	NT	NU	OC
				X											

Corporation is associated . . . . Y

Corporation is related . . . . Y

Number of associated corporations . . . 4

Type of corporation . . . . Canadian-Controlled Private Corporation

Total amount due (refund) federal and provincial* . . . . -83,287

* 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		348,297
Taxable income		343,397
Donations		4,900
Calculation of income from an active business carried on in Canada		348,297
Dividends paid		566,435
Dividends paid – Regular	566,435	
Dividends paid – Eligible		
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		7,888,215
Balance of the general rate income pool at the end of the year		8,135,461
Part I tax (base amount)		130,491

Credits against part I tax		Summary of tax		Refunds/credits	
Small business deduction		Part I	49,509	ITC refund	
M&P deduction		Part IV		Dividends refund:	
Foreign tax credit		Part III.1		– Eligible dividends	
Investment tax credits	2,000	Other*		– Non-eligible dividends	
Abatement/Other*	78,982	Provincial or territorial tax	33,491	Instalments	166,287
				Other*	
				Balance due/refund (–)	-83,287

* 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

Carryforward balances

Capital dividend amount	58,221
Financial statement reserve	379,688

Summary of provincial information – provincial income tax payable

	Ontario	Québec (CO-17)	Alberta (AT1)
Net income	348,297		
Taxable income	343,397		
% Allocation	100.00		
Attributed taxable income	343,397		
Tax payable before deduction*	39,491		
Deductions and credits			
Net tax payable	39,491		
Attributed taxable capital	N/A		N/A
Capital tax payable**	N/A		N/A
Total tax payable***	39,491		
Instalments and refundable credits	6,000		
Balance due/Refund (-)	33,491		

Logging tax payable (COZ-1179)

	Ontario	Québec	Alberta
Tax payable	N/A		N/A

* For Québec, this includes special taxes.

** For Québec, this includes compensation tax and registration fee.

*** For Ontario, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations. The Balance due/Refund is included in the federal Balance due/refund.

Summary – taxable capital

Federal

Corporate name	Taxable capital used to calculate the business limit reduction (T2, line 415)	Taxable capital used to calculate the SR&ED expenditure limit for a CCPC (Schedules 31 and 49)	Taxable capital used to calculate line 233 of the T2 return	Taxable capital used to calculate line 234 of the T2 return
Orangeville Hydro Limited	11,306,569	11,306,569	24,526,474	24,526,474
Corporation of the Town of Orangeville	15,000,000	15,000,000		
Corporation of the Township of East Luther Grand	5,000,000	5,000,000		
Orangeville Hydro Services Inc.	1	1	1	1
Orangville Railway Development Corporation				
Total	31,306,570	31,306,570	24,526,475	24,526,475

Québec

Corporate name	Paid-up capital used to calculate the Québec business limit reduction (CO-771) and to calculate the additional deduction for transportation costs of remote manufacturing SMEs (CO-156.TR)	Paid-up capital used to calculate the tax credit for investment (CO-1029.8.36.IN) and to determine the applicability of Form CO-1029.8.33.TE	Paid-up capital used to calculate the $1 million deduction (CO-1137.A and CO-1137.E)	Paid-up capital used to determine the applicability of Form CO-737.SI
Total				

Ontario

Corporate name	Specified capital used to calculate the expenditure limit – Ontario innovation tax credit (Schedule 566)
Total	

Other provinces

Corporate name	Capital used to calculate the Newfoundland and Labrador capital deduction on financial institutions (Schedule 306)
Total	

Five-Year Comparative Summary

Federal information (T2)

	Current year	1st prior year	2nd prior year	3rd prior year	4th prior year
Taxation year end	**2019-12-31**	**2018-12-31**	**2017-12-31**	**2016-12-31**	**2015-12-31**
Net income	348,297	727,370	699,911		
Taxable income	343,397	722,320	694,911		
Active business income	348,297	727,370	641,690		
Dividends paid	566,435	447,092	646,294		
Dividends paid – Regular	566,435	447,092	35,547		
Dividends paid – Eligible			610,747		
LRIP – end of the previous year					
LRIP – end of the year					
GRIP – end of the previous year	7,888,215	7,978,892	7,520,475		
GRIP – end of the year	8,135,461	7,888,215	7,978,892		
Donations	4,900	5,050	5,000		
Balance due/refund (-)	-83,287	-8,339	43,747		
Line 996 – Amended tax return	☐	☐	☐	☐	☐

Loss carrybacks requested in prior years to reduce taxable income

Taxation year end	**2019-12-31**	**2018-12-31**	**2017-12-31**	**2016-12-31**	**2015-12-31**
Taxable income before loss carrybacks	N/A	N/A	694,911		
Non-capital losses	N/A	N/A			
Net capital losses (50%)	N/A	N/A			
Restricted farm losses	N/A	N/A			
Farm losses	N/A	N/A			
Listed personal property losses (50%)	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted taxable income after loss carrybacks	N/A	N/A	694,911		

Losses in the current year carried back to previous years to reduce taxable income (according to Schedule 4)

Taxation year end	**2019-12-31**	**2018-12-31**	**2017-12-31**	**2016-12-31**	**2015-12-31**
Adjusted taxable income before current year loss carrybacks*	N/A	722,320	694,911		N/A
Non-capital losses	N/A				N/A
Net capital losses (50%)	N/A				N/A
Restricted farm losses	N/A				N/A
Farm losses	N/A				N/A
Listed personal property losses (50%)	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted taxable income after loss carrybacks	N/A	722,320	694,911		N/A

* The adjusted taxable income before current year loss carryback takes into account loss carrybacks that were made in prior taxation years.

Loss carrybacks requested in prior years to reduce taxable dividends subject to Part IV tax

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before loss carrybacks	N/A	N/A			
Non-capital losses	N/A	N/A			
Farm losses	N/A	N/A			
Total loss carried back to prior years	N/A	N/A			
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A	N/A			

Losses in the current year carried back to previous years to reduce taxable dividends subject to Part IV tax (according to Schedule 4)

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Adjusted Part IV tax multiplied by the multiplication factor**, before current-year loss carrybacks***	N/A				N/A
Non-capital losses	N/A				N/A
Farm losses	N/A				N/A
Total current year losses carried back to prior years	N/A				N/A
Adjusted Part IV tax multiplied by the multiplication factor**, after loss carrybacks	N/A				N/A

** The multiplication factor is 3 for dividends received before January 1, 2016, and 100 / 38 1/3 for dividends received after December 31, 2015.

*** The adjusted Part IV tax multiplied by the multiplication factor before current-year loss carrybacks takes into account loss carrybacks that were made in prior taxation years. This amount is multiplied by the multiplication factor to help you determine the loss amount that must be used to reduce Part IV tax payable to zero.

Federal taxes

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Part I	49,509	104,592	118,015		
Part IV					
Part III.1					
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

Credits against part I tax

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Small business deduction					
M&P deduction					
Foreign tax credit					
Investment tax credit	2,000	3,756			
Abatement/other*	78,982	166,134	152,261		

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

Refunds/credits

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
ITC refund					
Dividend refund					
– Eligible dividends					
– Non-eligible dividends			17,854		
Instalments	166,287	185,683	124,082		
Other*					

* The amounts displayed on lines "Other" are all listed in the help. Press F1 to consult the context-sensative help.

Ontario

Taxation year end	2019-12-31	2018-12-31	2017-12-31	2016-12-31	2015-12-31
Net income	348,297	727,370	699,911		
Taxable income	343,397	722,320	694,911		
% Allocation	100.00	100.00	100.00		
Attributed taxable income	343,397	722,320	694,911		
Surtax					
Income tax payable before deduction	39,491	83,067	79,915		
Income tax deductions /credits					
Net income tax payable	39,491	83,067	79,915		
Taxable capital					
Capital tax payable					
Total tax payable*	39,491	83,067	79,915		
Instalments and refundable credits	6,000	10,315	12,247		
Balance due/refund**	33,491	72,752	67,668		

* For taxation years ending before January 1, 2009, this includes the corporate minimum tax and the premium tax. For taxation years ending after December 31, 2008, this includes the corporate minimum tax, the Crown royalties' additional tax, the transitional tax debit, the recaptured research and development tax credit and the special additional tax debit on life insurance corporations.

** For taxation years ending after December 31, 2008, the Balance due/Refund is included in the federal Balance due/refund.

APPENDIX 6-E 2020 PILS TAX RETURN

KPMG

KPMG LLP
115 King Street South
2nd Floor
Waterloo ON N2J 5A3
Canada
Telephone (519) 747-8800
Fax (519) 747-8811

PRIVATE AND CONFIDENTIAL

Amy Long
CFO
Orangeville Hydro Limited
400 C Line
Station A Box 400
Orangeville ON L9W 2Z7

June 28, 2021

Dear Long:

Subject: Orangeville Hydro Limited - Corporate Income Tax Returns

We have enclosed the corporate income tax return(s) (the "Returns") of Orangeville Hydro Limited (the "Company") for the period ended December 31, 2020.

- ☑ T2 – *Corporation Income Tax Return* - EXEMPT
- ☑ T183 - *Information Return for Corporations Filing Electronically* (Federal - to be e-filed with CRA) - EXEMPT
- ☑ T2 – *Corporations Income Tax Return* (to be filed with Ministry of Finance) - PILS
- ☑ Instalment Schedule
- ☑ Client copy for your records

We have prepared these Returns based on our understanding of and reliance upon the facts, data, materials, assumptions and other information (collectively, the "Information") provided to us by the Company and/or its representatives, and we have not independently investigated or verified the accuracy or completeness of such Information. We accept no responsibility or liability for any errors attributable to our reliance upon inaccurate or incomplete Information. We recommend that you carefully review the Returns in their entirety to ensure that all of the relevant Information is correctly and completely disclosed.

When you are satisfied that the Returns are in order they must be filed (electronically or in paper format) with the respective taxing authorities by the due date (as set out in the following instructions) if late filing penalties are to be avoided or minimized, or if losses are carried back to a prior taxation year. One copy of each Return should be retained for your records (the "Client Copy") and the remaining copies should be completed by an authorized signing officer of the Company and filed as described below.

We would like to remind you that tax-deductible inter-corporate dividends that are received subsequent to April 20, 2015 and that are otherwise tax-free under Part I of the Income Tax Act may be re-characterized, under an expanded anti-avoidance rule in subsection 55(2) of the Income Tax Act, as capital gains that are subject to tax if, in general terms, there is insufficient safe income on hand.

You have advised us that either there is sufficient safe income on hand to support the position that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns, or that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns and that safe income on hand is not required to support the position that the anti-avoidance rule does not apply. If you wish to engage KPMG to prepare a safe income on hand calculation, please contact us and we would be pleased to discuss this with you.

FOREIGN PROPERTY

The information return, which reports the Company's specified foreign property, is Form T1135 - *Foreign Income Verification Statement*. Form T1135 should be completed if at any time during 2020 the total cost of all specified foreign property the Company owned or held a beneficial interest in was more than Cdn$100,000.

According to the information you have provided to us, the Company did not hold specified foreign property at any time in 2020 with a total cost of more than Cdn$100,000. As such, we have **not** marked an X in box 259 on page 3 of your return and **we have not completed the Form T1135**. If the information on specified foreign property is incorrect, please let us know immediately.

The Form T1135 is due by **June 30, 2021**. The implications of late filing and/or failure to properly report specified foreign property on the Form T1135 and failure to report income from a specified foreign property on your income tax return are substantial. They include significant penalties and an increase to the normal reassessment period by an additional 3 years. Further, the reassessment period extension would impact otherwise statute-barred tax years and would impact the entire income tax return, not just the foreign income and reporting sections.

DUE DATE OF RETURNS AND PAYMENTS

All returns must be filed with the respective taxing authorities by June 30, 2021 if late filing penalties are to be avoided. We recommend the returns be sent by registered mail and the mailing receipt be kept on file in order to have evidence of the date of filing.

Any balances owing must be remitted as soon as possible if interest charges are to be minimized.

T2 – T183 – INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY (FEDERAL-EXEMPT)

In order for us to electronically file the Company's corporate exempt income tax return, a signed copy of Form T183CORP – *Information Return for Corporations Filing Electronically* must be returned to us. Please note that we will not electronically file the Company's corporate income tax return until we receive the signed Form T183 Corp.

The Form T183CORP – *Information Return for Corporations Filing Electronically* includes information from your Company's income tax return and all applicable schedules.

Signature

☞ Form T183CORP – *Information Return for Corporations Filing Electronically* should be completed and signed

No amount is payable for the **2020** taxation year.

Mailing

🖂 One copy of the signed Form T183 Corp should be returned to KPMG by fax at (519) 747-8811, as soon as possible, no later than June 30, 2021, in order to have the Company's Return filed on or before the due date for filing. **We will not electronically file the Return until we receive a copy of the signed T183CORP**. The Form T183CORP must **not** be sent to the CRA.

T2 – *CORPORATION INCOME TAX RETURN* - MINISTRY OF FINANCE

Signature

☞ Form T2, the certification section on page 9 should be completed and signed.

Enclosure

A cheque in the amount of **$94,776** made payable to the Minister of Finance should be attached to the return for the **2020** taxation year. You should write the company's tax account number on the back of the cheque and the taxation year for which the payment is made. Alternatively, you may make the payment at any branch of a chartered bank.

Mailing

🖂 One copy of the Return and one copy of the Company's financial statements must be **received** by The Ministry of Finance, HYDRO PIL DIVISION, PO Box 620, 33 King Street West, Oshawa, ON, L1H 8E9 no later than **June 30, 2021.** For greater certainty, KPMG will not be mailing this Return.

NOTICES OF ASSESSMENT

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

Any balances owing must be remitted by the due date (as set out in the Filing Instructions), or as soon as possible, if interest charges are to be minimized.

GENERAL RATE INCOME POOL ("GRIP")

Shareholders receiving eligible dividends as compared to non-eligible dividends, are subject to a reduced rate of income tax. Eligible dividends are paid out of the Company's GRIP balance, which at December 31, 2020 is estimated to be $8,608,986. The supporting calculation is summarized in Schedule 53 of the federal corporate tax return.

In addition, designation of eligible dividends is required, with each shareholder recipient being formally notified in writing <u>at time of payment</u>.

The Company did not designate the payment of an eligible dividend for the current taxation year.

INSTALMENTS

We have prepared and enclose an estimate of tax instalments as applicable for the Company for the taxation year ending on December 31, 2021. The amounts were computed with reference to the Company's taxable income and taxes payable for prior years.

If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the tax authorities must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please feel free to contact us.

Yours truly,

Tony Italiano, CPA, CA
Partner, Tax

Enclosure

Federal Tax Instalments

Federal tax instalments

For the taxation year ended 2021-12-31

Business number 86463 9562 RC0002

The following is a list of instalments payable for the current taxation year, and the last column indicates the instalments payable to the Canada Revenue Agency (CRA). The instalments must be paid on each of the dates indicated below, otherwise non-deductible interest might be charged.

Instalment payments can be made using one of the following methods:

- electronically, using your online or telephone banking services;
- online, using the CRA's *My Payment* service, at **canada.ca/cra-my-payment**;
- by setting up a pre-authorized debit agreement, in *My Business Account*, at **canada.ca/my-cra-business-account**;
- in person, at a Canadian financial institution, **by presenting the appropriate remittance voucher** with your payment.

You can also mail a cheque or a money order payable to the Receiver General of Canada, **accompanied by the appropriate remittance voucher**, to Canada Revenue Agency, P.O. Box 3800, Station A, Sudbury ON P3A 0C3.

Do you want to calculate the tax instalments according to the extended payment date (COVID-19)?* ☐ Yes ☒ No

* The answer to this question is **Yes** when at least one of the dates entered in the **Monthly instalment workchart** or the **Quarterly instalment workchart** sections is after March 17, 2020, and before September 30, 2020.

Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2021-01-31	15,928				15,928
2021-02-28	15,928				15,928
2021-03-31	15,928				15,928
2021-04-30	15,928				15,928
2021-05-31	15,928				15,928
2021-06-30	15,928				15,928
2021-07-31	15,928				15,928
2021-08-31	15,928				15,928
2021-09-30	15,928				15,928
2021-10-31	15,928				15,928
2021-11-30	15,928				15,928
2021-12-31	15,925				15,925
Instalment (COVID-19)					
Totals	191,133				191,133

200

Canada Revenue Agency / Agence du revenu du Canada

T2 Corporation Income Tax Return

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 or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) 001 86463 9562 RC0002

Corporation's name
002 Orangeville Hydro Limited

Address of head office
Has this address changed since the last time we were notified? .... 010 Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 400 C Line
012 Station A Box 400
City: 015 Orangeville
Province, territory, or state: 016 ON
Country (other than Canada): 017 CA
Postal or ZIP code: 018 L9W 2Z7

Mailing address (if different from head office address)
Has this address changed since the last time we were notified? .... 020 Yes [ ] No [X]
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 or ZIP code: 028

Location of books and records (if different from head office address)
Has this address changed since the last time we were notified? .... 030 Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031 400 C Line
032 Station A Box 400
City: 035 Orangeville
Province, territory, or state: 036 ON
Country (other than Canada): 037 CA
Postal or ZIP code: 038 L9W 2Z7

040 **Type of corporation at the end of the tax year** (tick one)
- [X] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [ ] 4 Corporation controlled by a public corporation
- [ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change .... 043 Year Month Day

To which tax year does this return apply?
Tax year start (Year Month Day): 060 2020-01-01
Tax year-end (Year Month Day): 061 2020-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? .... 063 Yes [ ] No [X]

If **yes**, provide the date control was acquired .... 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? .... 066 Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? .... 067 Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? .... 070 Yes [ ] No [X]
Amalgamation? .... 071 Yes [ ] No [X]
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 Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? .... 076 Yes [ ] No [X]

Is this the final return up to dissolution? .... 078 Yes [ ] No [X]

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 Yes [X] 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 Yes [ ] No [X]
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)
- [ ] 4 Exempt under other paragraphs of section 149

Do not use this area
095 096 898

Attachments

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

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		———
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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	X	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206	X	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207	X	7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	———
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
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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	254		T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272		58
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)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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	X	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

		Yes		No	
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	Yes	X	No	
Is the corporation inactive?	280	Yes		No	X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

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

284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

		Yes		No	
Did the corporation immigrate to Canada during the tax year?	291	Yes		No	X
Did the corporation emigrate from Canada during the tax year?	292	Yes		No	X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	Yes		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 Year Month Day

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes No

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	300		706,303	A
Deduct:				
Charitable donations from Schedule 2	311	5,075		
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine made before March 22, 2017, 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			
Employer deduction for non-qualified securities under an employee stock options agreement		a		
Subtotal		5,075 ▶	5,075	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")			701,228	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355			D
Taxable income (amount C **plus** amount D)	360		701,228	
Taxable income for the year from a personal services business				Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	662,749	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax	405	701,228	B
Business limit (see notes 1 and 2 below)	410	500,000	C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction

Amount C 500,000 x 415 *** 32,685 D / 11,250 = 1,452,667 E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** . 417 ______ – 50,000 = ______ F

Amount C 500,000 / 100,000 x Amount F ______ = ______ G

The greater of amount E and amount G	422	1,452,667	H
Reduced business limit (amount C **minus** amount H) (if negative, enter "0")	426		I
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)			J
Reduced business limit after assignment (amount I **minus** amount J)	428		K
Small business deduction – Amount A, B, C, or K, whichever is the least ______ x 19 % =	430		

Enter amount from line 430 at amount J on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

Specified corporate income and assignment under subsection 125(3.2)

	L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount 490	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L [3] 500	N Business limit assigned to corporation identified in column L [4] 505
1.				
			Total 510	Total 515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
   (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
   (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
   (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
   (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3				701,228	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			B		
Amount 13K from Part 13 of Schedule 27			C		
Personal services business income	432		D		
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least			E		
Aggregate investment income from line 440 on page 6*		43,554	F		
Subtotal (**add** amounts B to F)		43,554	►	43,554	G
Amount A **minus** amount G (if negative, enter "0")				657,674	H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %				85,498	I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 on page 3					J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			K		
Amount 13K from Part 13 of Schedule 27			L		
Personal services business income	434		M		
Subtotal (**add** amounts K to M)			►		N
Amount J **minus** amount N (if negative, enter "0")					O
General tax reduction – Amount O **multiplied** by 13 %					P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7	**440**	43,554	x 30 2 / 3 % =	13,357	A
Foreign non-business income tax credit from line 632 on page 8					B
Foreign investment income from Schedule 7	**445**		x 8 % =		C
Subtotal (amount B **minus** amount C) (if negative, enter "0")			►		D
Amount A **minus** amount D (if negative, enter "0")				13,357	E
Taxable income from line 360 on page 3			701,228		F
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least					G
Foreign non-business income tax credit from line 632 on page 8		x 75 / 29 =			H
Foreign business income tax credit from line 636 on page 8		x 4 =			I
Subtotal (**add** amounts G to I)		►			J
Subtotal (amount F **minus** amount J)		701,228	K x 30 2 / 3 % =	215,043	L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)				113,492	M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least	**450**			13,357	N

Refundable dividend tax on hand

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460			
Dividend refund for the previous tax year	465			
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480			
Subtotal (line 460 **minus** line 465 **plus** line 480)				A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)				B
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)			C	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)			D	
Subtotal (amount C **minus** amount D) (if negative, enter "0")			►	E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")			F	
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)			G	
Subtotal (amount F **plus** amount G)			►	H
Amount H **multiplied** by 38 1 / 3 %				I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)	520			J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")	535			K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)			L	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)			M	
Subtotal (amount L **plus** amount M)			►	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	525			O
ERDTOH dividend refund for the previous tax year	570			P
Refundable portion of Part I tax (from line 450 on page 6)			13,357	Q
Part IV tax before deductions (amount 2A from Schedule 3)			R	
Part IV tax allocated to ERDTOH (amount N)			S	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)			T	
Subtotal (amount R **minus** total of amounts S and T)			►	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	540			V
NERDTOH dividend refund for the previous tax year	575			W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)				X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")				Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")	545		13,357	
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")				Z
ERDTOH at the end of the tax year (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")	530			

Dividend refund

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	172,796	DD
NERDTOH balance at the end of the tax year (line 545)	13,357	EE
Non-eligible dividend refund (amount DD or EE, whichever is less)	13,357	FF
Amount DD **minus** amount EE (if negative, enter "0")	159,439	GG
Amount BB **minus** amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund – Amount CC **plus** amount FF **plus** amount II	13,357	JJ

Enter amount JJ on line 784 on page 9.

Part I tax

Base amount Part I tax – Taxable income (from line 360 on page 3) **multiplied** by 38 %			550	266,467 A
Additional tax on personal services business income (section 123.5)				
Taxable income from a personal services business 555 ______ x 5 % =			560	B
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 on page 6		43,554 D	
Taxable income from line 360 on page 3	701,228 E		
Deduct: Amount from line 400, 405, 410, or 428 on page 4, whichever is the least	F		
Net amount (amount E **minus** amount F)	701,228 ▶	701,228 G	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G		604	4,646 H
Subtotal (**add** amounts A, B, C, and H)			271,113 I

Deduct:

Small business deduction from line 430 on page 4		J	
Federal tax abatement	608	70,123	
Manufacturing and processing profits deduction from Schedule 27	616		
Investment corporation deduction	620		
Taxed capital gains 624			
Federal foreign non-business income tax credit from Schedule 21	632		
Federal foreign business income tax credit from Schedule 21	636		
General tax reduction for CCPCs from amount I on page 5	638	85,498	
General tax reduction from amount P on page 5	639		
Federal logging tax credit from Schedule 21	640		
Eligible Canadian bank deduction under section 125.21	641		
Federal qualifying environmental trust tax credit	648		
Investment tax credit from Schedule 31	652	2,000	
Subtotal		157,621 ▶	157,621 K
Part I tax payable – Amount I **minus** amount K			113,492 L

Enter amount L on line 700 on page 9.

Privacy statement

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	113,492
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		113,492

Add provincial or territorial tax:

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

Net provincial or territorial tax payable (except Quebec and Alberta)	760	77,641
Total tax payable	770	191,133 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780		
Dividend refund from amount JJ on page 7	784	13,357	
Federal capital gains refund from Schedule 18	788		
Federal qualifying environmental trust tax credit refund	792		
Canadian film or video production tax credit (Form T1131)	796		
Film or video production services tax credit (Form T1177)	797		
Canadian journalism labour tax credit from Schedule 58	798		
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	83,000	
Total credits	890	96,357	96,357 B
Balance (amount A **minus** amount B)			94,776

Refund code 894 Refund

If the result is negative, you have a **refund**.
If the result is positive, you have a **balance owing**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Balance owing 94,776

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No X

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 G1829

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Certification

I, 950 Long (Last name) 951 Amy (First name) 954 CFO (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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2021/06/29 Date (yyyy/mm/dd)

Amy Long
Signature of the authorized signing officer of the corporation

956 (519) 942-8000 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☐ No X

958 Suzanne Presseault
Name of other authorized person

959 (519) 942-8000
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

Financial Statements of

ORANGEVILLE HYDRO LIMITED

And Independent Auditors' Report thereon

Year ended December 31, 2020

KPMG LLP
115 King Street South
2nd Floor
Waterloo ON N2J 5A3
Canada
Tel 519-747-8800
Fax 519-747-8830

INDEPENDENT AUDITORS' REPORT

To the Shareholders of Orangeville Hydro Limited

Opinion

We have audited the financial statements of Orangeville Hydro Limited (the Entity), which comprise:

- the statement of financial position as at December 31, 2020
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "***Auditors' Responsibilities for the Audit of the Financial Statements***" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada
April 16, 2021

ORANGEVILLE HYDRO LIMITED

Statement of Financial Position
December 31, 2020, with comparative information for 2019

	Note	2020	2019
Assets			
Current assets			
Cash		$ 692,919	$ 656,693
Accounts receivable	4	4,695,519	4,207,174
Unbilled revenue		2,745,214	2,626,067
Inventory		363,068	291,834
Prepaid expenses		137,598	145,623
Income taxes receivable		-	75,292
Other		55	489
Total current assets		8,634,373	8,003,172
Non-current assets			
Property, plant and equipment	5	21,569,179	20,708,211
Intangible assets	6	217,192	226,777
Deferred tax assets	7	-	4,000
Total non-current assets		21,786,371	20,938,988
Total assets		30,420,744	28,942,160
Regulatory debit balances	8	3,881,942	2,711,283
Total assets and regulatory balances		$ 34,302,686	$ 31,653,443

See accompanying notes to the financial statements.

ORANGEVILLE HYDRO LIMITED

Statement of Financial Position
December 31, 2020, with comparative information for 2019

	Note	2020	2019
Liabilities			
Current liabilities			
Accounts payable and accrued liabilities	9	$ 4,990,611	$ 3,721,170
Income taxes payable		119,981	-
Long-term debt due within one year	10	610,889	564,845
Customer deposits		225,000	225,000
Other payables		168,507	114,904
Total current liabilities		6,114,988	4,625,919
Non-current liabilities			
Long-term debt	10	12,807,891	12,444,972
Employee future benefits	11	346,292	337,688
Customer deposits		404,719	499,514
Contributions in aid of construction	12	2,040,099	1,859,325
Deferred tax liability	7	140,285	-
Total non-current liabilities		15,739,286	15,141,499
Total liabilities		21,854,274	19,767,418
Equity			
Share capital	13	8,290,714	8,290,714
Retained earnings		3,627,624	2,991,878
Accumulated other comprehensive income		47,400	47,400
Total equity		11,965,738	11,329,992
Total liabilities and equity		33,820,012	31,097,410
Regulatory credit balances	8	482,674	556,033
Total liabilities, equity and regulatory balances		$ 34,302,686	$ 31,653,443

See accompanying notes to the financial statements.

On behalf of the Board:

______________________ Director ______________________ Director

ORANGEVILLE HYDRO LIMITED

Statement of Comprehensive Income
Year ended December 31, 2020, with comparative information for 2019

	Note	2020	2019
Revenue			
Distribution revenue	14	$ 5,664,418	$ 5,674,628
Other	14	280,854	263,385
		5,945,272	5,938,013
Sale of energy	14	33,148,280	29,164,689
		39,093,552	35,102,702
Operating expenses			
General and administrative		1,643,229	1,697,925
Billing and collecting		803,309	835,794
Operating and maintenance		839,119	958,991
Depreciation and amortization		896,463	882,819
		4,182,120	4,375,529
Cost of power purchased		34,271,041	30,112,525
		38,453,161	34,488,054
Income from operating activities		640,391	614,648
Finance income	16	12,991	58,599
Finance costs	16	(470,213)	(490,995)
Income before income taxes		183,169	182,252
Income tax expense	7	(41,897)	(103,245)
Net income for the year		141,272	79,007
Net movement in regulatory balances		1,244,022	1,020,659
Tax on net movement in regulatory balances		(298,777)	(198,124)
		945,245	822,535
Net income for the year and net movement in regulatory balances		1,086,517	901,542
Other comprehensive income			
Remeasurement of post-employment benefits		-	-
Other comprehensive income for the year		-	-
Total comprehensive income for the year		$ 1,086,517	$ 901,542

See accompanying notes to the financial statements.

ORANGEVILLE HYDRO LIMITED

Statement of Changes in Equity
Year ended December 31, 2020, with comparative information for 2019

	Share capital	Retained earnings	Accumulated other comprehensive income	Total
Balance at January 1, 2019	$8,290,714	$2,656,771	$ 47,400	$ 10,994,885
Net income and net movement in regulatory balances	-	901,542	-	901,542
Dividends	-	(566,435)	-	(566,435)
Balance at December 31, 2019	$8,290,714	$2,991,878	$ 47,400	$ 11,329,992
Balance at January 1, 2020	$8,290,714	$2,991,878	$ 47,400	$ 11,329,992
Net income and net movement in regulatory balances	-	1,086,517	-	1,086,517
Dividends	-	(450,771)	-	(450,771)
Balance at December 31, 2020	$8,290,714	$3,627,624	$ 47,400	$ 11,965,738

See accompanying notes to the financial statements.

ORANGEVILLE HYDRO LIMITED

Statements of Cash Flows
Year ended December 31, 2020, with comparative information for 2019

	2020	2019
Operating activities		
Net Income and net movement in regulatory balances	$ 1,086,517	$ 901,542
Adjustments for:		
Depreciation and amortization	996,813	981,874
Loss (gain) on disposal of property, plant and equipment and intangible assets	(49,214)	38,418
Net finance costs	457,222	432,396
Income tax expense	41,897	103,245
Tax on net movement in regulatory	298,777	198,124
Employee future benefits	8,604	8,604
Contributions received from customers revenue recognized	(59,205)	(94,119)
	2,781,411	2,570,084
Change in non-cash operating working capital:		
Accounts receivable	(488,345)	(162,121)
Unbilled revenue	(119,147)	283,407
Inventory	(71,234)	30,168
Prepaid expenses	8,025	(14,095)
Other current assets	434	(194)
Accounts payable and accrued liabilities	1,269,441	(624,722)
Other payables	53,603	6,244
Customer deposits	(94,795)	(142,008)
	557,982	(623,321)
Regulatory balances	(1,244,022)	(1,020,659)
Income tax paid	(1,115)	(88,232)
Interest paid	(470,213)	(490,995)
Interest received	12,991	58,599
Net cash from operating activities	1,637,034	405,476
Investing activities		
Purchase of property, plant and equipment	(1,915,414)	(1,267,962)
Proceeds on disposal of property, plant and equipment	141,583	4,452
Purchase of intangible assets	(25,148)	(71,756)
Contributions received from customers	239,979	115,021
Net cash used by investing activities	(1,559,000)	(1,220,245)
Financing activities		
Proceeds from long-term debt	977,065	2,000,000
Repayment of long-term debt	(568,102)	(545,027)
Dividends paid	(450,771)	(566,435)
Net cash from financing activities	(41,808)	888,538
Change in cash	36,226	73,769
Cash, beginning of year	656,693	582,924
Cash, end of year	$ 692,919	$ 656,693

See accompanying notes to the financial statements.

1. Reporting entity

Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The address of the Corporation's registered office is 400 C Line, Orangeville, Ontario.

The Corporation delivers electricity and related energy services to residential and commercial customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by the Town of Orangeville and Town of Grand Valley.

The financial statements are for the Corporation as at and for the year ended December 31, 2020.

2. Basis of presentation

(a) Statement of compliance

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on April 15, 2021.

(b) Basis of measurement

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

(c) Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

(d) Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:

(i) Note 3(b) - measurement of unbilled revenue

(ii) Notes 5, 6 - estimation of useful lives of its property, plant and equipment and intangible assets

(iii) Note 8 - recognition and measurement of regulatory balances

(iv) Note 11 - measurement of defined benefit obligations: key actuarial assumptions

(v) Note 17 - recognition and measurement of provisions and contingencies

2. Basis of presentation (continued)

(e) Rate regulation

The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority granted by the *Ontario Energy Board Act, 1998*. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDCs"), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

Rate setting

Distribution revenue

For the distribution revenue included in sale of energy, the Corporation files a "Cost of Service" ("COS") rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenditures, debt and shareholder's equity required to support the Corporation's business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including any revisions resulting from that review.

In the intervening years an Incentive Rate Mechanism application ("IRM") is filed. An IRM application results in a formulaic adjustment to distribution rates that were set under the last COS application. The previous year's rates are adjusted for the annual change in the Gross Domestic Product Implicit Price Inflator for Final Domestic Demand ("GDP IPI-FDD") net of a productivity factor and a "stretch factor" determined by the relative efficiency of an electricity distributor.

As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers.

The Corporation last filed a COS application in October 2013 for rates effective May 1, 2014 to April 30, 2019. The Corporation received approval for a deferral of a COS application for 2020 rates. The GDP IPI-FDD for 2020 is 2.00%, the Corporation's productivity factor is nil% and the stretch factor is 0.15%, resulting in a net adjustment of 1.85% to the previous year's rates.

2. Basis of presentation (continued)

(e) Rate regulation (continued)

Electricity rates

The OEB sets electricity prices for low-volume consumers twice each year based on an estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

3. Significant accounting policies

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

(a) Financial instruments

At initial recognition, the Corporation measures its financial assets at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of the financial asset depends on the classification determined on initial recognition. Financial assets are classified as either amortized cost, fair value through other comprehensive income or fair value through profit or loss, depending on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are not reclassified subsequent to their initial recognition, unless the Corporation changes its business model for managing financial assets.

Financial liabilities are initially measured at fair value, net of transaction costs incurred. They are subsequently carried at amortized cost using the effective interest rate method; any difference between the proceeds (net of transaction costs) and the redemption value is recognized as an adjustment to interest expense over the period of the borrowings.

The Corporation has not entered into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

Cash equivalents include short-term investments with maturities of three months or less when purchased.

3. Significant accounting policies (continued)

(b) Revenue recognition

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Customer billings for debt retirement charges are recorded on a net basis as the Corporation is acting as an agent for this billing stream.

Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 *Revenue from Contracts with Customers*. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

3. Significant accounting policies (continued)

(c) Inventory

Inventory, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

(d) Property, plant and equipment

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired prior to January 1, 2015 are measured at the deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated depreciation. All other items of PP&E are measured at cost, or, where the item is contributed by customers, its fair value, less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes contracted services, materials and transportation costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Corporation's borrowings. Qualifying assets are considered to be those that take in excess of 12 months to construct.

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and the asset is available for use.

3. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

The estimated useful lives are as follows:

Asset	Years
Buildings	20-60 years
Distribution equipment	15-60 years
Vehicles	8-15 years
Other tools and equipment	10-60 years
Computer equipment	5 years

(e) Intangible assets

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015 are measured at deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated amortization. All other intangible assets are measured at cost.

Computer software that is acquired or developed by the Corporation after January 1, 2015, including software that is not integral to the functionality of equipment purchased which has finite useful lives, is measured at cost less accumulated amortization.

Payments to obtain rights to access land ("land rights") are classified as intangible assets. These include payments made for easements, right of access and right of use over land for which the Corporation does not hold title. Land rights are measured at cost. Management has determined that land rights have an indefinite life. Land rights are tested for impairment when events or circumstances indicate their carrying amount exceeds their fair value. As at December 31, 2020, management has not identified any events or circumstances indicating that land rights are impaired.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Amortization methods and useful lives of all intangible assets are reviewed at each reporting date and adjusted prospectively if appropriate. The estimated useful lives are:

Asset	Years
Computer software	5 years

3. Significant accounting policies (continued)

(f) Impairment

(i) Financial assets measured at amortized cost:

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.

(ii) Non-financial assets:

The carrying amounts of the Corporation's non-financial assets, other than materials and supplies and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or “CGU”). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Customer deposits

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

(h) Provisions

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

3. Significant accounting policies (continued)

(i) Regulatory balances

Regulatory deferral account debit balances represent costs incurred in excess of amounts billed to the customer at OEB approved rates. Regulatory deferral account credit balances represent amounts billed to the customer at OEB approved rates in excess of costs incurred by the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future billings in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. When the customer is billed at rates approved by the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue. The regulatory deferral debit balance is reduced by the amount of these customer billings with the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory deferral debit account balances is assessed annually based upon the likelihood that the OEB will approve the change in rates to recover the balance. The assessment of likelihood of recovery is based upon previous decisions made by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is recognized in profit or loss in the year incurred.

When the Corporation is required to refund amounts to ratepayers in the future, the Corporation recognizes a regulatory deferral account credit balance. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the customers are recognized as a reduction of revenue. The regulatory deferral credit balance is reduced by the amount of these customer repayments with the offset to net movement in regulatory balances in profit or loss or OCI.

(j) Post-employment benefits

(i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System (“OMERS”). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund (“the Fund”), and provides pensions for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Corporation to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

3. Significant accounting policies (continued)

(j) Post-employment benefits (continued)

(ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

(k) Leased assets

At inception of a contract, the Corporation assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Corporation assesses whether:

(i) The contract involves the use of an identified asset;

(ii) The Corporation has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

(ii) The Corporation has the right to direct the use of the asset. The Corporation has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used is predetermined, the Corporation has the right to direct the use of the asset if either:

a) The Corporation has the right to operate the asset; or
b) The Corporation designed the asset in a way that predetermines how and for what purposes it will be used.

Short-term leases and low value assets

The Corporation has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Corporation recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

3. Significant accounting policies (continued)

(l) Finance income and finance costs

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash.

Finance costs comprise interest expense on borrowings and net interest expense on post-employment benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

(m) Income taxes

The income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the *Electricity Act*, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation ("OEFC"). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Tax Acts as modified by the *Electricity Act*, 1998, and related regulations. Prior to October 1, 2001, the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at the reporting date.

4. Accounts receivable

	2020	2019
Trade customer accounts receivable	$ 4,023,520	$ 4,192,219
Other receivables	717,999	56,955
Provision uncollectible accounts	(46,000)	(42,000)
	$ 4,695,519	$ 4,207,174

5. Property, plant and equipment

	Land and buildings	Distribution equipment	Other fixed assets	Construction -in-Progress	Total
Cost or deemed cost					
Balance at January 1, 2020	$ 2,092,617	$22,023,107	$1,513,612	$ 847	$25,630,183
Additions	25,149	1,644,413	230,227	15,625	1,915,414
Transfers	-	-	-	-	-
Disposals/retirements	(4,473)	(95,274)	(75,908)	-	(175,655)
Balance at December 31, 2020	$ 2,113,293	$23,572,246	$1,667,931	$ 16,472	$27,369,942
Balance at January 1, 2019	$ 2,057,089	$20,915,704	$1,458,004	$ 29,358	$24,460,155
Additions	35,528	1,145,853	86,581	-	1,267,962
Transfers	-	28,511	-	(28,511)	-
Disposals/retirements	-	(66,961)	(30,973)	-	(97,934)
Balance at December 31, 2019	$ 2,092,617	$22,023,107	$1,513,612	$ 847	$25,630,183
Accumulated depreciation					
Balance at January 1, 2020	$ 475,139	$ 3,752,437	$ 694,396	$ -	$ 4,921,972
Depreciation	83,677	741,455	142,193	-	967,325
Disposals	-	(24,074)	(64,460)	-	(88,534)
Balance at December 31, 2020	$ 558,816	$ 4,469,818	$ 772,129	$ -	$ 5,800,763
Balance at January 1, 2019	$ 393,046	$ 3,065,782	$ 576,939	$ -	$ 4,035,767
Depreciation	82,093	715,632	145,847	-	943,572
Disposals	-	(28,977)	(28,390)	-	(57,367)
Balance at December 31, 2019	$ 475,139	$ 3,752,437	$ 694,396	$ -	$ 4,921,972
Carrying amounts					
At December 31, 2020	$ 1,554,477	$19,102,428	$ 895,802	$ 16,472	$21,569,179
At December 31, 2019	$ 1,617,478	$18,270,670	$ 819,216	$ 847	$20,708,211

6. Intangible assets

	Computer software	Land rights	Total
Cost or deemed cost			
Balance at January 1, 2020	$ 406,540	$ 135,718	$ 542,258
Additions	21,059	4,089	25,148
Disposals	(23,514)	-	(23,514)
Balance at December 31, 2020	$ 404,085	$ 139,807	$ 543,892
Balance at January 1, 2019	$ 361,561	$ 113,118	$ 474,679
Additions	49,156	22,600	71,756
Disposals	(4,177)	-	(4,177)
Balance at December 31, 2019	$ 406,540	$ 135,718	$ 542,258
Accumulated amortization			
Balance at January 1, 2020	$ 315,481	$ -	$ 315,481
Amortization	29,488	-	29,488
Disposal	(18,269)	-	(18,269)
Balance at December 31, 2020	$ 326,700	$ -	$ 326,700
Balance at January 1, 2019	$ 279,053	$ -	$ 279,053
Amortization	38,302	-	38,302
Disposals	(1,874)	-	(1,874)
Balance at December 31, 2019	$ 315,481	$ -	$ 315,481
Carrying amounts			
At December 31, 2020	$ 77,385	$ 139,807	$ 217,192
At December 31, 2019	$ 91,059	$ 135,718	$ 226,777

7. Income tax expense

Current tax expense (recovery)

	2020	2019
Current tax recovery	$ (102,388)	$ (169,755)
Deferred tax expense	144,285	273,000
Income tax expense	$ 41,897	$ 103,245

Reconciliation of effective tax rate:

	2020	2019
Income before taxes	$ 183,169	$ 182,252
Statutory income tax rates	26.5%	26.5%
Expected tax provision on income at statutory rates	48,540	48,297
Increase (decrease) in income taxes resulting from:		
Permanent differences	(11,376)	400
Other	4,733	54,548
Income tax expense	$ 41,897	$ 103,245

Significant components of the Corporation’s deferred tax balances

	2020	2019
Deferred tax assets (liabilities):		
Property, plant and equipment	$ (244,000)	$ (97,000)
Post-employment benefits	91,715	89,000
Other	12,000	12,000
	$ (140,285)	$ 4,000

8. Regulatory balances

Reconciliation of the carrying amount for each class of regulatory balances

Regulatory deferral account debit balances		January 1, 2020	Additions	Recovery/ reversal	December 31, 2020	Remaining recovery/ reversal years
Retail settlement variances	$	2,498,035	$1,349,925	$(617,548)	$3,230,412	1
Regulatory transition to IFRS		162,985	2,018	-	165,003	-
Regulatory variances disposition		39,590	217,659	-	257,249	-
Deferred income tax		(4,000)	144,285	-	140,285	-
Other		14,673	74,320	-	88,993	1
	$	2,711,283	$1,788,207	$(617,548)	$3,881,942	

Regulatory deferral account debit balances		January 1, 2019	Additions	Recovery/ reversal	December 31, 2019	Remaining recovery/ reversal years
Retail settlement variances	$	1,416,379	$1,081,656	$ -	$2,498,035	1
Regulatory transition to IFRS		159,686	3,299	-	162,985	-
Regulatory variances disposition		68,070	(28,480)	-	39,590	-
Deferred income tax		(277,000)	273,000	-	(4,000)	-
Other		199,430	311	(185,068)	14,673	1
	$	1,566,565	$1,329,786	$(185,068)	$2,711,283	

Regulatory deferral account credit balances		January 1, 2020	Additions	Recovery/ reversal	December 31, 2020	Remaining years
Retail settlement variances	$	369,893	$ 136,112	$(303,536)	$ 202,469	1
Change in asset useful lives		20,102	(9)	-	20,093	-
Other		166,038	94,074	-	260,112	1
	$	556,033	$ 230,177	$(303,536)	$ 482,674	

Regulatory deferral account credit balances		January 1, 2019	Additions	Recovery/ reversal	December 31, 2019	Remaining years
Retail settlement variances	$	300,256	$ 69,637	$ -	$ 369,893	1
Change in asset useful lives		71,316	(51,214)	-	20,102	2
Other		60,402	105,636	-	166,038	1
	$	431,974	$ 124,059	$ -	$ 556,033	

8. Regulatory balances (continued)

The regulatory balances are recovered or settled through rates approved by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy and weather. The Corporation has received approval from the OEB to establish its regulatory balances.

Settlement of the Group 1 deferral accounts is done on an annual basis through application to the OEB. An application has been approved by the OEB to recover $275,060 for the Group 1 deferral accounts for the 2020 rate application. The Corporation received approval for deferral of a COS application for 2020 rates, and is completing an IRM application for 2021 rates. The OEB requires the Corporation to estimate its income taxes when it files a COS application to set its rates. As a result, the Corporation has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates.

Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. In 2020, the rate ranged from 0.57% to 2.18%.

9. Accounts payable and accrued liabilities

	2020	2019
Accounts payable – energy purchases	$ 2,633,131	$ 1,467,517
Water and sewer charges payable	903,876	1,025,115
Other	1,453,604	1,228,538
	$ 4,990,611	$ 3,721,170

10. Long-term debt

	2020	2019
TD Bank term loan payable, interest at 3.38%, payable in monthly instalments, due 2022	$ 2,752,028	$ 3,118,740
TD Bank term loan payable, interest at 3.54%, payable in monthly instalments, due 2024	3,490,086	3,584,767
TD Bank term loan payable, interest at 3.40%, interest only payments, due 2022	2,500,000	2,500,000
TD Bank term loan payable, interest at 3.60%, payable in monthly instalments, due 2027	1,797,107	1,852,560
TD Bank term loan payable, interest at 4.20%, payable in monthly instalments, due 2029	1,905,751	1,953,750
TD Bank term loan payable, interest at 2.58%, payable in monthly instalments, due 2025	973,808	-
	13,418,780	13,009,817
Less current portion of long-term debt	610,889	564,845
	$ 12,807,891	$ 12,444,972

The TD Bank term loans holds as security a general security agreement representing a first charge on all assets and undertakings of the Corporation and assignment of general liability insurance for the Corporation.

The agreement with respect to the TD Bank term loans contain certain covenants regarding (i) leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v) limitations on additional debt and encumbrance of assets.

The agreement with TD Bank also contains financial covenants that require the Corporation to maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance with these covenants as at December 31, 2020.

Principal repayments for the next five years and thereafter are as follows:

2021	$ 610,889
2022	5,115,492
2023	251,914
2024	3,335,197
2025	986,195
Thereafter	3,119,093
	$ 13,418,780

11. Post-employment benefits

(a) OMERS pension plan

The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2020, the Corporation made employer contributions of $192,886 to OMERS (2019 - $192,810), of which has been recognized in profit or loss. The Corporation estimates that a contribution of $181,491 to OMERS will be made during the next fiscal year.

As at December 31, 2020, OMERS had approximately 500,000 members, of whom 19 are current employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2020, which reported that the plan was 97% funded, with an unfunded liability of $3.2 billion. This unfunded liability is likely to result in future payments by participating employers and members.

(b) Post-employment benefits other than pension

The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employment benefit plans.

Reconciliation of the obligation		2020		2019
Defined benefit obligation, beginning of year	$	337,688	$	329,084
Included in profit or loss				
Current service cost		12,557		11,449
Interest cost		13,219		12,849
		25,776		24,298
Included in OCI				
Actuarial losses arising from:				
changes in financial assumptions		-		-
		363,464		353,382
Benefits paid		(17,172)		(15,694)
Defined benefit obligation, end of year	$	346,292	$	337,688

Actuarial assumptions	2020	2019
Discount (interest) rate	4.00%	4.00%
Salary levels	3.00%	3.00%
Medical costs	4.20%	4.00%
Dental costs	4.50%	4.00%

11. Post-employment benefits (continued)

(b) Post-employment benefits other than pension (continued)

A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by $45,100. A 1% decrease in the assumed discount rate would result in the defined benefit obligation increasing by $59,700.

12. Contributions in aid of construction

	2020	2019
Contributions in aid of construction, beginning of year	$ 1,859,325	$ 1,838,423
Contributions in aid of construction received	239,979	115,021
Contributions in aid of construction recognized as distribution revenue	(59,205)	(94,119)
Contributions in aid of construction, end of year	$ 2,040,099	$ 1,859,325

13. Share capital

	2020	2019
Authorized:		
Unlimited number of common shares		
Issued:		
1,000 common shares	$ 8,290,714	$ 8,290,714

14. Revenues

	2020	2019
Collection and other service charges	$ 46,180	$ 115,185
Water and sewer billing services	11,583	23,955
Rent	109,913	101,301
Gain (loss) on disposals	49,214	(38,418)
Other	63,964	61,362
Total other revenue	$ 280,854	$ 263,385

In the following table, sale of energy and distribution revenue is disaggregated by type of customer.

	2020	2019
Residential	$ 17,783,192	$ 13,803,021
Commercial	20,686,145	20,711,482
Other	343,361	324,814
	$ 38,812,698	$ 34,839,317

15. Employee salaries and benefits

	2020	2019
Salaries, wages and benefits	$ 1,974,111	$ 1,940,378
CPP and EI remittances	72,154	68,197
Contributions to OMERS	192,886	192,810
	$ 2,239,151	$ 2,201,385

16. Finance income and costs

	2020	2019
Finance income		
Interest income on bank deposits	$ 12,991	$ 58,599
Finance costs		
Interest expense on long-term debt	(460,312)	(473,798)
Interest expense on customer deposits	(9,901)	(17,197)
	(470,213)	(490,995)
Net finance costs recognized in profit or loss	$ (457,222)	$ (432,396)

17. Commitments and contingencies

Cornerstone Hydro Electric Concepts (CHEC)

CHEC is an association of sixteen LDCs modelled after a co-operative to share resources and proficiencies (see note 18).

The Corporation may terminate its membership at any time upon the following terms:

(a) giving written notice 60 days in advance of termination; and

(b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2023. The prepayment cost of termination is a settlement of the Corporation's obligation under the agreement by reason of termination of its membership before the expiry of the term. The amount is liquidated damages and not a penalty for early termination and is intended to leave the remaining members in the same position as if the Corporation had not terminated the agreement. As at December 31, 2020, the obligation to CHEC includes the 2021 to 2023 membership dues of approximately $46,000 per year, $138,000 total.

17. Commitments and contingencies (continued)

Utility Collaborative Services Inc. (UCS)

The Corporation has the right to redeem its shares in UCS (see note 18) by retraction upon the following terms:

(a) notice of such retraction shall be given 120 days prior to the effective date; and

(b) a redemption fee shall be paid equal to the previous three years' worth of average purchases from UCS for services or products; or in alternative to paying such fees, the Corporation may elect in writing to provide three years' written notice of the retraction, provided that the Corporation continues to receive services at the same or greater average volume as those received at the time the notice was given.

General Liability Insurance

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2020, no assessments have been made.

18. Related party transactions

(a) Parents and ultimate controlling party

The common shares of Orangeville Hydro Limited are owned by the Town of Orangeville and Town of Grand Valley, the ultimate parents.

(b) Outstanding balances with related parties

	2020	2019
Town of Orangeville - receivable	$ 149,403	$ 151,530
Town of Grand Valley – receivable	14,875	2,304
Town of Orangeville - payable	(875,650)	(994,349)
Town of Grand Valley - payable	(28,226)	(31,936)
	$ (739,598)	$ (872,451)

18. Related party transactions (continued)

(c) Transactions with ultimate parents

The Corporation provides water and sewage billing and collection services to the customers of the Town of Orangeville and Town of Grand Valley, as well as supplying street light energy and street lighting maintenance services to the Town of Orangeville and Town of Grand Valley. Revenue includes $492,661 (2019 - $417,621) from the Town of Orangeville and $25,506 (2019 - $22,416) from the Town of Grand Valley for these services.

The Corporation also delivers electricity to the Town of Orangeville and Town of Grand Valley throughout the year for the electricity needs of the Townships and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The Corporation also provides additional services to the Townships, including streetlight maintenance services, sentinel lights and water and waste water billing and customer care services.

(d) Transactions with related parties

The Corporation paid $52,609 (2019 - $73,725) in fees to Cornerstone Hydro Electric Concepts Association Inc. (CHEC). CHEC is an association of sixteen electricity distribution utilities modeled after a cooperative to share resources and proficiencies.

The Corporation owns 100 common shares, at a cost of $100, in Utility Collaborative Services Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the immaterial amount, the investment was expensed. The Corporation paid $207,566 (2019 - $159,696) in fees to UCS. UCS offers standards-based back office services and the collaboration allows leverage in the reduction of costs for items such as information technology hosting and software licensing.

(e) Key management personnel

The key management personnel of the Corporation have been defined as members of its board of directors and executive management team members. The compensation paid during the year is $554,334 (2019 - $514,110).

19. Financial instruments and risk management

Fair value disclosure

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand.

The fair value of the TD Bank long-term debt at December 31, 2020 is $6,942,693. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value at December 31, 2020 ranged from 0.46% to 1.43%.

19. Financial instruments and risk management (continued)

Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

(a) Credit risk

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the Town of Orangeville and Town of Grand Valley.

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for impairment at December 31, 2020 is $46,000 (2019 - $42,000). An impairment loss of $37,389 (2019 - $51,922) was recognized during the year.

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2020, approximately $78,016 (2019 - $43,586) is considered 60 days past due. The Corporation has over 12,000 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB and through credit insurance. As at December 31, 2020, the Corporation holds security deposits in the amount of $629,719 (2019 - $724,514) which also includes deposits received from developers.

(b) Market risk

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

A 1% increase in the interest rate at December 31, 2020 would have increased interest expense on the long-term debt by $137,012 (2019 - $132,603), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.

19. Financial instruments and risk management (continued)

(c) Liquidity risk

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a $3,500,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2020, the Corporation has $2,293,740 available on this credit facility.

The Corporation also has a facility for $1,206,260 (the "LC" facility) for the purpose of issuing letters of credit mainly to support the prudential requirements of the IESO, of which $nil has been drawn and posted with the IESO (2019 - $nil).

The majority of accounts payable, as reported on the statement of financial position, are due within 30 days.

(d) Capital disclosures

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes equity and long-term debt. As at December 31, 2020, equity amounts to $11,965,738 (2019 - $11,329,992) and long-term debt amounts to $13,418,780 (2019 - $12,444,972).

20. Impact of COVID-19 pandemic:

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world.

During the year, the Corporation has experienced the following in relation to the pandemic:

— Mandatory working from home requirements for those able to do so

The situation is evolving and the ultimate duration and magnitude of the impact on the economy is not known at this time. The outbreak has not had any material impacts on the operation of the Corporation to date, and management does not expect any material impacts given the nature and scope of the business, and management will continue to actively monitor the situation.

21. Comparatives

Certain comparative information has been reclassified to conform with the financial statement presentation adopted in the current year.

Schedule of Instalment Remittances

Name of corporation contact

Telephone number

Effective interest date	Description (instalment remittance, split payment, assessed credit)	Amount of credit
	2020 installments	83,000
	Total amount of instalments claimed (carry the result to line 840 of the T2 Return)	83,000 **A**
	Total instalments credited to the taxation year per T9	83,000 **B**

Transfer

	Account number	Taxation year end	Amount	Effective interest date	Description
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule to reconcile 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.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 . . . 1,086,517 A

Add:

	Line	Amount		
Provision for income taxes – current	101	-102,388		
Provision for income taxes – deferred	102	144,285		
Amortization of tangible assets	104	996,813		
Charitable donations and gifts from Schedule 2	112	5,075		
Taxable capital gains from Schedule 6	113	43,554		
Non-deductible meals and entertainment expenses	121	625		
Reserves from financial statements – balance at the end of the year	126	392,292		
Subtotal of additions		1,480,256	►	1,480,256

Other additions:

Miscellaneous other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	8,000
2	Paragraph 12(1)(x) - Contributed capital	239,979
3	Paragraph 12(1)(a) - Customer Deposits	629,719
4	Tax grouped with change in regulatory	298,777
	Total of column 2	1,176,475

	Line	Amount		
Total of column 2	296	1,176,475		
Subtotal of other additions	199	1,176,475	►	1,176,475 D
Total additions	500	2,656,731	►	2,656,731

Amount A **plus** line 500 . . . 3,743,248 B

Deduct:

	Line	Amount		
Gain on disposal of assets per financial statements	401	49,214		
Capital cost allowance from Schedule 8	403	1,534,855		
Reserves from financial statements – balance at the beginning of the year	414	379,688		
Subtotal of deductions		1,963,757	►	1,963,757

Other deductions:

Miscellaneous other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	59,205
2	Subsection 13(7.4) election	239,979
3	Paragraph 20(1)(m) - Customer Deposits	629,719
4	Tax movement in reg account	144,285
	Total of column 2	1,073,188

Total of column 2 ► 396 1,073,188

Subtotal of other deductions	499	1,073,188 ▶	1,073,188	E
Total deductions	510	3,036,945 ▶	3,036,945	
Net income (loss) for income tax purposes (amount B **minus** line 510)			706,303	C

Enter amount C on line 300 of the T2 return.

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Explanatory note

For FS presentation, grouped $198,124 of tax expense as a reduction to regulatory movement.

Description	Operator (Note)	Amount	
Movement in note 7 of FS for deferred tax balance		144,285	00
	+		
	Total	144,285	00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 295 – Amount

Title Line 295 – Amount

Explanatory note
As per balance sheet

Description	Operator (Note)	Amount
Short term customer deposit		225,000 00
Long-term Portion of Customer Deposit	+	404,719 00
	+	
	Total	629,719 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Description	Operator (Note)	Amount
Short term customer deposit		225,000 00
Long-term Portion of Customer Deposit	+	404,719 00
	+	
	Total	629,719 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Federal

A		
X	Investment tax credit from apprenticeship job creation expenditures	2,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
	Canada emergency wage subsidy (CEWS), Canada emergency rent subsidy (CERS) and other taxable amounts from COVID-19 programs* * The amount entered in this field is transferred to the **Miscellaneous other additions** section of Schedule 1 on the line of column 295 associated with line 4, **Taxable amounts from COVID-19 programs**, of column 605.	

Ontario

A		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency / Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Various donation slips	5,075
Subtotal	5,075
Add: Total donations of less than $100 each	
Total donations in current tax year	5,075

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			1A		
Charitable donations expired after five tax years*	239				
Charitable donations at the beginning of the current tax year (amount 1A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1, Net Income (Loss) for Income Tax Purposes)	210	5,075		5,075	5,075
Subtotal (line 250 **plus** line 210)		5,075	1B	5,075	5,075
Subtotal (line 240 **plus** amount 1B)		5,075	1C	5,075	5,075
Adjustment for an acquisition of control	255				
Total charitable donations available (amount 1C **minus** line 255)		5,075	1D	5,075	5,075
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2) (enter this amount on line 311 of the T2 return)	260	5,075		5,075	5,075
Charitable donations closing balance (amount 1D **minus** line 260)	280				

	Line	Amount	
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)	262		
Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %)			1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

	Line	Amount	
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)	263		
Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %)			2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

	Line	Amount	
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)	265		
British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %)			3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2019-12-31			
2nd prior year	2018-12-31			
3rd prior year	2017-12-31			
4th prior year	2016-12-31			
5th prior year	2015-12-31			
6th prior year*	2014-12-31			
7th prior year	2013-12-31			
8th prior year	2012-12-31			
9th prior year	2011-12-31			
10th prior year	2010-12-31			
11th prior year	2009-12-31			
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes Note 1 **multiplied** by 75 % 529,727 2A

Taxable capital gains arising in respect of gifts of capital property included in Part 1 Note 2 225

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) 227

The amount of the recapture of capital cost allowance in respect of charitable donations 230

Proceeds of disposition, **less** outlays and expenses Note 2 ..... 2B

Capital cost Note 2 ..... 2C

Amount 2B or 2C, whichever is less 235

Amount on line 230 or 235, whichever is less 2D

Subtotal (**add** lines 225, 227, and amount 2D) 2E

Amount 2E **multiplied** by 25 % 2F

Subtotal (amount 2A **plus** amount 2F) 529,727 2G

Maximum allowable deduction for charitable donations
(enter amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is the least) 5,075 2H

Note 1: For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift **divided** by the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

		Federal		Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			3A		
Gifts of certified cultural property expired after five tax years*	439				
Gifts of certified cultural property at the beginning of the current tax year (amount 3A **minus** line 439)	440				
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450				
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410				
Subtotal (line 450 **plus** line 410)			3B		
Subtotal (line 440 **plus** amount 3B)			3C		
Adjustment for an acquisition of control	455				
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460				
Subtotal (line 455 **plus** line 460)			3D		
Gifts of certified cultural property closing balance (amount 3C **minus** amount 3D)	480				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2019-12-31			
2nd prior year	2018-12-31			
3rd prior year	2017-12-31			
4th prior year	2016-12-31			
5th prior year	2015-12-31			
6th prior year*	2014-12-31			
7th prior year	2013-12-31			
8th prior year	2012-12-31			
9th prior year	2011-12-31			
10th prior year	2010-12-31			
11th prior year	2009-12-31			
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			4B		
Subtotal (line 540 **plus** amount 4B)			4C		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			4D		
Gifts of certified ecologically sensitive land closing balance (amount 4C **minus** amount 4D)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2019-12-31			
2nd prior year	2018-12-31			
3rd prior year	2017-12-31			
4th prior year	2016-12-31			
5th prior year	2015-12-31			
6th prior year*	2014-12-31			
7th prior year	2013-12-31			
8th prior year	2012-12-31			
9th prior year	2011-12-31			
10th prior year	2010-12-31			
11th prior year*	2009-12-31			
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

	Line	Federal	Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year	5A			
Additional deduction for gifts of medicine expired after five tax years*	639			
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A **minus** line 639)	640			
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650			
Additional deduction for gifts of medicine made before March 22, 2017:				
Proceeds of disposition	602			
Cost of gifts of medicine made before March 22, 2017	601			
Subtotal (line 602 **minus** line 601)	5B			
Amount 5B **multiplied** by 50 %	5C			
Eligible amount of gifts	600			

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

where:

a is the **lesser** of line 601 and amount 5C

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

	Line	Federal	Québec	Alberta
Subtotal (line 650 **plus** line 610)	5D			
Subtotal (line 640 **plus** amount 5D)	5E			
Adjustment for an acquisition of control	655			
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660			
Subtotal (line 655 **plus** line 660)	5F			
Additional deduction for gifts of medicine closing balance (amount 5E **minus** amount 5F)	680			

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2019-12-31			
2nd prior year	2018-12-31			
3rd prior year	2017-12-31			
4th prior year	2016-12-31			
5th prior year	2015-12-31			
6th prior year*	2014-12-31			
7th prior year	2013-12-31			
8th prior year	2012-12-31			
9th prior year	2011-12-31			
10th prior year	2010-12-31			
11th prior year	2009-12-31			
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2019-12-31	
2nd prior year	2018-12-31	
3rd prior year	2017-12-31	
4th prior year	2016-12-31	
5th prior year	2015-12-31	
6th prior year*	2014-12-31	
7th prior year	2013-12-31	
8th prior year	2012-12-31	
9th prior year	2011-12-31	
10th prior year	2010-12-31	
11th prior year	2009-12-31	
12th prior year		
13th prior year		
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A payer corporation is **connected** with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.
  Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, I, I.1 and L **only if** the payer corporation is **connected.**

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business Number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			
					Total of column E (enter amount on line 402 of Schedule 1)	

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d)[note 1] **240**	F1	G Eligible dividends included in column F **242**	H Total taxable dividends paid by **connected** payer corporation (for tax year in column D) **250**
1				

	I Dividend refund of the **connected** payer corporation (for tax year in column D)[note 2] **260**	I.1 Dividend refund of the **connected** payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (for tax year in column D) [notes 2 and 5]	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3%[note 3] **265**	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3%[note 4] **275**	L Part IV tax before deductions on taxable dividends received from **connected** corporations [notes 2 and 5] **280**
1					

Total of column L (enter amount on line 2E in Part 2) ____

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) . . . . ____ 1A

Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) . . . . ____ 1B

Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 return) ____ 1C

Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) . . . . ____ 1D

Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) . . . . ____ 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) . . . . ____ 1F

Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) . . . . ____ 1G

Subtotal (amount 1F **plus** amount 1G) ____ ▶ ____ 1H

Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) . . . . ____ 1I

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) . . . . ____ 1J

Subtotal (amount 1I **plus** amount 1J) ____ ▶ ____ 1K

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) . . . . ____ 1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable. For column L, you only have to estimate the payer's dividend refund from its eligible refundable dividend tax on hand (ERDTOH) (column I.1).

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column F.

5 For taxable dividends received from **connected** corporations (with a tax year starting **after 2018**), Part IV tax on dividends is equal to: column I.1 (total of amounts CC and II of the connected payer corporation (on page 7 of the T2 return)) **divided** by column H **multiplied** by column F. If there is no dividend refund to the connected payer corporation from its ERDTOH for paying the taxable dividends, line 280 is nil.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320			
Subtotal (amount 2A **minus** line 320)			►	2B
Current-year non-capital loss claimed to reduce Part IV tax	330			
Non-capital losses from previous years claimed to reduce Part IV tax	335			
Current-year farm loss claimed to reduce Part IV tax	340			
Farm losses from previous years claimed to reduce Part IV tax	345			
Total losses applied against Part IV tax (total of lines 330 to 345)			2C	
Amount 2C **multiplied** by 38 1 / 3 %				2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0") (enter amount on line 712 of the T2 return)	360			

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations (total of column L in part 1)		2E
Amount 4A from Schedule 43		2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E **minus** amount 2F, if negative enter "0") (enter at amount L on page 7 of the T2 return)		2G

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)		2H
Amount 4C from Schedule 43		2I
Part IV tax payable on eligible dividends received from non-connected corporations (amount 2H **minus** amount 2I, if negative enter "0") (enter at amount M on page 7 of the T2 return)		2J

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of connected recipient corporation 400	M Business Number 410	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD 420	O Taxable dividends paid to connected corporations 430	P Eligible dividends included in column O 440
1	Corporation of the town of Orangeville	10698 6151 RC0001	2020-12-31	425,979	
2					
				425,979 (Total of column O)	(Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations		450	24,792
Eligible dividends included in line 450	455		
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)		460	450,771
Total eligible dividends paid in the tax year (total of column P **plus** line 455)		465	
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)		470	450,771

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	172,796	3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)				450,771
Other dividends paid in the tax year (total of 510 to 540)				
Total dividends paid in the tax year			500	450,771
Dividends paid out of capital dividend account	510			
Capital gains dividends	520			
Dividends paid on shares described in subsection 129(1.2)	530			
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540			
Subtotal (total of lines 510 to 540)			►	4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)				450,771 4B

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Schedule 5

Tax Calculation Supplementary – Corporations

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if, during the tax year, your corporation:
  - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - is claiming provincial or territorial tax credits or rebates (see Part 2), or
  - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- All legislative references are to the Income Tax Regulations.
- For more information, see the T2 Corporation – Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Allocation of taxable income

100 ______ Enter the regulation that applies (402 to 413)

A Jurisdiction. Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year *		B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2** (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes ☐	103		143		
Newfoundland and Labrador Offshore	004 Yes ☐	104		144		
Prince Edward Island	005 Yes ☐	105		145		
Nova Scotia	007 Yes ☐	107		147		
Nova Scotia Offshore	008 Yes ☐	108		148		
New Brunswick	009 Yes ☐	109		149		
Quebec	011 Yes ☐	111		151		
Ontario	013 Yes ☐	113		153		
Manitoba	015 Yes ☐	115		155		
Saskatchewan	017 Yes ☐	117		157		
Alberta	019 Yes ☐	119		159		
British Columbia	021 Yes ☐	121		161		
Yukon	023 Yes ☐	123		163		
Northwest Territories	025 Yes ☐	125		165		
Nunavut	026 Yes ☐	126		166		
Outside Canada	027 Yes ☐	127		167		
Total		129 G		169 H		

* **Permanent establishment** is defined in subsection 400(2)

** For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:
1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation – Income Tax Guide.
2. If your corporation has provincial or territorial tax payable, complete Part 2.
3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits
701,228		701,228	80,641

	Line	Amount		Amount	
Ontario basic income tax (from Schedule 500)	270	80,641			
Ontario small business deduction (from Schedule 500)	402				
Subtotal (line 270 **minus** line 402)		80,641	►	80,641	5A
Ontario transitional tax debits (from Schedule 506)	276				
Recapture of Ontario research and development tax credit (from Schedule 508)	277				
Subtotal (line 276 **plus** line 277)			►		5B
Gross Ontario tax (amount 5A **plus** amount 5B)				80,641	5C
Ontario resource tax credit (from Schedule 504)	404				
Ontario tax credit for manufacturing and processing (from Schedule 502)	406				
Ontario foreign tax credit (from Schedule 21)	408				
Ontario credit union tax reduction (from Schedule 500)	410				
Ontario political contributions tax credit (from Schedule 525)	415				
Ontario non-refundable tax credits (total of lines 404 to 415)			►		5D
Subtotal (amount 5C **minus** amount 5D) (if negative, enter "0")				80,641	5E
Ontario research and development tax credit (from Schedule 508)	416				
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E **minus** line 416) (if negative, enter "0")				80,641	5F
Ontario corporate minimum tax credit (from Schedule 510)	418				
Ontario community food program donation tax credit for farmers (from Schedule 2)	420				
Ontario corporate income tax payable (amount 5F **minus** the total of lines 418 and 420) (if negative, enter "0")				80,641	5G
Ontario corporate minimum tax (from Schedule 510)	278				
Ontario special additional tax on life insurance corporations (from Schedule 512)	280				
Subtotal (line 278 **plus** line 280)			►		5H
Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H)				80,641	5I
Ontario qualifying environmental trust tax credit	450				
Ontario co-operative education tax credit (from Schedule 550)	452	3,000			
Ontario apprenticeship training tax credit (from Schedule 552)	454				
Ontario computer animation and special effects tax credit (from Schedule 554)	456				
Ontario film and television tax credit (from Schedule 556)	458				
Ontario production services tax credit (from Schedule 558)	460				
Ontario interactive digital media tax credit (from Schedule 560)	462				
Ontario book publishing tax credit (from Schedule 564)	466				
Ontario innovation tax credit (from Schedule 566)	468				
Ontario business-research institute tax credit (from Schedule 568)	470				
Ontario regional opportunities investment tax credit (from Schedule 570)	472				
Ontario refundable tax credits (total of lines 450 to 472)		3,000	►	3,000	5J
Net Ontario tax payable or refundable tax credit (amount 5I **minus** amount 5J) (if a credit, enter amount in brackets) Include this amount on line 255.	290			77,641	

Summary

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable tax credits ... 255 — 77,641

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

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Schedule 6

Summary of Dispositions of Capital Property

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if your corporation disposed of (actual or deemed) capital property or claimed an allowable business investment loss (ABIL), or both, in the tax year.
- All legislative references are to the federal Income Tax Act.
- Also use this schedule to make a designation under paragraph 111(4)(e) if control of the corporation has been acquired by a person or a group of persons.
- For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the T2 Corporation Income Tax Guide.
- If you need more space, attach additional schedules.

Designation under paragraph 111(4)(e)

Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)? . . . . . . **050** Yes ☐ No ☒

If **yes**, attach a statement specifying which properties such a designation applies to.

In the various sections of this form:
- The abbreviation **FS** (for foreign source) is used to indicate the capital gain or loss arising from foreign property;
- The abbreviation **PA** (for passive asset) is used to indicate the capital gain or loss arising from the disposition of an asset other than an active asset of the corporation.

Part 1 – Shares

1 Number of shares **100**	2 Name of corporation in which the shares are held **105**	3 Class of shares **106**	4 Date of acquisition YYYYMMDD **110**	5 Proceeds of disposition **120**	6 Adjusted cost base **130**	7 Outlays and expenses from disposition **140**	8 Gain (or loss) (column 5 **minus** columns 6 and 7) **150**	A FS	A PA
			Totals						

Total adjustment under subsection 112(3) to all losses identified in Part 1 . . . . **160** ______

Actual gain or loss from the disposition of shares (total of column 8 **plus** line 160) . . . . ______ **A**

Part 2 – Real estate (Do not include losses on depreciable property)

1 Municipal address of real estate 1 = Address 1 2 = Address 2 3 = City 4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code **200**	2 Date of acquisition YYYYMMDD **210**	3 Proceeds of disposition **220**	4 Adjusted cost base **230**	5 Outlays and expenses from disposition **240**	6 Gain (or loss) (column 3 **minus** columns 4 and 5) **250**	A FS	A PA
Land as per Q 101		91,580	4,473		87,107		
Totals		91,580	4,473		87,107	**B**	

Part 3 – Bonds

1 Face value of bonds **300**	2 Maturity date YYYYMMDD **305**	3 Name of bond issuer **307**	4 Date of acquisition YYYYMMDD **310**	5 Proceeds of disposition **320**	6 Adjusted cost base **330**	7 Outlays and expenses from disposition **340**	8 Gain (or loss) (column 5 **minus** columns 6 and 7) **350**	A FS	A PA
			Totals					**C**	

Part 4 – Other properties (Do not include losses on depreciable property)

1 Description of other property 400	2 Date of acquisition YYYYMMDD 410	3 Proceeds of disposition 420	4 Adjusted cost base 430	5 Outlays and expenses from disposition 440	6 Gain (or loss) (column 3 **minus** columns 4 and 5) 450	A FS PA
Totals						D

Note
Other property includes capital debts, debts in respect of the disposition of a personal-use property per subsection 50(2), and amounts that arise from foreign currency transactions.

Part 5 – Personal-use property (Do not include listed personal property)

1 Description of personal-use property 500	2 Date of acquisition YYYYMMDD 510	3 Proceeds of disposition 520	4 Adjusted cost base 530	5 Outlays and expenses from disposition 540	6 Gain only (column 3 **minus** columns 4 and 5; if negative, enter "0") 550	A FS PA
Totals						E

Note
You **cannot** deduct losses on dispositions of personal-use property (other than listed personal property or a debt that is a personal-use property) from your income.

Part 6 – Listed personal property

1 Description of listed personal property 600	2 Date of acquisition YYYYMMDD 610	3 Proceeds of disposition 620	4 Adjusted cost base 630	5 Outlays and expenses from disposition 640	6 Gain (or loss)* (column 3 **minus** columns 4 and 5) 650	A FS PA
Totals						

Unapplied listed personal property losses from other years (amount from line 530 of Schedule 4, Corporation Loss Continuity and Application) . . . . 655 ______

Net gains (or losses) from the disposition of listed personal property (total of column 6 **minus** line 655) . . . . ______ F

Note

Net listed personal property losses can only be applied against listed personal property gains.

* Do **not** include gains arising on the disposition of certain certified cultural property to a designated cultural institution. See subparagraph 39(1)(a)(i.1) for more information.

Part 7 – Property qualifying for and resulting in an allowable business investment loss

1 Name of small business corporation 900	2 Shares, enter **1**; debt, enter **2** 905	3 Date of acquisition YYYYMMDD 910	4 Proceeds of disposition 920	5 Adjusted cost base 930	6 Outlays and expenses from disposition 940	7 Loss only (column 4 **minus** columns 5 and 6) 950	A FS PA
Totals							

Allowable business investment losses (ABILs) . . . . Total of Column 7 ______ x 50.0000 % = ______ G

Enter amount G on line 406 of Schedule 1, Net Income (Loss) for Income Tax Purposes.

Note
Properties listed in Part 7 should **not** be included in any other parts of this schedule.

Part 8 – Capital gains or losses

Total of amounts A to F (do **not** include amount F if it is a loss)		87,107	H	
				FS PA
Capital gains dividend received in the year	875			
Capital gains reserve opening balance (from Part 1 of Schedule 13, Continuity of Reserves)	880			
Subtotal (amount H **plus** total of lines 875 and 880)		87,107	I	
Capital gains reserve closing balance (from Part 1 of Schedule 13, Continuity of Reserves)	885			
Capital gains or losses, excluding ABILs (amount I **minus** line 885)	890	87,107		

Part 9 – Taxable capital gains and total capital losses

Capital gains or losses, excluding ABILs (amount from line 890 in Part 8) ..... 87,107 J

Deduct the following amounts included in amount J, that are subject to the zero inclusion rate:

Note
When a taxpayer is entitled to an advantage in respect of a donation, the zero inclusion rate is restricted to only part of the taxpayer's capital gain on disposition of the property. See section 38.2 for more information.

Gain on the donation to a qualified donee of a share, debt obligation, or right listed on a designated stock exchange and other securities under paragraphs 38(a.1)(i) and (iii)	895				FS PA
Gain on the donation to a qualified donee of ecologically sensitive land under subsection 38(a.2)*	896				FS PA
Exempt portion of the gain on the donation of securities arising from the exchange of a partnership interest under paragraph 38(a.3)		a			FS PA
Subtotal (line 895 **plus** line 896 **plus** line a)		▶		K	
Subtotal (amount J **minus** amount K)			87,107	L	

Deemed capital gain from the donation of property included in a flow-through share class of property to a qualified donee under subsection 40(12):

Exemption threshold at time of disposition	897	
The total of all capital gains from the disposition of the actual property	898	

Line 897 or line 898, whichever is less ..... M (FS PA)

Taxable capital gains under section 34.2 (line 275 of Schedule 73, Income Inclusion Summary for Corporations that are Members of Partnerships) ..... x 2 = 899

Subtotal (total of amounts L and M **plus** line 899) 87,107 N

Allowable capital losses under section 34.2 (line 285 of Schedule 73, Income Inclusion Summary for Corporations that are Members of Partnerships) ..... x 2 = 901

Total capital gains or losses (amount N **minus** line 901) 87,107 O

Taxable capital gains or total capital losses

Total capital losses (amount O, if amount O is negative; if amount O is positive, enter "0") ..... P
Enter amount P on line 210 of Schedule 4.

Taxable capital gains (if amount O is positive, enter amount O 87,107 multiplied by 50.0000 %;
if amount O is negative, enter "0") ..... 43,554 Q
Enter amount Q on line 113 of Schedule 1.

* Do **not** include gains on donations of ecologically sensitive land to a private foundation.

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Schedule 7

Aggregate Investment Income and Income Eligible for the Small Business Deduction

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if you are a Canadian-controlled private corporation (CCPC) to calculate:
  - your aggregate investment income and foreign investment income, as defined in subsection 129(4), to determine the refundable portion of Part I tax, and your adjusted aggregate investment income, as defined in subsection 125(7), for the purpose of the business limit reduction
  - your **specified partnership income**, as defined in subsection 125(7), if you are a member (or **designated member**) of one or more partnerships, and
  - your income from an active business carried on in Canada eligible for the small business deduction including any **specified corporate income** as defined in subsection 125(7)
- Use this schedule if another CCPC is making an assignment of **business limit** under subsection 125(3.2) to you.
- Use this schedule if you are a corporation that is a member of a partnership to assign **specified partnership business limit** to a **designated member** under subsection 125(8).
  Note: If you are a corporation that is not a CCPC, **only** complete Table 1 (columns A1, B1, C1, G1, H1 and J1) and Table 3 to make this assignment.
- The adjusted aggregate investment income, for the purpose of the business limit reduction, also applies to a tax year of a corporation that begins before 2019 and ends after 2018 under the following circumstances:
  - the corporation's preceding tax year was, because of a transaction or event or a series of transactions or events, shorter than it would have been in the absence of that transaction, event or series, and
  - one of the reasons for the transaction, event or series was to defer the application of subsections 125(5.1), (5.2) and (7) to the corporation
- All legislative references are to the Income Tax Act.
- For more information, see **Small Business Deduction** and **Refundable Portion of Part I Tax** in Guide T4012, T2 Corporation – Income Tax Guide.
- See the notes at the end of the form.

Part 1 – Aggregate investment income

Aggregate investment income is all **world** source income.

Eligible portion of taxable capital gains for the year	002			43,554	
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	012				
Net capital losses of previous years claimed on line 332 on the T2 return	022				
Subtotal (line 012 **plus** line 022)			►		A
Line 002 **minus** amount A (if negative, enter "0")				43,554	B
Total income from property (include income from a specified investment business carried on in Canada other than income from a source outside Canada)	032				
Exempt income	042				
Amounts received from AgriInvest Fund No. 2 that were included in computing the corporation's income for the year	052				
Taxable dividends deductible (total of column F on Schedule 3 **minus** related expenses)	062				
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	072				
Subtotal (**add** lines 042, 052, 062 and 072)		►			C
Subtotal (line 032 **minus** amount C)			►		D
Amount B **plus** amount D				43,554	E
Total losses from property (include losses from a specified investment business carried on in Canada other than a loss from a source outside Canada)	082				
Amount E **minus** line 082 (if negative, enter "0") (enter on line 440 of the T2 return)	092			43,554	

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Canada

Part 2 – Adjusted aggregate investment income

Eligible portion of taxable capital gains for the year (other than taxable capital gains from the disposition of an active asset note 13)				705	
Eligible portion of allowable capital losses for the year (including allowable business investment losses) (other than allowable capital losses from the disposition of an active asset note 13)				710	
Subtotal (line 705 **minus** line 710) (if negative, enter "0")					F
Total income from property note 14		715			
Exempt income	720				
Amounts received from AgriInvest Fund No. 2 that were included in computing the corporation's income for the year	725				
Dividends from connected corporations	730				
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	735				
Subtotal (**add** lines 720, 725, 730 and 735)	►		G		
Subtotal (line 715 **minus** amount G)			►		H
Amount F **plus** amount H					I
Total losses from property note 14				740	
Amount, if any, deducted under subsection 91(4) in computing the corporation's income for the year				741	
Adjusted aggregate investment income (amount I **minus** line 740, **plus** line 741) (if negative, enter "0")				745	

If this is your first tax year starting after 2018, complete the following portion.

Eligible portion of taxable capital gains for each tax year that ended in the preceding calendar year (other than taxable capital gains from the disposition of an active asset note 13)				2A
Eligible portion of allowable capital losses for each tax year that ended in the preceding calendar year (including allowable business investment losses)(other than allowable capital losses from the disposition of an active asset note 13)				2B
Subtotal (amount 2A **minus** amount 2B) (if negative, enter "0")				2C
Total income from property for each tax year that ended in the preceding calendar year note 14		2D		
Exempt income for each tax year that ended in the preceding calendar year	2E			
Amounts received from AgriInvest Fund No. 2 that were included in computing the corporation's income for each tax year that ended in the preceding calendar year	2F			
Dividends from connected corporations for each tax year that ended in the preceding calendar year	2G			
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) for each tax year that ended in the preceding calendar year	2H			
Subtotal (**add** amounts 2E, 2F, 2G and 2H)	►	2I		
Subtotal (amount 2D **minus** amount 2I)			►	2J
Amount 2C **plus** amount 2J				2K
Total losses from property for each tax year that ended in the preceding calendar year note 14				2L
Amount, if any, deducted under subsection 91(4) in computing the corporation's income for each tax year that ended in the preceding calendar year			742	
Adjusted aggregate investment income (amount 2K **minus** amount 2L, **plus** line 742) (if negative, enter "0")			744	

(enter the total of line 744 and the adjusted aggregate investment income of all associated corporations on line 417 of the T2 return)

Part 3 – Foreign investment income

Foreign investment income is all income from sources **outside Canada**.

Eligible portion of taxable capital gains for the year					001		
Eligible portion of allowable capital losses for the year (including allowable business investment losses)					009		
Subtotal (line 001 **minus** line 009) (if negative, enter "0")							J
Total income from property from a source **outside Canada** (net of related expenses)			019				
Exempt income	029						
Taxable dividends deductible (total of column F on Schedule 3 **minus** related expenses)	049						
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	059						
Subtotal (**add** lines 029, 049, and 059)		►		K			
Subtotal (line 019 **minus** amount K)				►			L
Amount J **plus** amount L							M
Total losses from property from a source **outside Canada**					069		
Amount M **minus** line 069 (if negative, enter "0") (enter on line 445 of the T2 return)					079		

Part 3A – Canadian and foreign investment income and adjusted aggregate investment income calculation

	A Canadian investment income	B Foreign investment income	C Adjusted aggregate investment income*	
Eligible portion of the taxable capital gains for the year before taking into account the capital gains reserves (federal) of Schedule 13*	43,554			1.1
Eligible portion of capital gains reserves (addition/deduction)*, **				1.2
Taxable capital gains under section 34.2 (line 275 on Schedule 73)**				1.3
Eligible portion of the taxable capital gains for the year (**add** amounts 1.1, 1.2, and 1.3)	43,554			1
Eligible portion of allowable capital losses for the year (including allowable business investment losses)*				2.1
Net capital losses of previous years (line 332 on the T2 return)				2.2
Allowable capital losses under section 34.2 (line 285 of Schedule 73)**				2.3
Allowable capital losses for the year (**add** amounts 2.1, 2.2 and 2.3)				2
Amount 1 **minus** amount 2 (if negative, enter "0")	43,554			3
Taxable dividends				4.1
Rental property income (under regulation 1100(11))				4.2
Other property income*				4.3
Property income under section 34.2 (line 280 of Schedule 73)**				4.4
Total property income (**add** amounts 4.1, 4.2, 4.3 and 4.4)				4
Exempt income				5.1
Amounts received from AgriInvest Fund No. 2 that were included in computing the corporation's income for the year				5.2
Taxable dividends deductible (total of column F on Schedule 3 **minus** related expenses)*				5.3
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)				5.4
Add amounts 5.1, 5.2, 5.3 and 5.4				5
Amount 4 **minus** amount 5				6
Amount 3 **plus** amount 6	43,554			7
Rental property losses (under regulation 1100(11))				8.1
Dividend losses				8.2
Other property losses*				8.3
Property losses under section 34.2 (line 280 of Schedule 73)**				8.4
Total property losses (**add** amounts 8.1, 8.2, 8.3 and 8.4)				8
Amount 7 **minus** amount 8 (if negative, enter "0")	43,554			9
Amount, if any, deducted under subsection 91(4) in computing the corporation's income for the year				10
Amount 7 **minus** amount 8 **plus** amount 10 (if negative, enter "0")				11

* To calculate the adjusted aggregate investment income under column C:

- On lines 1.1, 1.2 and 2.1, only capital gains and losses resulting from the disposition of property other than an active asset (as defined under subsection 125(7) ITA) are to be taken into account.
- On line 4.3, include amounts in respect of a life insurance policy that are included in computing the corporation's income for the year (even if those amounts are not included in the calculation of the corporation's investment income in column A and B) as well as the income from a specified foreign investment business.
- On line 5.3, only the dividends received from a connected corporation should be included.
- On line 8.3, include the loss from a specified foreign investment business.

For more information on the calculation of the adjusted aggregate investment income, consult notes 13 and 14 at the end of this form as well as the Help (F1).

** When an amount is entered on these lines in column B, it reduces the corresponding amount in column A. For more information, consult the Help (F1).

Net taxable dividends		Canadian	Foreign	Total
Taxable dividends deducted per Schedule 3				
Less: Expenses related to such dividends	**A***			
Total expenses				
Net taxable dividends				

* Column A – Enter an “X” if the expense is related to a dividend received from a connected corporation.

Part 4 – Specified partnership income

Table 1 – Specified partnership income

A	A1	1A
Is the corporation a designated member of the partnership?	Partnership name 200	Partnership's account number
Yes No		

B1	C1	D1	1D	2D	E1	F1
Total income (loss) of partnership from an active business 300	Corporation's share of amount in column B1 310	Income of the corporation from providing (directly or indirectly) services or property to the partnership 311	Prorated amounts calculated under section 34.2 note 1	Expenses the corporation incurred to earn partnership income	Adjustments (column 1D **minus** column 2D) 315	Corporation's income (loss) in respect of the partnership note 2 (**add** columns C1, D1 and E1) 320

Total 350 ______

G1	H1	I1	J1	K1	L1	M1
Number of days in the partnership's fiscal period 325	Prorated business limit notes 2 and 3 (column C1 ÷ column B1) × [$ 500 000 × (column G1 ÷ 365)] (if column C1 is negative, enter "0") 330	Specified partnership business limit **assigned to you** (from H2 in Table 2) note 5 335	Specified partnership business limit **assigned by you** from F3 in Table 3) note 6 336	Specified partnership business limit amount (column H1 **plus** column I1 **minus** column J1)	Column F1 **minus** column K1 (if negative, enter "0")	Lesser of columns F1 and K1 (if column F1 is negative, enter "0") note 4 340

Total 385 ______ 360 ______

Corporation's losses for the year from an active business carried on in Canada (other than as a member of a partnership) – enter as a positive amount . . . . 370 ______

Specified partnership loss of the corporation for the year – enter as a positive amount (total of all negative amounts in column F1) . . . . 380 ______

Subtotal (line 370 **plus** line 380) ______ N

Amount at line 385 or amount N, whichever is less . . . . 390 ______

Specified partnership income (line 360 **plus** line 390) . . . . 400 ______
(enter at amount R in Part 5)

Part 4 – Specified partnership income (continued)

Tables 2 and 3 are used to make an assignment of **specified partnership business limit** under subsection 125(8). A person that is a member of a partnership can make an assignment of **specified partnership business limit** under subsection 125(8) to a **designated member**.

If you are a CCPC that is a designated member and **receiving** specified partnership business limit from a person that is a member of the partnership, complete Table 2.

If you are a corporation that is a member of the partnership and **assigning** specified partnership business limit to a designated member, complete Table 3.

Table 2 – A member is assigning to you specified partnership business limit under subsection 125(8)

A2	2A	B2
Partnership name 405	Partnership's account number	Name of the member 406

C2	D2	E2	F2	G2	H2
Business number of the member (if applicable) 410	Social insurance number of the member (if applicable) 411	Trust account number of the member (if applicable) 412	Tax year start of the member (yyyymmdd) 415	Tax year-end of the member (yyyymmdd) 416	Specified partnership business limit assigned to you by the member note 7 420

Table 3 – You are assigning to a designated member (CCPC) specified partnership business limit under subsection 125(8)

A3	3A	B3
Partnership name 425	Partnership's account number	Name of the designated member 426

C3	D3	E3	F3
Business number of the designated member 430	Tax year start of the designated member (yyyymmdd) 435	Tax year-end of the designated member (yyyymmdd) 436	Specified partnership business limit assigned by you to the designated member note 8 440

Part 5 – Partnership income not eligible for the small business deduction

Corporation's income from active businesses carried on in Canada as a member or designated member of a partnership (after deducting related expenses) – from line 350 in Part 4 (if the net amount is negative, enter "0" on line 450)		O
Specified partnership loss (from line 380 in Part 4)		P
Subtotal (amount O **plus** amount P)		Q
Specified partnership income (from line 400 in Part 4)		R
Partnership income not eligible for the small business deduction (amount Q **minus** amount R) . . . . 450 (enter at amount Z in Part 6)		

Part 6 – Income eligible for the small business deduction

Net income for income tax purposes from line 300 of the T2 return			706,303	S	
Allowable business investment loss from line 406 of Schedule 1				T	
Subtotal (amount S **plus** amount T)			706,303	▶	706,303 U
Foreign business income after deducting related expenses note 9		500			
Taxable capital gains from line 113 of Schedule 1			43,554	V	
Net property income (line 032 note 10 **minus** the total of lines 042, 052 and 082 note 9 in Part 1)				W	
Personal services business income after deducting related expenses note 9	e1				
Other income after deducting related expenses note 9	e2				
Subtotal (amount e1 **plus** amount e2) note 9	▶	520			
Subtotal (**add** line 500, amount V, amount W and line 520)			43,554	▶	43,554 X
Net amount (amount U **minus** amount X)					662,749 Y
Partnership income not eligible for the small business deduction (line 450 in Part 5)				Z	
Partnership income allocated to your corporation under subsection 96(1.1)		530			
Income referred to in clause 125(1)(a)(i)(C)		540			
Income referred to in clause 125(1)(a)(i)(B) (from line 615 in Part 7)				AA	
Subtotal (**add** amount Z, line 530, line 540 and amount AA)				▶	BB
Specified corporate income (from line 625 in Part 7)					CC
Income eligible for the small business deduction (amount Y **minus** amount BB, **plus** amount CC) (enter amount DD on line 400 of the T2 return - if negative, enter "0")					662,749 DD

Part 7 – Specified corporate income and assignment under subsection 125(3.2)

	1EE Name of the corporation	**EE** Business number of the corporation 600	**FF** Income described under clause 125(1)(a)(i)(B) received from the corporation identified in column EE note 11 610	**GG** Business limit assigned **from** the corporation identified in column EE note 12 620
1				
			Total 615	Total 625

See the privacy statement on your return.

Notes

Note 1 Do **not** include expenses that were deducted in computing the income of the corporation in column D1.

In general, amounts included under subsections 34.2(2) and 34.2(3) or claimed under subsection 34.2(4) are deemed to have the **same character** and be in the **same proportions** as the partnership income they relate to. For example, if a corporation receives $100,000 of partnership income for the partnership's fiscal period ending in its tax year, and that income is made up of $40,000 of active business income, $30,000 of income from property, and $30,000 as a taxable capital gain, the corporation's adjusted stub period accrual (ASPA) in respect of the partnership would be 40% active business income, 30% property income, and 30% taxable capital gains. Add or deduct only the portion of the following amounts that are characterized as **active business income** in accordance with subsection 34.2(5):

Add:

- the ASPA under subsection 34.2(2) (column 4 of Schedule 73)
- the income inclusion for a new corporate member of a partnership under subsection 34.2(3) (column 6 of Schedule 73)
- the previous-year transitional reserve under subsection 34.2(12) (column 12 of Schedule 73)

Deduct:

- the previous-year ASPA under subsection 34.2(4) (column 5 of Schedule 73)
- the previous-year income inclusion for a new corporate member of a partnership under subsection 34.2(4) (column 7 of Schedule 73)

Note 2 When a partnership carries on more than one business, one of which generates income and another of which realizes a loss, the loss is **not** netted against the partnership's income when calculating the prorated business limit (column H1). Enter on line 380 the total of all losses from column F1.

Note 3 **If** you are a **designated member** of the partnership, enter "0".

Note 4 You must enter "0" **if** the partnership provides services or property to either:

(A) a private corporation (directly or indirectly in any manner whatever) in the year, if:

- you (or one of your shareholders) or a person that does **not** deal at arm's length with you (or one of your shareholders) holds a direct or indirect interest in the private corporation, and
- it is not the case that all or substantially all of the partnership's income for the year from an active business is from providing services or property to
  - persons (other than the private corporation) that deal at arm's length with the partnership and each person that holds a direct or indirect interest in the partnership, or
  - partnerships with which the partnership deals at arm's length, other than a partnership in which a person that does **not** deal at arm's length with you holds a direct or indirect interest, or

(B) a particular partnership (directly or indirectly in any manner whatever) in the year, if:

- you (or one of your shareholders) do **not** deal at arm's length with the particular partnership or a person that holds a direct or indirect interest in the particular partnership, and
- it is not the case that all or substantially all of the partnership's income for the year from an active business is from providing services or property to
  - persons that deal at arm's length with the partnership and each person that holds a direct or indirect interest in the partnership, or
  - partnerships (other than the particular partnership) with which the partnership deals at arm's length, other than a partnership in which a person that does **not** deal at arm's length with you holds a direct or indirect interest.

Note 5 If you are a CCPC that is a **designated member** receiving an assignment of **specified partnership business limit,** complete Table 2 to determine the amounts to enter in Table 1 column I1.

Note 6 If you are a corporation that is a **member** of the partnership and you are assigning **specified partnership business limit**, complete Table 3 to determine the amounts to enter in Table 1 column J1.

Note 7 Add the amounts in column H2 that are for the same partnership and enter it in Table 1 column I1, in the row of the applicable partnership.

Note 8 Add the amounts in column F3 that are for the same partnership and enter it in Table 1 column J1, in the row of the applicable partnership. This amount **cannot** be higher than the amount of prorated business limit you would otherwise be entitled to in Table 1 column H1 for that partnership.

Note 9 If negative, enter amount in brackets, and **add** instead of subtracting.

Note 10 Net of related expenses.

Note 11 This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts, each of which is your income from an active business for the year from providing services or property to a private corporation (directly or indirectly, in any manner whatever) if

(A) at any time in the year, you (or one of your shareholders) or a person that does **not** deal at arm's length with you (or one of your shareholders) holds a direct or indirect interest in the private corporation, and

(B) it is not the case that all or substantially all of your income for the year from an active business is from providing services or property to

(I) persons (other than the private corporation) with which you deal at arm's length, or

(II) partnerships with which you deal at arm's length, other than a partnership in which a person that does **not** deal at arm's length with you holds a direct or indirect interest.

Do **not** include specified farming or fishing income. If the conditions described in subsection 125(10) are met, do not include income from an associated corporation.

Note 12 The amount of business limit that a CCPC can assign to you cannot be greater than the amount in column FF that is from providing services or property **directly** to that CCPC. If there is an amount included in column FF that is deductible by that CCPC in respect of the amount of its income referred to in clause 125(1)(a)(i)(A) or (B) for its tax year, you need to deduct it from column FF for the purpose of determining the amount that can be assigned to you.

Notes (continued)

Note 13 Active asset, of a particular corporation at any time, means property that is:

(A) used at that time principally in an active business carried on primarily in Canada by the particular corporation or by a Canadian-controlled private corporation that is related to the particular corporation,

(B) a share of the capital stock of another corporation if, at that time,

- the other corporation is connected with the particular corporation (within the meaning assigned by subsection 186(4) on the assumption that the other corporation is at that time a payer corporation within the meaning of that subsection), and
- the share would be a qualified small business corporation share (as defined in subsection 110.6(1)) if:

– the references in that definition to an "individual" were references to the particular corporation, and

– that definition were read without reference to "the individual's spouse or common-law partner", or

(C) an interest in a partnership, if:

- at that time, the fair market value of the particular corporation's interest in the partnership is equal to or greater than 10% of the total fair market value of all interests in the partnership,
- throughout the 24-month period ending before that time, more than 50% of the fair market value of the property of the partnership was attributable to property described in this paragraph or in paragraph (A) or (B), and
- at that time, all or substantially all of the fair market value of the property of the partnership was attributable to property described in this paragraph or in paragraph (A) or (B).

Note 14 Income or loss from property of a particular corporation, for the purposes of calculating the corporation's adjusted aggregate investment income, includes income or loss from a specified investment business, as well as all amounts in respect of a life insurance policy that are included in computing the corporation’s income for the year (even if those amounts were not included in the computation of the corporation’s aggregate investment income in Part 1).

Canada Revenue Agency / Agence du revenu du Canada

Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

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** Yes ☐ No ☒

	1 Class number * See note 1 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) See note 2 203	4 Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) or zero-emission vehicle (ZEV) See note 3 225	5 Adjustments and transfers See note 4 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6 222	8 Proceeds of dispositions See note 7 207	9 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See note 8
1.	1	Buildings	7,989,426						0	7,989,426
2.	8	Equipment	127,401	3,769	3,769				0	131,170
3.	10	Trucks	284,247	181,741	181,741				25,000	440,988
4.	45	Computer equipment	13						0	13
5.	47	Electric Distribution Equipment	9,803,573	1,404,434	1,404,434	28,511			25,000	11,211,518
6.	50	Computer equipment	11,572	44,717	44,717				0	56,289
7.	43.2	Solar Generation	219						0	219
8.	14.1		115,140						0	115,140
9.	1b		5,690						0	5,690
10.	1b	2018 Addition	94,783	25,149	25,149				0	119,932
11.	95	CIP	29,360	15,625	15,625	-28,513			0	16,472
12.	12			21,059	21,059				0	21,059
		Totals	18,461,424	1,696,494	1,696,494	-2			50,000	20,107,916

	1 Class number * See note 1 200	Description	10 Proceeds of disposition available to reduce the UCC of AIIP and ZEV (column 8 **plus** column 6 **minus** column 3 **plus** column 4 **minus** column 7) (if negative, enter "0")	11 Net capital cost additions of AIIP and ZEV acquired during the year (column 4 **minus** column 10) (if negative, enter "0")	12 UCC adjustment for AIIP and ZEV acquired during the year (column 11 **multiplied** by the relevant factor) See note 9	13 UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 **multiplied** by the result of column 3 **minus** column 4 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") See note 10 224	14 CCA rate % See note 11 212	15 Recapture of CCA See note 12 213	16 Terminal loss See note 13 215	17 CCA (for declining balance method, the result of column 9 **plus** column 12 **minus** column 13, **multiplied** by column 14 or a lower amount) See note 14 217	18 UCC at the end of the year (column 9 **minus** column 17) 220
1.	1	Buildings					4	0	0	319,577	7,669,849
2.	8	Equipment		3,769	1,885		20	0	0	26,611	104,559
3.	10	Trucks	25,000	156,741	78,371		30	0	0	155,808	285,180
4.	45	Computer equipment					45	0	0	6	7
5.	47	Electric Distribution Equipmen	25,000	1,379,434	689,717		8	0	0	952,099	10,259,419
6.	50	Computer equipment		44,717	22,359		55	0	0	43,256	13,033
7.	43.2	Solar Generation					50	0	0	110	109
8.	14.1						5	0	0	8,038	107,102
9.	1b						6	0	0	341	5,349
10.	1b	2018 Addition		25,149	12,575		6	0	0	7,950	111,982
11.	95	CIP		15,625	7,813		0	0	0		16,472
12.	12			21,059			100	0	0	21,059	
		Totals	50,000	1,646,494	812,720					1,534,855	18,573,061

Enter the total of column 15 on line 107 of Schedule 1.
Enter the total of column 16 on line 404 of Schedule 1.
Enter the total of column 17 on line 403 of Schedule 1.

Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).

Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.

Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.

Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:

- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
- an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the $55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of $55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.

Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:

- 2 1/3 for property in Classes 43.1, 54 and 56
- 1 1/2 for property in Class 55
- 1 for property in Classes 43.2 and 53
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
- 0.5 for all other property that is AIIP

Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.

Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.

Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:

- passenger vehicles in Class 10.1
- property in Class 14.1, unless you have ceased carrying on the business to which it relates or
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply

Note 14. 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:

- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Corporation of the Town of Orange\		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	42,000		46,000	42,000	46,000
2	Employee Future Benefits	337,688		346,292	337,688	346,292
3						
	Reserves from Part 2 of Schedule 13					
	Totals	379,688		392,292	379,688	392,292

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)
2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
3 – Non-CCPC that is a **third corporation**
4 – Associated non-CCPC
5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . . **025** Year Month Day

Enter the calendar year the agreement applies to . . . . . . **050** Year 2020

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . . **075** [ ] Yes [X] No

	1 Name of associated corporations 100	2 Business number of associated corporations 200	3 Association code 300	4 Business limit for the year before the allocation $	5 Percentage of the business limit % 350	6 Business limit allocated* $ 400
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Gra	NR	1	500,000		
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000		
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000 A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - $10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19)

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Schedule 31

Investment Tax Credit – Corporations

General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year
  - to claim a deduction against Part I tax payable
  - to claim a refund of credit earned during the current tax year
  - to claim a carryforward of credit from previous tax years
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1)
  - to request a credit carryback to one or more previous years
  - if you are subject to a recapture of ITC
  - if you are claiming:
    - the **Ontario Research and Development Tax Credit**
    - the **Ontario Innovation Tax Credit**
- Unless otherwise stated, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that currently earn an ITC are:
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule)
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, Scientific Research and Experimental Development (SR&ED) Expenditures Claim
  - pre-production mining expenditures (Part 18)
    - You can no longer claim the ITC for the pre-production mining expenditures. Only unused credits that have not expired can be carried forward for up to 20 tax years following the tax year in which you made the investment.
  - apprenticeship job creation expenditures (Parts 19 to 21)
  - child care spaces expenditures (Parts 22 to 26)
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the ITC. However, if you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 remain eligible for the credit.
- File this schedule with the T2 Corporation Income Tax Return. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, T2 Corporation – Income Tax Guide and read Information Circular IC78-4, Investment Tax Credit Rates, and its related Special Release.
- For more information on SR&ED, see guide T4088, Scientific Research and Experimental Development (SR&ED) Expenditures Claim – Guide to Form T661.

Detailed information

- 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 or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property at the time it files the income tax return for the year in which the property was acquired.
- An ITC deducted in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax 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 tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be **available for use** before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- Expenditures for SR&ED 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 tax year in which it incurred the expenditures.
- Expenditures for apprenticeship or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- 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 is not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners. For more information, see Guide T4068, Guide for the Partnership Information Return (T5013 Forms).
- For tax purposes**,** Canada includes the **exclusive economic zone of Canada** as defined in the Oceans Act (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).

Detailed information (continued)

- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012, unless transitional measures were granted*. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.
- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) for more information.

Part 1 – Investments, expenditures, and percentages

Investments	**Specified percentage**
Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
– after March 28, 2012, and before 2014	10 %
– after 2013 and before 2016	5 %
– after 2015*	0 %
Expenditures	
If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than your expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 15% rate.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada	15 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %
If you incurred expenditures after March 18, 2007, and before March 22, 2017 (or before 2020 if you entered into a written agreement before March 22, 2017) for the creation of licensed child care spaces for the children of your employees and, potentially, for other children	25 %

* A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

Part 2 – Determination of a qualifying corporation

Is the corporation a qualifying corporation? . . . . **101** 1 Yes ☐ 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 and its taxable income (before any loss carrybacks) for its previous tax year cannot be more than its **qualifying income limit** for the particular tax year. If the corporation is associated with any other corporations during the tax year, the total of the taxable incomes of the corporation and the associated corporations (before any loss carrybacks), for their last tax year ending in the previous calendar year, cannot be more than their qualifying income limit for the particular tax year.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered **not** associated for the calculation of a refundable ITC if both of the following conditions are met:

- one corporation is associated with another corporation only because one or more persons own shares of the capital stock of both corporations
- 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 expenditures for SR&ED, up to the allocated expenditure limit.

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 expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10.

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 one of the following:

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
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 ☒

If **yes**, complete Schedule 125, Income Statement Information, to identify the type of farming industry the corporation is involved in.

Contributions to agricultural organizations for SR&ED* . . . . ______ x 80 % = **103** ______
Enter on line 350 of Part 8.

* Enter only contributions not already included on Form T661.

Qualified Property and Qualified Resource Property

Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

Capital cost allowance class number **105**	Description of investment **110**	Date available for use **115**	Location used in Atlantic Canada (province) **120**	Amount of investment **125**
			Total of investments for qualified property and qualified resource property	A1

Part 5 – Current-year credit and account balances – ITC from investments in qualified property and qualified resource property

ITC at the end of the previous tax year			B1
Credit deemed as a remittance of co-op corporations	210		
Credit expired	215		
Subtotal (line 210 **plus** line 215)		►	C1
ITC at the beginning of the tax year (amount B1 **minus** amount C1)		220	
Credit transferred on an amalgamation or the wind-up of a subsidiary	230		
ITC from repayment of assistance	235		
Qualified property; and qualified resource property acquired after March 28, 2012, and before January 1, 2014* (applicable part from amount A1 in Part 4) x 10 % =	240		
Qualified resource property acquired after December 31, 2013, and before January 1, 2016 (applicable part from amount A1 in Part 4) x 5 % =	242		
Credit allocated from a partnership	250		
Subtotal (total of lines 230 to 250)		►	D1
Total credit available (line 220 **plus** amount D1)			E1
Credit deducted from Part I tax	260		
Credit carried back to previous years (amount H1 in Part 6)		a	
Credit transferred to offset Part VII tax liability	280		
Subtotal (total of line 260, amount a, and line 280)		►	F1
Credit balance before refund (amount E1 **minus** amount F1)			G1
Refund of credit claimed on investments from qualified property and qualified resource property (from Part 7)		310	
ITC closing balance of investments from qualified property and qualified resource property (amount G1 **minus** line 310)		320	

* Include investments acquired after 2013 and before 2017 that are eligible for transitional relief.

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

	Year	Month	Day			
1st previous tax year				Credit to be applied	901	
2nd previous tax year				Credit to be applied	902	
3rd previous tax year				Credit to be applied	903	

Total of lines 901 to 903
Enter at amount a in Part 5. H1

Part 7 – Refund of ITC for qualifying corporations on investments from qualified property and qualified resource property

Current-year ITCs (total of lines 240, 242, and 250 in Part 5)	I1
Credit balance before refund (from amount G1 in Part 5)	J1
Refund (40 % of amount I1 or J1, whichever is less)	K1

Enter amount K1 or a lesser amount on line 310 in Part 5 (also enter on line 780 of the T2 return if you do not claim an SR&ED ITC refund).

SR&ED

Part 8 – Qualified SR&ED expenditures

Current expenditures (from line 559 on Form T661)				
Contributions to agricultural organizations for SR&ED				
Deduct:				
Government assistance, non-government assistance, or contract payment				
Subtotal				
x	80 %			
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*		+		
Qualified SR&ED expenditures (line 559 on Form T661 **plus** line 103 in Part 3)*			350	
Repayments made in the year (from line 560 on Form T661)			370	
Total qualified SR&ED expenditures (line 350 **plus** line 370)			380	

* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.

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

Part 9 only applies if you are a CCPC.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if both of the following apply:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation
- 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 ☒

If you answered **no** to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398.
If you answered **yes**, complete Schedule 49, Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Expenditure Limit, to determine the amounts for associated corporations.

Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied)		390	343,397
Enter your taxable capital employed in Canada for the previous tax year **minus** $10 million. If this amount is nil or negative, enter "0". If this amount is over $40 million, enter $40 million	24,526,474	398	14,526,474

* If the tax year referred to on line 390 is less than 51 weeks, **multiply** the taxable income by the following result: 365 **divided** by the number of days in that tax year.

Part 10 – SR&ED expenditure limit for a CCPC

For a stand-alone (not associated) corporation		$ **8,000,000**	
Taxable income for the previous tax year (line 390 in Part 9) or $500,000, whichever is more	500,000 x 10 =	5,000,000	A2
Excess ($8,000,000 **minus** amount A2; if negative, enter "0")		3,000,000	B2
$ 40,000,000 **minus** line 398 in Part 9	25,473,526 b		
Amount b **divided** by $ 40,000,000		0.63684	C2
For tax years ending before March 19, 2019			
Amount B2 **multiplied** by amount C2			D2
For tax years ending after March 18, 2019			
3,000,000 **multiplied** by amount C2		1,910,520	E2
Expenditure limit for the stand-alone corporation (amount D2 or amount E2, whichever applies)*		1,910,520	F2
For an associated corporation:			
If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49*	400		G2

If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:

Amount F2 or G2 ______ x Number of days in the tax year / 365 = 366 = ______ H2

Your SR&ED expenditure limit for the year (enter amount F2, G2, or H2, whichever applies) 410 1,910,520

* Amount F2 or G2 cannot be more than $3,000,000.

Part 11 – Investment tax credits on SR&ED expenditures

Qualified SR&ED expenditures (from line 350 in Part 8) or the expenditure limit (from line 410 in Part 10), whichever is less*	**420**		x	35 %	=	I2
Line 350 **minus** line 410 (if negative, enter "0")	**430**		x	15 %	=	J2

If a corporation makes a repayment of any government or 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.

Repayments (amount from line 370 in Part 8)

Enter the amount of the repayment on the line that corresponds to the appropriate rate.

Repayment of assistance that reduced a qualifying expenditure for a CCPC**	**460**		x	35 %	=	c
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015	**480**		x	20 %	=	d
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred after 2014	**490**		x	15 %	=	e

Subtotal (total of amounts c to e) ▶ K2

Current-year SR&ED ITC (total of amounts I2 to K2; enter on line 540 in Part 12) L2

* For corporations that are not CCPCs, enter "0" for amount I2.

** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), **Additions to investment tax credit**. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as appropriate.

Part 12 – Current-year credit and account balances – ITC from SR&ED expenditures

ITC at the end of the previous tax year			M2
Credit deemed as a remittance of co-op corporations	**510**		
Credit expired	**515**		
Subtotal (line 510 **plus** line 515)		▶	N2
ITC at the beginning of the tax year (amount M2 **minus** amount N2)		**520**	
Credit transferred on an amalgamation or the wind-up of a subsidiary	**530**		
Total current-year credit (from amount L2 in Part 11)	**540**		
Credit allocated from a partnership	**550**		
Subtotal (total of lines 530 to 550)		▶	O2
Total credit available (line 520 **plus** amount O2)			P2
Credit deducted from Part I tax	**560**		
Credit carried back to previous years (amount S2 in Part 13)	f		
Credit transferred to offset Part VII tax liability	**580**		
Subtotal (total of line 560, amount f, and line 580)		▶	Q2
Credit balance before refund (amount P2 **minus** amount Q2)			R2
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15, whichever applies)		**610**	
ITC closing balance on SR&ED (amount R2 **minus** line 610)		**620**	

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

	Year	Month	Day			
1st previous tax year				Credit to be applied	911	
2nd previous tax year				Credit to be applied	912	
3rd previous tax year				Credit to be applied	913	

Total of lines 911 to 913 ______ S2
Enter at amount f in Part 12.

Part 14 – Refund of ITC for qualifying corporations – SR&ED

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

Is the corporation an excluded corporation as defined under subsection 127.1(2)? . . . . . 650 1 Yes [ ] 2 No [X]

Current-year ITC (lines 540 **plus** 550 in Part 12 **minus** amount K2 in Part 11) . . . . . ______ g

Refundable credits (amount g or amount R2 in Part 12, whichever is less)* . . . . . ______ T2

Amount T2 or amount I2 in Part 11, whichever is less . . . . . ______ U2

Net amount (amount T2 **minus** amount U2; if negative, enter "0") . . . . . ______ V2

Amount V2 **multiplied** by 40 % . . . . . ______ W2

Amount U2 . . . . . ______ X2

Refund of ITC (amount W2 **plus** amount X2 – enter this, or a lesser amount, on line 610 in Part 12) . . . . . ______ Y2

Enter the total of line 310 in Part 5 and line 610 in 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 must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y2.

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

Complete this part only if you are a CCPC that is not a qualifying or excluded corporation as determined on line 101 in Part 2.

Credit balance before refund (amount R2 in Part 12) . . . . . ______ Z2

Refund of ITC (amount Z2 or amount I2 in Part 11, whichever is less) . . . . . ______ AA2

Enter amount AA2, or a lesser amount, on line 610 in Part 12 and also on line 780 of the T2 return.

Recapture – SR&ED

Part 16 – Recapture of ITC for corporations and 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 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008
- 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 calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures
- 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 that 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 tax 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

Subtotal Enter at amount C3 in Part 17. ______ A3

Calculation 2 – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil at amount B3.

A Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement 720	B 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 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	D Amount determined by the formula (A x B) – C	E ITC earned by the transferee for the qualified expenditures that were transferred 750	F Amount from column D or E, whichever is less

Subtotal (total of column F) Enter at amount D3 in Part 17. ______ B3

Part 16 – Recapture of ITC for corporations and partnerships – SR&ED (continued)

Calculation 3

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED 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 enough 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 760.

Corporate partner's share of the excess of SR&ED ITC Enter at amount E3 in Part 17.	760	

Part 17 – Total recapture of SR&ED investment tax credit

Recaptured ITC from calculation 1, amount A3 in Part 16		C3
Recaptured ITC from calculation 2, amount B3 in Part 16		D3
Recaptured ITC from calculation 3, line 760 in Part 16		E3
Total recapture of SR&ED investment tax credit (total of amounts C3 to E3) Enter at amount A8 in Part 27.		F3

Pre-Production Mining

Part 18 – Account balances – ITC from pre-production mining expenditures

ITC at the end of the previous tax year				A4
Credit deemed as a remittance of co-op corporations	841			
Credit expired	845			
Subtotal (line 841 **plus** line 845)		►		B4
ITC at the beginning of the tax year (amount A4 **minus** amount B4)		850		
Credit transferred on an amalgamation or the wind-up of a subsidiary		860		
Total credit available (line 850 **plus** line 860)				C4
Amount of unused credit carried forward from previous years and applied to reduce Part I tax payable in the current year		885		
ITC closing balance from pre-production mining expenditures (amount C4 **minus** line 885)		890		

Apprenticeship Job Creation

Part 19 – Total current-year credit – ITC from apprenticeship job creation expenditures

If you are a related person as defined under subsection 251(2), has it been agreed in writing that you are the only employer who will be claiming the apprenticeship job creation tax credit for this tax year for each apprentice whose contract number (or social insurance number (SIN) or name) appears below? (If not, you cannot claim the tax credit.) . . . . 611 1 Yes ☐ 2 No ☐

For each apprentice in their first 24 months of the apprenticeship, enter the apprenticeship contract number registered with Canada, or a province or territory, under an apprenticeship program designed to certify or license individuals in the trade. For the province, the trade must be a Red Seal trade. If there is no contract number, enter the SIN or the name of the eligible apprentice.

	A Contract number (SIN or name of apprentice) 601	B Name of eligible trade 602	C Eligible salary and wages* 603	D Column C x 10 % 604	E Lesser of column D or $ 2,000 605	
1.	SYS089443	Power Technician	82,761	8,276	2,000	
				Total current-year credit (total of column E) Enter on line 640 in Part 20.	2,000	A5

* Other than qualified expenditure incurred, and net of any other government or non-government assistance received or to be received. **Eligible salary and wages**, and **qualified expenditures** are defined under subsection 127(9).

Part 20 – Current-year credit and account balances – ITC from apprenticeship job creation expenditures

ITC at the end of the previous tax year				B5
Credit deemed as a remittance of co-op corporations	612			
Credit expired after 20 tax years	615			
Subtotal (line 612 **plus** line 615)			►	C5
ITC at the beginning of the tax year (amount B5 **minus** amount C5)	625			
Credit transferred on an amalgamation or the wind-up of a subsidiary	630			
ITC from repayment of assistance	635			
Total current-year credit (amount A5 in Part 19)	640	2,000		
Credit allocated from a partnership	655			
Subtotal (total of lines 630 to 655)		2,000	► 2,000	D5
Total credit available (line 625 **plus** amount D5)			2,000	E5
Credit deducted from Part I tax	660	2,000		
Credit carried back to previous years (amount G5 in Part 21)				h
Subtotal (line 660 **plus** amount h)		2,000	► 2,000	F5
ITC closing balance from apprenticeship job creation expenditures (amount E5 **minus** amount F5)	690			

Part 21 – Request for carryback of credit from apprenticeship job creation expenditures

	Year Month Day			
1st previous tax year		Credit to be applied	931	
2nd previous tax year		Credit to be applied	932	
3rd previous tax year		Credit to be applied	933	
		Total of lines 931 to 933 Enter at amount h in Part 20.		G5

Child Care Spaces

Part 22 – Eligible child care spaces expenditures

Enter the eligible expenditures that you incurred after March 18, 2007, and before March 22, 2017,* to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property)
- the specified child care start-up expenditures

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

Cost of depreciable property from the current tax year

	Capital cost allowance class number 665	Description of investment 675	Date available for use 685	Amount of investment 695
1.				

Total cost of depreciable property from the current tax year (total of column 695) 715 ______

Specified child care start-up expenditures from the current tax year . . . . 705 ______

Total gross eligible expenditures for child care spaces (line 715 **plus** line 705) . . . . ______ A6

Total of all assistance (including 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 in amount A6 . . . . 725 ______

Excess (amount A6 **minus** line 725) (if negative, enter "0") . . . . ______ B6

Repayments by the corporation of government and non-government assistance . . . . 735 ______

Total eligible expenditures for child care spaces (amount B6 **plus** line 735) . . . . 745 ______

* If you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.

Part 23 – Current-year credit – ITC from child care spaces expenditures

The credit is equal to 25% of eligible child care spaces expenditures incurred to a maximum of $10,000 per child care space created in a licensed child care facility.

Eligible expenditures (from line 745 in Part 22) . . . . ______ x 25 % = ______ C6

Number of child care spaces . . . . 755 ______ x $ 10,000 = ______ D6

ITC from child care spaces expenditures (amount C6 or D6, whichever is less) . . . . ______ E6

Part 24 – Current-year credit and account balances – ITC from child care spaces expenditures

ITC at the end of the previous tax year			F6
Credit deemed as a remittance of co-op corporations	765		
Credit expired after 20 tax years	770		
Subtotal (line 765 **plus** line 770)		►	G6
ITC at the beginning of the tax year (amount F6 **minus** amount G6)	775		
Credit transferred on an amalgamation or the wind-up of a subsidiary	777		
Total current-year credit (amount E6 in Part 23)	780		
Credit allocated from a partnership	782		
Subtotal (total of lines 777 to 782)		►	H6
Total credit available (line 775 **plus** amount H6)			I6
Credit deducted from Part I tax	785		
Credit carried back to previous years (amount K6 in Part 25)		i	
Subtotal (line 785 **plus** amount i)		►	J6
ITC closing balance from child care spaces expenditures (amount I6 **minus** amount J6)	790		

Part 25 – Request for carryback of credit from child care space expenditures

	Year Month Day			
1st previous tax year	2019-12-31	Credit to be applied	941	
2nd previous tax year	2018-12-31	Credit to be applied	942	
3rd previous tax year	2017-12-31	Credit to be applied	943	

Total of lines 941 to 943
Enter at amount i in Part 24. K6

Recapture – Child Care Spaces

Part 26 – Recapture of ITC for corporations and partnerships – Child care spaces

The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property, one of the following situations takes place:

- the new child care space is no longer available
- property that was an eligible expenditure for the child care space is
  - disposed of or leased to a lessee
  - converted to another use

If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a))	**792**		
In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:			
The amount that can reasonably be considered to have been included in the original ITC	**795**		
25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property	**797**		
Amount from line 795 or line 797, whichever is less			A7

Partnerships

As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 24. However, if the partnership does not have enough 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 799 below.

Corporate partner's share of the excess of ITC	**799**		
Total recapture of child care spaces investment tax credit (total of line 792, amount A7, and line 799) Enter at amount B8 in Part 27.			B7

Summary of Investment Tax Credits

Part 27 – Total recapture of investment tax credit

Recaptured SR&ED ITC (amount F3 in Part 17)		A8
Recaptured child care spaces ITC (amount B7 in Part 26)		B8
Total recapture of investment tax credit (amount A8 **plus** amount B8) Enter on line 602 of the T2 return.		C8

Part 28 – Total ITC deducted from Part I tax

ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)		D8
ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12)		E8
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 18)		F8
ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 20)	2,000	G8
ITC from child care space expenditures deducted from Part I tax (line 785 in Part 24)		H8
Total ITC deducted from Part I tax (total of amounts D8 to H8) Enter on line 652 of the T2 return.	2,000	I8

Summary of Investment Tax Credit Carryovers

Continuity of investment tax credit carryovers

CCA class number 97 Apprenticeship job creation ITC

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)
2,000	2,000			

Prior years

Taxation year	ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2019-12-31				
2018-12-31				
2017-12-31				
2016-12-31				
2015-12-31				
2014-12-31				
2013-12-31				
2012-12-31				
2011-12-31				
2010-12-31				*
2009-12-31				
				*
Total				

B+C+D+G **Total ITC utilized** 2,000

* The **ITC end of year** includes the amount of ITC expired from the 10th preceding year if it is before January 1, 1998, or the amount of ITC expired from the 20th preceding year if it is after December 31, 1997. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

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Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

Reserves that have not been deducted in calculating income for the year under Part I	101	392,292	
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714	
Retained earnings	104	3,627,624	
Contributed surplus	105		
Any other surpluses	106		
Deferred unrealized foreign exchange gains	107		
All loans and advances to the corporation	108	13,418,780	
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109		
Any dividends declared but not paid by the corporation before the end of the year	110		
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111		
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112		
Subtotal (**add** lines 101 to 112)		25,729,410 ►	25,729,410 A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
- a) those lines applied to partnerships in the same manner that they apply to corporations, and
- b) those amounts were computed without reference to amounts owing by the partnership
  - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
  - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

	Subtotal A (from page 1)		25,729,410	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121			
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122			
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123			
Deferred unrealized foreign exchange losses at the end of the year	124			
Subtotal (**add** lines 121 to 124)		►		B
Capital for the year (amount A **minus** amount B) (if negative, enter "0")		190	25,729,410	

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	137,598
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	137,598

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		25,729,410	C
Deduct: Investment allowance for the year (line 490)		137,598	D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	25,591,812	

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500) 25,591,812 x Taxable income earned in Canada **610** 701,228 / Taxable income 701,228 = **Taxable capital employed in Canada** **690** 25,591,812

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

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

Total of all amounts each of which is the carrying value at the end of the year of an asset of the corporation used in the year or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada		**701**	
Deduct the following amounts:			
Corporation's indebtedness at the end of the year [other than indebtedness described in any of paragraphs 181.2(3)(c) to (f)] that may reasonably be regarded as relating to a business it carried on during the year through a permanent establishment in Canada	**711**		
Total of all amounts each of which is the carrying value at the end of year of an asset described in subsection 181.2(4) of the corporation that it used in the year, or held in the year, in the course of carrying on any business during the year through a permanent establishment in Canada	**712**		
Total of all amounts each of which is the carrying value at the end of year of an asset of the corporation that is a ship or aircraft the corporation operated in international traffic, or personal or movable property used or held by the corporation in carrying on any business during the year through a permanent establishment in Canada (see note below)	**713**		
Total deductions (**add** lines 711, 712, and 713)		►	E
Taxable capital employed in Canada (line 701 **minus** amount E) (if negative, enter "0")		**790**	

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690)		F
Deduct:	10,000,000	G
Excess (amount F **minus** amount G) (if negative, enter "0")		H
Calculation for purposes of the small business deduction (amount H x 0.225%)		I

Enter this amount at line 415 of the T2 return.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Description	Operator (Note)	Amount
Current portion of long-term debt		610,889 00
Long-term debt	+	12,807,891 00
	+	
	Total	13,418,780 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

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Schedule 50

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- 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 (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "**NR**") 200	Social insurance number (9 digits) 300	Trust number (T followed by 8 digits) 350	Percentage common shares 400	Percentage preferred shares 500
1	The Corporation of the Town of Orangeville	106986151RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.
- File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3		450,771			
Total taxable dividends paid in the tax year	100	450,771			
Total eligible dividends paid in the tax year			150		
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")			160	8,608,986	
Excessive eligible dividend designation (line 150 **minus** line 160)					A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			180		
Subtotal (amount A **minus** line 180)					B
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B **multiplied** by 20 %)			190		

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3					
Total taxable dividends paid in the tax year	200				
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)					C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			280		
Subtotal (amount C **minus** line 280)					D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D **multiplied** by 20 %)			290		

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

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Schedule 89

Request for Capital Dividend Account Balance Verification

- If you are a private corporation, use this schedule to summarize the components making up your capital dividend account (CDA) balance as of the date entered on line 003.
- Mail one completed copy of this schedule, separately from any other return to:
  Prince Edward Island Tax Centre
  275 Pope Road
  Summerside PE C1N 6A2
- All legislative references are to the current version of the Income Tax Act, unless otherwise stated. Since CDA balance components can span several years, the current references in the Act may not apply to older components of your CDA balance. In these cases, see the version of the Act that applies in that particular year.
- For specific details about calculating the CDA balance, see the applicable legislation in the Act.
- All references to paragraphs in subsection 89(1) of the Act are under the definition of **capital dividend account**.
- If you are paying out a capital dividend from your CDA, you must file Form T2054, Election for a Capital Dividend under Subsection 83(2). Attach a copy of this completed form. Note that if a capital dividend paid out under this election exceeds the balance of the CDA at the time the dividend becomes payable, you may have to pay Part III tax on the excessive dividends (see section 184 of the Act).

Part 1 – Identification

Corporation's name: Orangeville Hydro Limited	Business number: 86463 9562 RC0002	
Address: 400 C Line Station A Box 400 Orangeville ON CA	Postal code: L9W2Z7	
Name of contact person: Suzanne Presseault		
Mailing address (complete only if different from address above)	Telephone number: (519) 942-8000	Extension

Capital dividend account balance as of . . . . Year Month Day **003** 2020-12-31

Please check "yes" for **only one** of the following two questions:

Is this a balance verification request? Check yes only if this request does not relate to a Form T2054 mentioned at line 005 . . . . . . Yes ☐ No ☐
(if **Yes**, then the date on line 003 should be the last tax year-end, included in the CDA balance)

Is this request related to the requirements of subsection 89(1) for Form T2054? . . . . Yes ☐ No ☒ **005**
(if **Yes**, then the date on line 003 should be the earlier of the date the dividend became payable, or the first day on which any part of the dividend was paid)

Part 2 – CDA components (except for eligible capital property) Footnote 1 and Footnote 2

	1	2	3	4	5	6	7
	Tax year-end or relevant date (yyyymmdd) Footnote 3	The non-taxable portion of capital gains(including the non-taxable portion of capital gains from a trust after September 15, 2016) and non-deductible portion of capital losses per paragraph 89(1)(a) Footnote 4	Capital dividends received per paragraph 89(1)(b) Footnote 5	Net proceeds of a life insurance policy per paragraph 89(1)(d)	Non-taxable portion of capital gains from a trust before September 16, 2016 per paragraph 89(1)(f) Footnote 6	Capital dividends from a trust per paragraph 89(1)(g) Footnote 6	Capital dividends payable per subsection 83(2)
1.	2017-12-31	58,221					
	2020-12-31	43,554					
	Totals	101,775					

Footnote 1
For eligible capital property, see parts 3 and 5.

Footnote 2
If you were a private corporation under non-resident control that became Canadian controlled as per subsection 89(1.1), or were a tax-exempt corporation that became taxable as per subsection 89(1.2), the CDA balance may be reduced to nil immediately before the dates referred to in those provisions.

Footnote 3
Include as many tax years as required. Start your list with the tax year that began after the corporation last became a private corporation and that ended after 1971. End your list on the CDA balance date shown on line 003. If you are completing this schedule before your tax year-end, enter the relevant date of the activity. When Form T2054 has been completed, the program assumes that the relevant date of the activity to indicate in the last field of column 1 in Part 2 is the first of the following dates: the day immediately preceding the date on which the dividend becomes payable, or the first day immediately preceding the date on which any part of the dividend was paid. If this is not the case, enter the correct relevant date of the activity, using an override.

Footnote 4
Along with applicable losses, include the non-deductible portion of a business investment loss here. Show losses as a negative.

Footnote 5
May be adjusted by an excessive dividend election under subsection 184(3). Exclude a dividend that subsection 83(2.1) applies to.

Footnote 6
The amounts that can be added to the CDA of the corporation in a particular tax year, in respect of amounts received by the corporation, from a trust and that are attributable to capital gains realized by the trust or to dividends received and distributed by a trust, can only be determined after the end of the taxation year of the trust in which the capital gains were realized or the dividends were received and distributed by it.

Part 3 – CDA components – Eligible capital property (ECP)

Record in these tables the most common amounts included in the eligible capital property (ECP) component of the CDA. This information is not meant to replace the calculation at line 5B.1 in Part 5.

Section A: CDA components – List of ECP acquisitions and dispositions
(for tax years ending before **February 28, 2000)**

	1	2	3	4
	Tax year-end (yyyymmdd)	Cost of eligible capital property acquired	Proceeds of sale (**less** outlays and expenses not otherwise deductible) from the disposition of all eligible capital property	Non-taxable portion of ECP sales
1.				
			Total	

Section B: CDA components – List of ECP dispositions
(for tax years ending after **February 27, 2000** and before **January 1, 2017)**

	1	2	3	4	5
	Tax year-end (yyyymmdd)	Cost of eligible capital property acquired	Proceeds of sale (**less** outlays and expenses not otherwise deductible) from the disposition of all eligible capital property	Appropriate portion of the amount deducted as a bad debt per subsection 20(4.2) or as an allowable capital loss per subsection 20(4.3).	Non-taxable portion of ECP sales
1.					
				Total	

Part 4 – Additional information

For each capital dividend received, as recorded in column 3 in Part 2, give the name and business number of the corporation that paid the capital dividend and the date the dividend became payable.

	1 Corporation's name	2 Business number	3 Date the dividend became payable (yyyymmdd)
1.			

Part 5 – CDA balance

Include the non-taxable portion of capital gains (including the non-taxable portion of capital gains from a trust after September 15, 2016) and the non-deductible portion of capital losses (total of column 2 in Part 2; if negative enter "0")	101,775	5A
Capital dividends received (total of column 3 in Part 2)		5B
Eligible capital property for taxation years ending before January 1, 2017 (as calculated per former paragraphs 89(1)(c), (c.1) and (c.2); if negative, enter "0")		5B.1
Life insurance proceeds (total of column 4 in Part 2; if negative, enter "0")		5C
Life insurance CDA Footnote 7		5C.1
Non-taxable portion of capital gains from a trust before September 16, 2016 (total of column 5 in Part 2)		5D
Capital dividends from a trust (total of column 6 in Part 2)		5E
Amounts from predecessor and subsidiary corporations Footnote 8		5E.1
Subtotal (**add** amounts 5A to 5E and lines 5B.1, 5C.1 and 5E.1)	101,775	5F
Capital dividends that previously became payable (total of column 7 in Part 2)		5G
CDA balance (amount 5F **minus** amount 5G, if negative, write "0")	101,775	

Footnote 7

Include the balance of the corporation's life insurance CDA immediately before May 24, 1985, in accordance with paragraph 89(1)(e). For more information, see paragraph 1.61 and 1.62 of Income Tax Folio S3-F2-C1, Capital Dividends.

Footnote 8

For amalgamations and wind-ups **before** July 14, 1990, calculate the CDA balance of each predecessor or subsidiary corporation separately. Then add these CDA balances to the CDA of the successor or parent corporation. Do not carry forward negative amounts, since these are considered to be nil.

- For amalgamations and wind-ups **after** July 13, 1990, carry over the amounts of all the CDA components of each predecessor or subsidiary corporation into the calculation of the CDA components of the company resulting from the merger or of the parent company. A negative balance in a component of a CDA of a predecessor or subsidiary corporation must be included in the CDA of the company resulting from the merger or of the parent corporation. Include a separate CDA calculation on a separate schedule for each predecessor or subsidiary corporation.
- For amalgamations, see paragraph 87(2)(z.1). For wind-ups, see paragraph 88(1)(e.2).

Privacy statement

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at **canada.ca/cra-info-source**.

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Schedule 500

Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Part 1 – Ontario basic income tax

Ontario taxable income Note 1	701,228	1A
Ontario basic rate of tax for the year	**11.5** %	1B
Ontario basic income tax (amount 1A **multiplied** by amount 1B) Note 2	80,641	1C

Note 1 If your corporation had a permanent establishment only in Ontario, enter the amount from line 360, from page 3 of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

Note 2 If your corporation had a permanent establishment in more than one jurisdiction or is claiming an Ontario tax credit in addition to Ontario basic income tax, or Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount 1C on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 return.

Part 2 – Ontario small business deduction (OSBD)

Complete this part if your corporation claimed the federal small business deduction under subsection 125(1).

Line 400 of the T2 return	662,749	2A	
Line 405 of the T2 return	701,228	2B	
Line 410 of the T2 return	500,000	2C	
Line 415 of the T2 return	32,685	2D	

Amount 2C 500,000 x Amount 2D 32,685 / 11,250 = 1,452,667 2E

Line 515 of the T2 return		2F	
Subtotal (amount 2C **minus** amount 2E **minus** amount 2F)		2G	
Amount 2A, 2B or 2G whichever is the least			2H

Ontario domestic factor (ODF): Taxable income for Ontario Note 3 701,228.00 / Taxable income for all provinces Note 4 701,228 = 1.00000 2I

Amount 2H **multiplied** by amount 2I		2J	
Ontario taxable income (amount 1A)	701,228	2K	
Ontario small business income (amount 2J or 2K, whichever is less)			2L

Ontario small business deduction for the year

Amount 2L ______ x Number of days in the tax year before January 1, 2020 ______ / Number of days in the tax year 366 x 8 % = ______ 2M

Amount 2L ______ x Number of days in the tax year after December 31, 2019 366 / Number of days in the tax year 366 x 8.3 % = ______ 2N

Ontario small business deduction for the year (amount 2M **plus** amount 2N) ______ 2O

Enter amount 2O on line 402 of Schedule 5.

Note 3 Enter amount 1A.

Note 4 Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 3 – Ontario adjusted small business income

Complete this part if your corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.

Ontario adjusted small business income (amount 1A or 2H, whichever is the least) . . . . ______ 3A

Enter amount 3A at amount 4B in Part 4 of this schedule or at amount 2E in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.

Part 4 – Credit union tax reduction

Complete this part and Schedule 17, Credit Union Deductions, if the corporation was a credit union throughout the tax year.

Amount 3C of Schedule 17 . . . . ______ 4A

Ontario adjusted small business income (amount 3A) . . . . ______ 4B

Subtotal (amount 4A **minus** amount 4B, if negative, enter "0") ______ ► ______ 4C

Amount 4C ______ x Number of days in the tax year before January 1, 2020 ______ / Number of days in the tax year 366 x 8 % = ______ 4D

Amount 4C ______ x Number of days in the tax year after December 31, 2019 366 / Number of days in the tax year 366 x 8.3 % = ______ 4E

Total (amount 4D **plus** amount 4E) ______ ► ______ 4F

Ontario domestic factor (amount 2I) 1.00000 4G

Ontario credit union tax reduction (amount 4F **multiplied** by amount 4G) . . . . ______ 4H

Enter amount 4H on line 410 of Schedule 5.

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Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  4) a congregation or business agency to which section 143 of the federal Act applies;
  5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	34,302,686
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	50,000,001
Total assets (total of lines 112 to 116)		84,302,687
Total revenue of the corporation for the tax year **	142	39,106,543
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	100,000,000
Total revenue (total of lines 142 to 146)		139,106,543

The corporation is subject to CMT if:
– for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than $5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than $10,000,000.
– for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than $50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than $100,000,000.
If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* **Rules for total assets**
- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** **Rules for total revenue**
- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

Net income/loss per financial statements *			210	1,086,517
Add (to the extent reflected in income/loss):				
Provision for current income taxes/cost of current income taxes	220			
Provision for deferred income taxes (debits)/cost of future income taxes	222	144,285		
Equity losses from corporations	224			
Financial statement loss from partnerships and joint ventures	226			
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230			
Other additions (see note below):				
Share of adjusted net income of partnerships and joint ventures **	228			
Total patronage dividends received, not already included in net income/loss	232			
281	282			
283	284			
Subtotal		144,285 ▶		144,285 A
Deduct (to the extent reflected in income/loss):				
Provision for recovery of current income taxes/benefit of current income taxes	320	102,388		
Provision for deferred income taxes (credits)/benefit of future income taxes	322			
Equity income from corporations	324			
Financial statement income from partnerships and joint ventures	326			
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330			
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332			
Gain on donation of listed security or ecological gift	340			
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342			
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344			
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346			
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348			
Other deductions (see note below):				
Share of adjusted net loss of partnerships and joint ventures **	328			
Tax payable on dividends under subsection 191.1(1) of the federal Act **multiplied** by 3	334			
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336			
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338			
381 Tax Movement in regulatory account	382	144,285		
383 Tax Reclassification	384	298,777		
385	386			
387	388			
389	390			
Subtotal		545,450 ▶		545,450 B
Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)			490	685,352

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

– exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
– include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

* **Rules for net income/loss**

– Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

– Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.

– Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.

– Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.

** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.

*** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.

**** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.

***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive) **515** 685,352

Deduct:

CMT loss available (amount R from Part 7) . . . .

Minus: Adjustment for an acquisition of control * **518**

Adjusted CMT loss available . . . . ▶ C

Net income subject to CMT calculation (if negative, enter "0") **520** 685,352

Amount from line 520 685,352 x (Number of days in the tax year before July 1, 2010 / Number of days in the tax year 366) x 4 % = 1

Amount from line 520 685,352 x (Number of days in the tax year after June 30, 2010 366 / Number of days in the tax year 366) x 2.7 % = 18,505 2

Subtotal (amount 1 **plus** amount 2) 18,505 3

Gross CMT: amount on line 3 above x OAF ** **540** 18,505

Deduct:

Foreign tax credit for CMT purposes *** **550**

CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0") . . . . 18,505 D

Deduct:

Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5) 80,641

Net CMT payable (if negative, enter "0") . . . . E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

** **Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

Ontario taxable income **** / Taxable income ***** =

Ontario allocation factor . . . . 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were $1,000.

***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *		G		
Deduct:				
CMT credit expired *	600			
CMT credit carryforward at the beginning of the current tax year * (see note below)		►	620	
Add:				
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)			650	
CMT credit available for the tax year (amount on line 620 **plus** amount on line 650)				H
Deduct:				
CMT credit deducted in the current tax year (amount P from Part 5)				I
Subtotal (amount H **minus** amount I)				J
Add:				
Net CMT payable (amount E from Part 3)				
SAT payable (amount O from Part 6 of Schedule 512)				
Subtotal		►		K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)			670	L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)				M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		80,641 1		
For a corporation that is not a life insurance corporation:				
CMT after foreign tax credit deduction (amount D from Part 3)	18,505 2			
For a life insurance corporation:				
Gross CMT (line 540 from Part 3)	3			
Gross SAT (line 460 from Part 6 of Schedule 512)	4			
The **greater** of amounts 3 and 4	5			
Deduct: line 2 or line 5, whichever applies:		18,505 6		
Subtotal (if negative, enter "0")		62,136 ►	62,136	N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		80,641		
Deduct:				
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)		3,000		
Subtotal (if negative, enter "0")		77,641 ►	77,641	O
CMT credit deducted in the current tax year (least of amounts M, N, and O)				P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? 675 1 Yes [ ] 2 No [X]

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year * . . . . ____ Q

Deduct:

CMT loss expired * . . . . 700 ____

CMT loss carryforward at the beginning of the tax year * (see note below) . . . . ____ ► 720 ____

Add:

CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below) . . . . 750 ____

CMT loss available (line 720 **plus** line 750) . . . . ____ R

Deduct:

CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3) . . . . ____

Subtotal (if negative, enter "0") ____ S

Add:

Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if **negative**) (enter as a positive amount) . . . . 760 ____

CMT loss carryforward balance at the end of the tax year (amount S **plus** line 760) . . . . 770 ____ T

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line Q or line 700;
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

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SCHEDULE 511

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return*.

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	450 50,000,001	550 100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.
Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter ¨NR¨ if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

* **Rules for total assets**

– Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
– Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

** **Rules for total revenue**

– Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
– If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
– Include the associated corporation's share of the total revenue of partnerships and joint ventures.
– If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.

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SCHEDULE 550

ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the *Taxation Act, 2007* (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is $1,000 for each qualifying work placement ending before March 27, 2009, and $3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation;
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the *T2 Corporation Income Tax Return*.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Corporate information

110 Name of person to contact for more information: Suzanne Presseault

120 Telephone number including area code: (519) 942-8000

Is the claim filed for a CETC earned through a partnership?* . . . . . **150** 1 Yes [ ] 2 No [X]

If you answered **yes** to the question at line 150, what is the name of the partnership? . . . . . **160** ______

Enter the percentage of the partnership's CETC allocated to the corporation . . . . . **170** ______ %

* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 550 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 550 to claim the partner's share of the partnership's CETC. The allocated amounts can not exceed the amount of the partnership's CETC.

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year? . . . . . **200** 1 Yes [X] 2 No [ ]
2. Was the corporation exempt from tax under Part III of the *Taxation Act*, 2007 (Ontario)? . . . . . **210** 1 Yes [ ] 2 No [X]

If you answered **no** to question 1 or **yes** to question 2, then the corporation is **not eligible** for the CETC.

Part 3 – Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year * **300** 1,940,378

For eligible expenditures incurred before March 27, 2009:

– If line 300 is $400,000 or less, enter 15% on line 310.
– If line 300 is $600,000 or more, enter 10% on line 310.
– If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 310 using the following formula:

$$\text{Eligible percentage} = 15\,\% - \left[5\,\% \times \left(\frac{\text{amount on line 300} \textbf{ minus } \$\,400{,}000}{\$\,200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . **310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

– If line 300 is $400,000 or less, enter 30% on line 312.
– If line 300 is $600,000 or more, enter 25% on line 312.
– If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 312 using the following formula:

$$\text{Eligible percentage} = 30\,\% - \left[5\,\% \times \left(\frac{\text{amount on line 300} \textbf{ minus } \$\,400{,}000}{\$\,200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . **312** 25.000 %

* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act, 2007* (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

	A Name of university, college, or other eligible educational institution **400**	B Name of qualifying co-operative education program **405**
1.	Conestoga College	Power Technician
2.		

	C Name of student **410**	D Start date of WP (see note 1 below) **430**	E End date of WP (see note 2 below) **435**
1.	Haydn Shantz	2020-01-13	2020-05-08
2.			

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

Part 4 – Calculation of the Ontario co-operative education tax credit (continued)

	F1 Eligible expenditures before March 27, 2009 (see note 1 below) 450	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	F2 Eligible expenditures after March 26, 2009 (see note 1 below) 452	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.		10.000 %	14,165	25.000 %		17
2.		10.000 %		25.000 %		

	G Eligible amount (eligible expenditures **multiplied** by eligible percentage) (see note 2 below) 460	H Maximum CETC per WP (see note 3 below) 462	I CETC on eligible expenditures (column G or H, whichever is less) 470	J CETC on repayment of government assistance (see note 4 below) 480	K CETC for each WP (column I or column J) 490
1.	3,541	3,000	3,000		3,000
2.					

Ontario co-operative education tax credit (total of amounts in column K) **500** 3,000 **L**

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:

Amount L ____________ x percentage on line 170 in Part 1 ________ % = ... ________ **M**

Enter amount L or M, whichever applies, on line 452 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is $1,000.
If the WP begins after March 26, 2009, the maximum credit amount for the WP is $3,000.
If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

($1,000 x X/Y) + [$3,000 x (Y – X)/Y]

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009,
and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.

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Information Return for Corporations Filing Electronically

- **Do not send this form to the Canada Revenue Agency (CRA) unless we ask for it. We will not keep or return this form.**
- Complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed with the CRA on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the Income Tax Act, you have to keep all records used to prepare your T2 Corporation Income Tax Return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your T2 Corporation Income Tax Return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted your return.

Part 1 – Identification

Corporation's name: Orangeville Hydro Limited

Business number: 86463 9562 RC0002

Tax year start (Year Month Day): 2020-01-01

Tax year-end (Year Month Day): 2020-12-31

Is this an amended return? ☐ Yes ☒ No

Get your CRA mail electronically delivered in My Business Account at canada.ca/my-cra-business-account (optional)

Email address: ____________________

I understand that by providing an email address, I am **registering** the corporation to receive email notifications from the CRA. I understand and agree that all notices and other correspondence eligible for electronic delivery will no longer be printed and mailed. The CRA will notify the corporation at this email address when they are available in My Business Account and requiring immediate attention. They will be presumed to have been received on the date that the email is sent. For more information, see **canada.ca/cra-business-email-notifications**.

Part 2 – Declaration

Enter the following amounts, if applicable, from the T2 return for the tax year noted above:

Net income or loss for income tax purposes from Schedule 1, financial statements, or General Index of Financial Information (GIFI) (line 300)	706,303
Part I tax payable (line 700)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	

Part 3 – Certification and authorization

I, Long (Last name), Amy (First name), CFO (Position, office, or rank),

am an authorized signing officer of the corporation. I certify that I have examined the T2 Corporation Income Tax Return, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

I authorize the transmitter identified in Part 4 to electronically file the T2 Corporation Income Tax Return identified in Part 1. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

Date (yyyy/mm/dd): 2021/06/29

Signature of an authorized signing officer of the corporation: Amy Long

Telephone number: (519) 942-8000

Part 4 – Transmitter identification

The following transmitter has electronically filed the tax return of the corporation identified in Part 1.

Name of person or firm: KPMG LLP

Electronic filer number: G1829

Privacy statement

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 and CRA PPU 211 on Info Source at **canada.ca/cra-info-source**.

200

Canada Revenue Agency / Agence du revenu du Canada

T2 Corporation Income Tax Return

EXEMPT FROM TAX

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

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

055 **Do not use this area**

Identification

Business number (BN) 001 86463 9562 RC0002

Corporation's name
002 Orangeville Hydro Limited

Address of head office
Has this address changed since the last time we were notified? 010 Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 400 C Line
012 Station A Box 400
City 015 Orangeville — Province, territory, or state 016 ON
Country (other than Canada) 017 CA — Postal or ZIP code 018 L9W 2Z7

Mailing address (if different from head office address)
Has this address changed since the last time we were notified? 020 Yes [ ] No [X]
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 or ZIP code 028

Location of books and records (if different from head office address)
Has this address changed since the last time we were notified? 030 Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031 400 C Line
032 Station A Box 400
City 035 Orangeville — Province, territory, or state 036 ON
Country (other than Canada) 037 CA — Postal or ZIP code 038 L9W 2Z7

040 **Type of corporation at the end of the tax year** (tick one)
- [X] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [ ] 4 Corporation controlled by a public corporation
- [ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change 043 Year Month Day

To which tax year does this return apply?
Tax year start 060 Year Month Day 2020-01-01 — Tax year-end 061 Year Month Day 2020-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? 063 Yes [ ] No [X]

If **yes**, provide the date control was acquired 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? 066 Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? 067 Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? 070 Yes [ ] No [X]
Amalgamation? 071 Yes [ ] No [X]
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 Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? 076 Yes [ ] No [X]

Is this the final return up to dissolution? 078 Yes [ ] No [X]

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 Yes [X] 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 Yes [ ] No [X]
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)
- [X] 4 Exempt under other paragraphs of section 149

Do not use this area
095 096 898

Attachments

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

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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	X	6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207	X	7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	
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
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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	254		T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272		58
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)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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	X	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

		Yes		No	
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	Yes	X	No	
Is the corporation inactive?	280	Yes		No	X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

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

284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

		Yes		No	
Did the corporation immigrate to Canada during the tax year?	291	Yes		No	X
Did the corporation emigrate from Canada during the tax year?	292	Yes		No	X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	Yes		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 Year Month Day

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes No

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI			300	706,303 A
Deduct:				
Charitable donations from Schedule 2	311	5,075		
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine made before March 22, 2017, 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			
Employer deduction for non-qualified securities under an employee stock options agreement		a		
Subtotal		5,075	▶	5,075 B
Subtotal (amount A **minus** amount B) (if negative, enter "0")				701,228 C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions			355	D
Taxable income (amount C **plus** amount D)			360	701,228
Taxable income for the year from a personal services business				Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	662,749	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax	405		B
Business limit (see notes 1 and 2 below)	410	500,000	C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction

Amount C 500,000 x 415 *** 32,685 D / 11,250 = 1,452,667 E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** . 417 ______ – 50,000 = ______ F

Amount C 500,000 / 100,000 x Amount F ______ = ______ G

The greater of amount E and amount G 422 1,452,667 H

Reduced business limit (amount C **minus** amount H) (if negative, enter "0")	426		I
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)			J
Reduced business limit after assignment (amount I **minus** amount J)	428		K
Small business deduction – Amount A, B, C, or K, whichever is the least ______ x 19 % =	430		

Enter amount from line 430 at amount J on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

Specified corporate income and assignment under subsection 125(3.2)

	L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount 490	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L [3] 500	N Business limit assigned to corporation identified in column L [4] 505
1.				
			Total 510	Total 515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
   (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
   (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
   (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
   (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3				A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		B		
Amount 13K from Part 13 of Schedule 27		C		
Personal services business income **432**		D		
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least		E		
Aggregate investment income from line 440 on page 6*	43,554	F		
Subtotal (**add** amounts B to F)	43,554	►	43,554	G
Amount A **minus** amount G (if negative, enter "0")				H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %				I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 on page 3				J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		K		
Amount 13K from Part 13 of Schedule 27		L		
Personal services business income **434**		M		
Subtotal (**add** amounts K to M)		►		N
Amount J **minus** amount N (if negative, enter "0")				O
General tax reduction – Amount O **multiplied** by 13 %				P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 . . . . **440**	43,554	x 30 2 / 3 % =		13,357	A
Foreign non-business income tax credit from line 632 on page 8			B		
Foreign investment income from Schedule 7 . . . . **445**		x 8 % =	C		
Subtotal (amount B **minus** amount C) (if negative, enter "0")			►		D
Amount A **minus** amount D (if negative, enter "0")				13,357	E
Taxable income from line 360 on page 3		701,228	F		
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least			G		
Foreign non-business income tax credit from line 632 on page 8		x 75 / 29 =	H		
Foreign business income tax credit from line 636 on page 8 . .		x 4 =	I		
Subtotal (**add** amounts G to I)		►	J		
Subtotal (amount F **minus** amount J)		701,228	K x 30 2 / 3 % =	215,043	L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)					M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450**					N

Refundable dividend tax on hand

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460				
Dividend refund for the previous tax year	465				
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480				
Subtotal (line 460 **minus** line 465 **plus** line 480)					A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)					B
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)			C		
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)			D		
Subtotal (amount C **minus** amount D) (if negative, enter "0")			▶		E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")			F		
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)			G		
Subtotal (amount F **plus** amount G)			▶		H
Amount H **multiplied** by 38 1 / 3 %					I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)			520		J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")			535		K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)			L		
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)			M		
Subtotal (amount L **plus** amount M)			▶		N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary			525		O
ERDTOH dividend refund for the previous tax year			570		P
Refundable portion of Part I tax (from line 450 on page 6)					Q
Part IV tax before deductions (amount 2A from Schedule 3)			R		
Part IV tax allocated to ERDTOH (amount N)			S		
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)			T		
Subtotal (amount R **minus** total of amounts S and T)			▶		U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary			540		V
NERDTOH dividend refund for the previous tax year			575		W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)					X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")					Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")			545		
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")					Z
ERDTOH at the end of the tax year (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")			530		

Dividend refund

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	172,796	DD
NERDTOH balance at the end of the tax year (line 545)		EE
Non-eligible dividend refund (amount DD or EE, whichever is less)		FF
Amount DD **minus** amount EE (if negative, enter "0")	172,796	GG
Amount BB **minus** amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund – Amount CC **plus** amount FF **plus** amount II		JJ

Enter amount JJ on line 784 on page 9.

Part I tax

Base amount Part I tax – Taxable income (from line 360 on page 3) **multiplied** by 38 %			550	A
Additional tax on personal services business income (section 123.5)				
Taxable income from a personal services business	555	x 5 % =	560	B
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 on page 6			D
Taxable income from line 360 on page 3		E	
Deduct:			
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least		F	
Net amount (amount E **minus** amount F)		▶	G

Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G	604		H
Subtotal (**add** amounts A, B, C, and H)			I

Deduct:

Small business deduction from line 430 on page 4		J
Federal tax abatement	608	
Manufacturing and processing profits deduction from Schedule 27	616	
Investment corporation deduction	620	
Taxed capital gains 624		
Federal foreign non-business income tax credit from Schedule 21	632	
Federal foreign business income tax credit from Schedule 21	636	
General tax reduction for CCPCs from amount I on page 5	638	
General tax reduction from amount P on page 5	639	
Federal logging tax credit from Schedule 21	640	
Eligible Canadian bank deduction under section 125.21	641	
Federal qualifying environmental trust tax credit	648	
Investment tax credit from Schedule 31	652	
Subtotal	▶	K

Part I tax payable – Amount I **minus** amount K . . . L

Enter amount L on line 700 on page 9.

Privacy statement

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	
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 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta)	760	
Total tax payable	770	A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount JJ on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Canadian film or video production tax credit (Form T1131)	796	
Film or video production services tax credit (Form T1177)	797	
Canadian journalism labour tax credit from Schedule 58	798	
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

Balance (amount A **minus** amount B)

Refund code 894 Refund

If the result is negative, you have a **refund**.
If the result is positive, you have a **balance owing**.
Enter the amount on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Balance owing

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No ☒

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 G1829

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Certification

I, 950 Long (Last name) 951 Amy (First name) 954 CFO (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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2021/06/29 — Date (yyyy/mm/dd)

Amy Long — Signature of the authorized signing officer of the corporation

956 (519) 942-8000 — Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☐ No ☒

958 Suzanne Presseault — Name of other authorized person

959 (519) 942-8000 — 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

SCHEDULE 100

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
	Assets				
	Total current assets	1599	+	8,634,373	8,003,172
	Total tangible capital assets	2008	+	27,369,942	25,630,183
	Total accumulated amortization of tangible capital assets	2009	–	5,800,763	4,921,972
	Total intangible capital assets	2178	+	543,892	542,258
	Total accumulated amortization of intangible capital assets	2179	–	326,700	315,481
	Total long-term assets	2589	+	3,881,942	2,719,283
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	34,302,686	31,657,443
	Liabilities				
	Total current liabilities	3139	+	6,114,988	4,625,919
	Total long-term liabilities	3450	+	16,221,960	15,701,532
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	22,336,948	20,327,451
	Shareholder equity				
	Total shareholder equity (mandatory field)	3620	+	11,965,738	11,329,992
	Total liabilities and shareholder equity	3640	=	34,302,686	31,657,443
	Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849	=	3,627,624	2,991,878

* Generic item

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

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	+	38,812,698	34,839,317
	Cost of sales	8518	–	34,271,041	30,112,525
	Gross profit/loss	8519	=	4,541,657	4,726,792
	Cost of sales	8518	+	34,271,041	30,112,525
	Total operating expenses	9367	+	4,652,333	4,866,524
	Total expenses (mandatory field)	9368	=	38,923,374	34,979,049
	Total revenue (mandatory field)	8299	+	39,106,543	35,161,301
	Total expenses (mandatory field)	9368	–	38,923,374	34,979,049
	Net non-farming income	9369	=	183,169	182,252
	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	=	183,169	182,252
	Total – other comprehensive income	9998	=		
	Extraordinary items and income (linked to Schedule 140)				
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–	-945,245	-822,535
	Current income taxes	9990	–	-102,388	-169,755
	Future (deferred) income tax provision	9995	–	144,285	273,000
	Total – Other comprehensive income	9998	+		
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	1,086,517	901,542

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Canada Revenue Agency | Agence du revenu du Canada

Schedule 141

Notes Checklist

Corporation's name	Business number	Tax Year End Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- 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. 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.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation – Income Tax Guide.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the accountant who prepared or reported on the financial statements

Does the accountant have a professional designation? . . . . . **095** Yes [X] No [ ]

Is the accountant connected* with the corporation? . . . . . **097** Yes [ ] No [X]

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.

* 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.

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** Yes [ ] 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 [X]
- 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** Yes [X] No [ ]

If **yes**, complete lines 104 to 107 below:

- Are subsequent events mentioned in the notes? . . . . . **104** Yes [X] No [ ]
- Is re-evaluation of asset information mentioned in the notes? . . . . . **105** Yes [ ] No [X]
- Is contingent liability information mentioned in the notes? . . . . . **106** Yes [ ] No [X]
- Is information regarding commitments mentioned in the notes? . . . . . **107** Yes [X] No [ ]
- Does the corporation have investments in joint venture(s) or partnership(s)? . . . . . **108** Yes [ ] No [X]

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year? . . . . . **200** Yes [ ] No [X]

If **yes**, enter the amount recognized:

		In net income Increase (decrease)		In OCI Increase (decrease)
Property, plant, and equipment	**210**		**211**	
Intangible assets	**215**		**216**	
Investment property	**220**			
Biological assets	**225**			
Financial instruments	**230**		**231**	
Other	**235**		**236**	

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? . . . . . **250** Yes [ ] No [X]

Did the corporation apply hedge accounting during the tax year? . . . . . **255** Yes [ ] No [X]

Did the corporation discontinue hedge accounting during the tax year? . . . . . **260** Yes [ ] No [X]

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? . . . . . **265** Yes [ ] No [X]

If **yes**, you have to maintain a separate reconciliation.

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

General Index of Financial Information

Notes to the financial statements

ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2020
1. Reporting entity
Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The address of the Corporation's registered office is 400 C Line, Orangeville, Ontario.
The Corporation delivers electricity and related energy services to residential and commercial customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by theTown of Orangeville and Town of Grand Valley.
The financial statements are for the Corporation as at and for the year ended December 31, 2020.
2. Basis of presentation
(a) Statement of compliance
The Corporation's financial statements have been prepared in accordance with InternationalFinancial Reporting Standards ("IFRS").
The financial statements were approved by the Board of Directors on April 15, 2021.(b) Basis of measurement
These financial statements have been prepared on the historical cost basis, unless otherwisestated.
(c) Functional and presentation currency
These financial statements are presented in Canadian dollars, which is the Corporation'sfunctional currency.
(d) Use of estimates and judgments
The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in anyfuture years affected.
Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:
(i) Note 3(b) - measurement of unbilled revenue
(ii) Notes 5, 6 - estimation of useful lives of its property, plant and equipment and intangibleassets
(iii) Note 8 - recognition and measurement of regulatory balances
(iv) Note 11 - measurement of defined benefit obligations: key actuarial assumptions
(v) Note 17 - recognition and measurement of provisions and contingencies
(e) Rate regulation
The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring

that transmission
and distribution companies fulfill obligations to connect and service customers. The OEB may
also prescribe license requirements and conditions of service to local distribution companies
("LDCs"), such as the Corporation, which may include, among other things, record keeping,
regulatory accounting principles, separation of accounts for distinct businesses, and filing andprocess requirements for rate setting purposes.
Rate setting
Distribution revenue
For the distribution revenue included in sale of energy, the Corporation files a "Cost of Service"
("COS") rate application with the OEB every five years where rates are determined through a
review of the forecasted annual amount of operating and capital expenditures, debt and
shareholder's equity required to support the Corporation's business. The Corporation
estimates electricity usage and the costs to service each customer class to determine the
appropriate rates to be charged to each customer class. The COS application is reviewed by
the OEB and interveners and rates are approved based upon this review, including anyrevisions resulting from that review.
In the intervening years an Incentive Rate Mechanism application ("IRM") is filed. An IRM
application results in a formulaic adjustment to distribution rates that were set under the last
COS application. The previous year's rates are adjusted for the annual change in the Gross
Domestic Product Implicit Price Inflator for Final Domestic Demand ("GDP IPI-FDD") net of a
productivity factor and a "stretch factor" determined by the relative efficiency of an electricitydistributor.
As a licensed distributor, the Corporation is responsible for billing customers for electricity
generated by third parties and the related costs of providing electricity service, such as
transmission services and other services provided by third parties. The Corporation is required,
pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the
Corporation ultimately collects these amounts from customers.
The Corporation last filed a COS application in October 2013 for rates effective May 1, 2014 to
April 30, 2019. The Corporation received approval for a deferral of a COS application for 2020
rates. The GDP IPI-FDD for 2020 is 2.00%, the Corporation's productivity factor is nil% and the
stretch factor is 0.15%, resulting in a net adjustment of 1.85% to the previous year's rates.
Electricity rates
The OEB sets electricity prices for low-volume consumers twice each year based on an
estimate of how much it will cost to supply the province with electricity for

the next year. All
remaining consumers pay the market price for electricity. The Corporation is billed for the cost
of the electricity that its customers use and passes this cost on to the customer at cost withouta mark-up.
3. Significant accounting policies
The accounting policies set out below have been applied consistently in all years presented in thesefinancial statements.
(a) Financial instruments
At initial recognition, the Corporation measures its financial assets at fair value plus, in the case
of a financial asset not at fair value through profit or loss, transaction costs that are directly
attributable to the acquisition of the financial asset. Transaction costs of financial assets carried
at fair value through profit or loss are expensed in profit or loss.
Subsequent measurement of the financial asset depends on the classification determined on
initial recognition. Financial assets are classified as either amortized cost, fair value through
other comprehensive income or fair value through profit or loss, depending on its business
model for managing the financial assets and the contractual cash flow characteristics of the
financial assets. Financial assets are not reclassified subsequent to their initial recognition,
unless the Corporation changes its business model for managing financial assets.Financial liabilities are initially measured at fair value, net of transaction costs incurred. They
are subsequently carried at amortized cost using the effective interest rate method; any
difference between the proceeds (net of transaction costs) and the redemption value isrecognized as an adjustment to interest expense over the period of the
borrowings.The Corporation has not entered into derivative instruments.
Hedge accounting has not been used in the preparation of these financial statements.
Cash equivalents include short-term investments with maturities of three months or less whenpurchased.
(b) Revenue recognition
Sale and distribution of electricity
The performance obligations for the sale and distribution of electricity are recognized over time
using an output method to measure the satisfaction of the performance obligation. The value
of the electricity services transferred to the customer is determined on the basis of cyclical
meter readings plus estimated customer usage since the last meter reading date to the end of
the year and represents the amount that the Corporation has the right to bill. Revenue includes
the cost of electricity supplied, distribution, and any other regulatory charges. The related costof power is recorded on the basis of power used.
For customer billings related to electricity generated by third parties and the related costs of
providing electricity service, such as transmission services and other

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services provided by third
parties, the Corporation has determined that it is acting as a principal for these electricity
charges and, therefore, has presented electricity revenue on a gross basis.
Customer billings for debt retirement charges are recorded on a net basis as the Corporationis acting as an agent for this billing stream.
Capital contributions
Developers are required to contribute towards the capital cost of construction of distribution
assets in order to provide ongoing service. The developer is not a customer and therefore the
contributions are scoped out of IFRS 15 Revenue from Contracts with Customers. Cash
contributions, received from developers are recorded as deferred revenue. When an asset
other than cash is received as a capital contribution, the asset is initially recognized at its fair
value, with a corresponding amount recognized as deferred revenue. The deferred revenue,
which represents the Corporation's obligation to continue to provide the customers access to
the supply of electricity, is amortized to income on a straight-line basis over the useful life ofthe related asset.
Certain customers are also required to contribute towards the capital cost of construction of
distribution assets in order to provide ongoing service. These contributions fall within the scope
of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain
a connection to the distribution system in order receive ongoing access to electricity. The
Corporation has concluded that the performance obligation is the supply of electricity over the
life of the relationship with the customer which is satisfied over time as the customer receives
and consumes the electricity. Revenue is recognized on a straight-line basis over the usefullife of the related asset.
Other revenue
Revenue earned from the provision of services is recognized as the service is rendered.
Government grants and the related performance incentive payments under CDM programs are
recognized as revenue in the year when there is reasonable assurance that the programconditions have been satisfied and the payment will be received.
(c) Inventory
Inventory, the majority of which is consumed by the Corporation in the provision of its services,
is valued at the lower of cost and net realizable value, with cost being determined on an
average cost basis, and includes expenditures incurred in acquiring the materials and supplies
and other costs incurred in bringing them to their existing location and condition.(d) Property, plant and equipment
Items of property, plant and equipment ("PP&E") used in rate-regulated activities and acquired
prior to January 1, 2015 are measured at the deemed cost (carrying value as

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elected under
IFRS 1) established on the transition date, less accumulated depreciation.
All other items of
PP&E are measured at cost, or, where the item is contributed by customers,
its fair value, lessaccumulated depreciation.
Cost includes expenditures that are directly attributable to the acquisition
of the asset. The
cost of self-constructed assets includes contracted services, materials and
transportation
costs, direct labour, overhead costs, borrowing costs and any other costs
directly attributable
to bringing the asset to a working condition for its intended use.
Borrowing costs on qualifying assets are capitalized as part of the cost of
the asset based upon
the weighted average cost of debt incurred on the Corporation's borrowings.
Qualifying assets
are considered to be those that take in excess of 12 months to construct.
When parts of an item of PP&E have different useful lives, they are accounted
for as separateitems (major components) of PP&E.
When items of PP&E are retired or otherwise disposed of, a gain or loss on
disposal is
determined by comparing the proceeds from disposal, if any, with the carrying
amount of theitem and is included in profit or loss.
Major spare parts and standby equipment are recognized as items of PP&E.
The cost of replacing a part of an item of PP&E is recognized in the net book
value of the item
if it is probable that the future economic benefits embodied within the part
will flow to the
Corporation and its cost can be measured reliably. In this event, the
replaced part of PP&E is
written off, and the related gain or loss is included in profit or loss. The
costs of the day-to-day
servicing of PP&E are recognized in profit or loss as incurred.
The need to estimate the decommissioning costs at the end of the useful lives
of certain assets
is reviewed periodically. The Corporation has concluded it does not have any
legal orconstructive obligation to remove PP&E.
Depreciation is calculated to write off the cost of items of PP&E using the
straight-line method
over their estimated useful lives, and is generally recognized in profit or
loss. Depreciation
methods, useful lives, and residual values are reviewed at each reporting
date and adjustedprospectively if appropriate. Land is not depreciated.
Construction-in-progress assets are not
depreciated until the project is complete and the asset is available for use.
The estimated useful lives are as follows:
Asset Years
Buildings 20-60 years
Distribution equipment 15-60 years
Vehicles 8-15 years
Other tools and equipment 10-60 years
Computer equipment 5 years
(e) Intangible assets
Intangible assets used in rate-regulated activities and acquired prior to
January 1, 2015 are
measured at deemed cost (carrying value as elected under IFRS 1) established

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on the
transition date, less accumulated amortization. All other intangible assets
are measured atcost.
Computer software that is acquired or developed by the Corporation after
January 1, 2015,
including software that is not integral to the functionality of equipment
purchased which has
finite useful lives, is measured at cost less accumulated amortization.
Payments to obtain rights to access land ("land rights") are classified as
intangible assets.
These include payments made for easements, right of access and right of use
over land for
which the Corporation does not hold title. Land rights are measured at cost.
Management
has determined that land rights have an indefinite life. Land rights are
tested for impairment
when events or circumstances indicate their carrying amount exceeds their
fair value. As at
December 31, 2020, management has not identified any events or circumstances
indicatingthat land rights are impaired.
Amortization is recognized in profit or loss on a straight-line basis over
the estimated useful
lives of intangible assets from the date that they are available for use.
Amortization
methods and useful lives of all intangible assets are reviewed at each
reporting date and
adjusted prospectively if appropriate. The estimated useful lives are:
Asset Years
Computer software 5 years
(f) Impairment
(i) Financial assets measured at amortized cost:
A loss allowance for expected credit losses on financial assets measured at
amortized cost
is recognized at the reporting date. The loss allowance is measured at an
amount equalto the lifetime expected credit losses for the asset.
(ii) Non-financial assets:
The carrying amounts of the Corporation's non-financial assets, other than
materials and
supplies and deferred tax assets, are reviewed at each reporting date to
determine whether
there is any indication of impairment. If any such indication exists, then
the asset'srecoverable amount is estimated.
For the purpose of impairment testing, assets are grouped together into the
smallest group
of assets that generates cash inflows from continuing use that are largely
independent of
the cash inflows of other assets or groups of assets (the "cash-generating
unit" or "CGU").
The recoverable amount of an asset or CGU is the greater of its value in use
and its fair
value less costs to sell. In assessing value in use, the estimated future
cash flows are
discounted to their present value using a pre-tax discount rate that reflects
current market
assessments of the time value of money and the risks specific to the asset.
An impairment loss is recognized if the carrying amount of an asset or its

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CGU exceeds its
estimated recoverable amount. Impairment losses are recognized in profit or
loss.
An impairment loss is reversed only to the extent that the asset's carrying
amount does not
exceed the carrying amount that would have been determined, net of
depreciation oramortization, if no impairment loss had been recognized.
(g) Customer deposits
Customer deposits represent cash deposits from electricity distribution
customers and retailers
to guarantee the payment of energy bills. Interest is paid on customer
deposits.
Deposits are refundable to customers who demonstrate an acceptable level of
credit risk as
determined by the Corporation in accordance with policies set out by the OEB
or upontermination of their electricity distribution service.
(h) Provisions
A provision is recognized if, as a result of a past event, the Corporation
has a present legal or
constructive obligation that can be estimated reliably, and it is probable
that an outflow of
economic benefits will be required to settle the obligation. Provisions are
determined by
discounting the expected future cash flows at a pre-tax rate that reflects
current market
assessments of the time value of money and the risks specific to the
liability.
(i) Regulatory balances
Regulatory deferral account debit balances represent costs incurred in excess
of amounts
billed to the customer at OEB approved rates. Regulatory deferral account
credit balances
represent amounts billed to the customer at OEB approved rates in excess of
costs incurredby the Corporation.
Regulatory deferral account debit balances are recognized if it is probable
that future billings
in an amount at least equal to the deferred cost will result from inclusion
of that cost in allowable
costs for rate-making purposes. The offsetting amount is recognized in net
movement in
regulatory balances in profit or loss or OCI. When the customer is billed at
rates approved by
the OEB for the recovery of the deferred costs, the customer billings are
recognized in revenue.
The regulatory deferral debit balance is reduced by the amount of these
customer billings with
the offset to net movement in regulatory balances in profit or loss or OCI.
The probability of recovery of the regulatory deferral debit account balances
is assessed
annually based upon the likelihood that the OEB will approve the change in
rates to recover
the balance. The assessment of likelihood of recovery is based upon previous
decisions made
by the OEB for similar circumstances, policies or guidelines issued by the
OEB, etc. Any
resulting impairment loss is recognized in profit or loss in the year

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incurred.
When the Corporation is required to refund amounts to ratepayers in the future, the Corporation
recognizes a regulatory deferral account credit balance. The offsetting amount is recognized
in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the
customers are recognized as a reduction of revenue. The regulatory deferral credit balance is
reduced by the amount of these customer repayments with the offset to net movement inregulatory balances in profit or loss or OCI.
(j) Post-employment benefits
(i) Pension plan
The Corporation provides a pension plan for all its full-time employees through Ontario
Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the
Fund"), and provides pensions for employees of Ontario municipalities, local boards and
public utilities. The Fund is a contributory defined benefit pension plan, which is financed
by equal contributions from participating employers and employees, and by the investmentearnings of the Fund. To the extent that the Fund finds itself in an
under-funded position,
additional contribution rates may be assessed to participating employers and members.
OMERS is a defined benefit plan. However, as OMERS does not segregate its pensionasset and liability information by individual employers, there is insufficient information
available to enable the Corporation to directly account for the plan. Consequently, the plan
has been accounted for as a defined contribution plan. The Corporation is not responsiblefor any other contractual obligations other than the contributions.
Obligations for
contributions to defined contribution pension plans are recognized as an employee benefitexpense in profit or loss when they are due.
(ii) Post-employment benefits, other than pension
The Corporation provides some of its retired employees with life insurance and medicalbenefits beyond those provided by government sponsored plans.
The obligations for these post-employment benefit plans are actuarially determined by
applying the projected unit credit method and reflect management's best estimate of certain
underlying assumptions. Remeasurements of the net defined benefit obligations, including
actuarial gains and losses and the return on plan assets (excluding interest), are
recognized immediately in other comprehensive income. When the benefits of a plan are
improved, the portion of the increased benefit relating to past service by employees isrecognized immediately in profit or loss.
(k) Leased assets
At inception of a contract, the Corporation assesses whether a contract is,

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or contains, a lease.
A contract is, or contains, a lease if the contract conveys the right to control the use of an
identified asset for a period of time in exchange for consideration. To assess whether a
contract conveys the right to control the use of an identified asset, the Corporation assesseswhether:
(i) The contract involves the use of an identified asset;
(ii) The Corporation has the right to obtain substantially all of the economic benefits from useof the asset throughout the period of use; and
(ii) The Corporation has the right to direct the use of the asset. The Corporation has this right
when it has the decision-making rights that are most relevant to changing how and for what
purpose the asset is used is predetermined, the Corporation has the right to direct the useof the asset if either:
a) The Corporation has the right to operate the asset; or
b) The Corporation designed the asset in a way that predetermines how and for whatpurposes it will be used.
Short-term leases and low value assets
The Corporation has elected not to recognize right-of-use assets and lease liabilities for shortterm
leases that have a lease term of 12 months or less and leases of low-value assets. The
Corporation recognizes the lease payments associated with these leases as an expense on astraight-line basis over the lease term.
(l) Finance income and finance costs
Finance income is recognized as it accrues in profit or loss, using the effective interest method.Finance income comprises interest earned on cash.
Finance costs comprise interest expense on borrowings and net interest expense on postemployment
benefits. Finance costs are recognized in profit or loss unless they are capitalizedas part of the cost of qualifying assets.
(m) Income taxes
The income tax expense comprises current and deferred tax. Income tax expense isrecognized in profit or loss except to the extent that it relates to items recognized directly inequity, in which case, it is recognized in equity.
The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the
Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the Electricity Act, 1998, the
Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial
Corporation ("OEFC"). These payments are calculated in accordance with the rules for
computing taxable income and taxable capital and other relevant amounts contained in the Tax
Acts as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001,
the Corporation was not subject to income or capital taxes. Payments in lieu of taxes arereferred to as income taxes.
Current tax comprises the expected tax payable or receivable on the taxable income or loss
for the year, using tax rates enacted or substantively enacted at the reporting date, and anyadjustment to tax payable in respect of previous years.
Deferred tax is recognized in respect of temporary differences between the

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tax basis of assets
and liabilities and their carrying amounts for accounting purposes. Deferred
tax assets are
recognized for unused tax losses, unused tax credits and deductible temporary
differences to
the extent that it is probable that future taxable profits will be available
against which they can
be used. Deferred tax is measured at the tax rates that are expected to be
applied to temporary
differences when they reverse, using tax rates enacted or substantively
enacted, at thereporting date.
4. Accounts receivable
2020 2019
Trade customer accounts receivable $ 4,023,520 $ 4,192,219
Other receivables 717,999 56,955
Provision uncollectible accounts (46,000) (42,000)
$ 4,695,519 $ 4,207,174
5. Property, plant and equipment
Land and Distribution Other fixed Construction
buildings equipment assets -in-Progress Total
Cost or deemed cost
Balance at January 1, 2020 $ 2,092,617 $ 22,023,107 $1,513,612 $ 847 $
25,630,183Additions 25,149 1,644,413 230,227 15,625 1,915,414
Transfers - - - - -
Disposals/retirements (4,473) (95,274) (75,908) - (175,655)
Balance at December 31, 2020 $ 2,113,293 $ 23,572,246 $1,667,931 $ 16,472 $
27,369,942
Balance at January 1, 2019 $ 2,057,089 $ 20,915,704 $1,458,004 $ 29,358
$24,460,155Additions 35,528 1,145,853 86,581 - 1,267,962
Transfers - 28,511 - (28,511) -
Disposals/retirements - (66,961) (30,973) - (97,934)
Balance at December 31, 2019 $ 2,092,617 $ 22,023,107 $1,513,612 $ 847 $
25,630,183Accumulated depreciation
Balance at January 1, 2020 $ 475,139 $ 3,752,437 $ 694,396 $ - $ 4,921,972
Depreciation 83,677 741,455 142,193 - 967,325
Disposals - (24,074) (64,460) - (88,534)
Balance at December 31, 2020 $ 558,816 $ 4,469,818 $ 772,129 $ - $ 5,800,763
Balance at January 1, 2019 $ 393,046 $ 3,065,782 $ 576,939 $ - $ 4,035,767
Depreciation 82,093 715,632 145,847 - 943,572
Disposals - (28,977) (28,390) - (57,367)
Balance at December 31, 2019 $ 475,139 $ 3,752,437 $ 694,396 $ - $ 4,921,972
Carrying amounts
At December 31, 2020 $ 1,554,477 $ 19,102,428 $ 895,802 $ 16,472 $ 21,569,179
At December 31, 2019 $ 1,617,478 $ 18,270,670 $ 819,216 $ 847 $ 20,708,211
6. Intangible assets
Computer Land
software rights Total
Cost or deemed cost
Balance at January 1, 2020 $ 406,540 $ 135,718 $ 542,258
Additions 21,059 4,089 25,148
Disposals (23,514) - (23,514)
Balance at December 31, 2020 $ 404,085 $ 139,807 $ 543,892
Balance at January 1, 2019 $ 361,561 $ 113,118 $ 474,679
Additions 49,156 22,600 71,756
Disposals (4,177) - (4,177)
Balance at December 31, 2019 $ 406,540 $ 135,718 $ 542,258

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Accumulated amortization
Balance at January 1, 2020 $ 315,481 $ - $ 315,481
Amortization 29,488 - 29,488
Disposal (18,269) - (18,269)
Balance at December 31, 2020 $ 326,700 $ - $ 326,700
Balance at January 1, 2019 $ 279,053 $ - $ 279,053
Amortization 38,302 - 38,302
Disposals (1,874) - (1,874)
Balance at December 31, 2019 $ 315,481 $ - $ 315,481
Carrying amounts
At December 31, 2020 $ 77,385 $ 139,807 $ 217,192
At December 31, 2019 $ 91,059 $ 135,718 $ 226,777
7. Income tax expense
Current tax expense (recovery)
2020 2019
Current tax recovery $ (102,388) $ (169,755)
Deferred tax expense 144,285 273,000
Income tax expense $ 41,897 $ 103,245
Reconciliation of effective tax rate:
2020 2019
Income before taxes $ 183,169 $ 182,252
Statutory income tax rates 26.5% 26.5%
Expected tax provision on income at statutory rates 48,540 48,297
Increase (decrease) in income taxes resulting from:
Permanent differences (11,376) 400
Other 4,733 54,548
Income tax expense $ 41,897 $ 103,245
Significant components of the Corporation's deferred tax balances
2020 2019
Deferred tax assets (liabilities):
Property, plant and equipment $ (244,000) $ (97,000)
Post-employment benefits 91,715 89,000
Other 12,000 12,000
$ (140,285) $ 4,000
8. Regulatory balances
Reconciliation of the carrying amount for each class of regulatory balances
Remaining
recovery/
January 1, Recovery/ December 31, reversal
Regulatory deferral account debit balances 2020 Additions reversal 2020 years
Retail settlement variances $ 2,498,035 $1,349,925 $(617,548) $3,230,412 1
Regulatory transition to IFRS 162,985 2,018 - 165,003 -
Regulatory variances disposition 39,590 217,659 - 257,249 -
Deferred income tax (4,000) 144,285 - 140,285 -
Other 14,673 74,320 - 88,993 1
$ 2,711,283 $1,788,207 $(617,548) $3,881,942
Remaining
recovery/
January 1, Recovery/ December 31, reversal
Regulatory deferral account debit balances 2019 Additions reversal 2019 years
Retail settlement variances $ 1,416,379 $1,081,656 $ - $2,498,035 1
Regulatory transition to IFRS 159,686 3,299 - 162,985 -
Regulatory variances disposition 68,070 (28,480) - 39,590 -
Deferred income tax (277,000) 273,000 - (4,000) -
Other 199,430 311 (185,068) 14,673 1
$ 1,566,565 $1,329,786 $(185,068) $2,711,283

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January 1, Recovery/ December 31, Remaining
Regulatory deferral account credit balances 2020 Additions reversal 2020 years
Retail settlement variances $ 369,893 $ 136,112 $(303,536) $ 202,469 1
Change in asset useful lives 20,102 (9) - 20,093 -
Other 166,038 94,074 - 260,112 1
$ 556,033 $ 230,177 $(303,536) $ 482,674
January 1, Recovery/ December 31, Remaining
Regulatory deferral account credit balances 2019 Additions reversal 2019 years
Retail settlement variances $ 300,256 $ 69,637 $ - $ 369,893 1
Change in asset useful lives 71,316 (51,214) - 20,102 2
Other 60,402 105,636 - 166,038 1
$ 431,974 $ 124,059 $ - $ 556,033
The regulatory balances are recovered or settled through rates approved by the OEB which are
determined using estimates of future consumption of electricity by its customers. Future
consumption is impacted by various factors including the economy and weather. The Corporation
has received approval from the OEB to establish its regulatory balances.
Settlement of the Group 1 deferral accounts is done on an annual basis through application to the
OEB. An application has been approved by the OEB to recover $275,060 for the Group 1 deferral
accounts for the 2020 rate application. The Corporation received approval for deferral of a COS
application for 2020 rates, and is completing an IRM application for 2021 rates. The OEB requires
the Corporation to estimate its income taxes when it files a COS application to set its rates. As a
result, the Corporation has recognized a regulatory deferral account for the amount of deferred
taxes that will ultimately be recovered from/paid back to its customers. This
balance will fluctuateas the Corporation's deferred tax balance fluctuates.
Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers'
Acceptances three-month rate plus a spread of 25 basis points. In 2020, the rate ranged from0.57% to 2.18%.
9. Accounts payable and accrued liabilities
2020 2019
Accounts payable - energy purchases $ 2,633,131 $ 1,467,517
Water and sewer charges payable 903,876 1,025,115
Other 1,453,604 1,228,538
$ 4,990,611 $ 3,721,170
10. Long-term debt
2020 2019
TD Bank term loan payable, interest at 3.38%,
payable in monthly instalments, due 2022 $ 2,752,028 $ 3,118,740
TD Bank term loan payable, interest at 3.54%,
payable in monthly instalments, due 2024 3,490,086 3,584,767
TD Bank term loan payable, interest at 3.40%,
interest only payments, due 2022 2,500,000 2,500,000
TD Bank term loan payable, interest at 3.60%,
payable in monthly instalments, due 2027 1,797,107 1,852,560
TD Bank term loan payable, interest at 4.20%,
payable in monthly instalments, due 2029 1,905,751 1,953,750
TD Bank term loan payable, interest at 2.58%,

payable in monthly instalments, due 2025 973,808 -
13,418,780 13,009,817
Less current portion of long-term debt 610,889 564,845
$ 12,807,891 $ 12,444,972
The TD Bank term loans holds as security a general security agreement representing a first charge
on all assets and undertakings of the Corporation and assignment of general liability insurance forthe Corporation.
The agreement with respect to the TD Bank term loans contain certain covenants regarding (i)
leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v) limitationson additional debt and encumbrance of assets.
The agreement with TD Bank also contains financial covenants that require the Corporation to
maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio
of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance withthese covenants as at December 31, 2020.
Principal repayments for the next five years and thereafter are as follows:
2021 $ 610,889
2022 5,115,492
2023 251,914
2024 3,335,197
2025 986,195
Thereafter 3,119,093
$ 13,418,780
11. Post-employment benefits
(a) OMERS pension plan
The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2020, the Corporation made employer contributions of $192,886 to OMERS (2019 - $192,810), of which has been recognized in profit or loss. The Corporation estimates that a contribution of $181,491 to OMERS will be made during the next fiscal year. As at December 31, 2020, OMERS had approximately 500,000 members, of whom 19 arecurrent employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2020, which reported that the plan was 97% funded, with an unfunded liability of $3.2 billion. This unfunded liability is likely to result in future payments byparticipating employers and members.(b) Post-employment benefits other than pension
The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employmentbenefit plans.
Reconciliation of the obligation 2020 2019
Defined benefit obligation, beginning of year $ 337,688 $ 329,084
Included in profit or loss
Current service cost 12,557 11,449
Interest cost 13,219 12,849
25,776 24,298
Included in OCI
Actuarial losses arising from:
changes in financial assumptions - -
363,464 353,382

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Benefits paid (17,172) (15,694)
Defined benefit obligation, end of year $ 346,292 $ 337,688
Actuarial assumptions 2020 2019
Discount (interest) rate 4.00% 4.00%
Salary levels 3.00% 3.00%
Medical costs 4.20% 4.00%
Dental costs 4.50% 4.00%
(b) Post-employment benefits other than pension (continued)
A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by $45,100. A 1% decrease in the assumed discount rate would result in thedefined benefit obligation increasing by $59,700.
12. Contributions in aid of construction
2020 2019
Contributions in aid of construction, beginning of year $ 1,859,325 $ 1,838,423
Contributions in aid of construction received 239,979 115,021
Contributions in aid of construction recognized as distribution revenue (59,205) (94,119)
Contributions in aid of construction, end of year $ 2,040,099 $ 1,859,325
13. Share capital
2020 2019
Authorized:
Unlimited number of common shares
Issued:
1,000 common shares $ 8,290,714 $ 8,290,714
14. Revenues
2020 2019
Collection and other service charges $ 46,180 $ 115,185
Water and sewer billing services 11,583 23,955
Rent 109,913 101,301
Gain (loss) on disposals 49,214 (38,418)
Other 63,964 61,362
Total other revenue $ 280,854 $ 263,385
In the following table, sale of energy and distribution revenue is disaggregated by type of customer.2020 2019
Residential $ 17,783,192 $ 13,803,021
Commercial 20,686,145 20,711,482
Other 343,361 324,814
$ 38,812,698 $ 34,839,317
15. Employee salaries and benefits
2020 2019
Salaries, wages and benefits $ 1,974,111 $ 1,940,378
CPP and EI remittances 72,154 68,197
Contributions to OMERS 192,886 192,810
$ 2,239,151 $ 2,201,385
16. Finance income and costs
2020 2019
Finance income
Interest income on bank deposits $ 12,991 $ 58,599
Finance costs
Interest expense on long-term debt (460,312) (473,798)
Interest expense on customer deposits (9,901) (17,197)
(470,213) (490,995)
Net finance costs recognized in profit or loss $ (457,222) $ (432,396)
17. Commitments and contingencies

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

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Cornerstone Hydro Electric Concepts (CHEC)
CHEC is an association of sixteen LDCs modelled after a co-operative to share resources andproficiencies (see note 18). The Corporation may terminate its membership at any time upon the following terms:
(a) giving written notice 60 days in advance of termination; and
(b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2023. The prepayment cost of termination is a settlement of the Corporation's obligation under the agreement by reason of termination of its membership before the expiry of the term. The amount is liquidated damages and not a penalty for early termination and is intended to leave the remaining members in the same position as if the Corporation had not terminated the agreement. As at December 31, 2020, the obligation to CHEC includes the 2021 to 2023 membership dues ofapproximately $46,000 per year, $138,000 total.
Utility Collaborative Services Inc. (UCS) The Corporation has the right to redeem its shares in UCS (see note 18) by retraction upon thefollowing terms:
(a) notice of such retraction shall be given 120 days prior to the effective date; and
(b) a redemption fee shall be paid equal to the previous three years' worth of average purchases from UCS for services or products; or in alternative to paying such fees, the Corporation may elect in writing to provide three years' written notice of the retraction, provided that the Corporation continues to receive services at the same or greater average volume as thosereceived at the time the notice was given.General Liability Insurance
The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange (MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario.
All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2020, no assessments have been made.
18. Related party transactions
(a) Parents and ultimate controlling party
The common shares of Orangeville Hydro Limited are owned by the Town of Orangeville andTown of Grand Valley, the ultimate parents.
(b) Outstanding balances with related parties
2020 2019
Town of Orangeville - receivable $ 149,403 $ 151,530
Town of Grand Valley - receivable 14,875 2,304
Town of Orangeville - payable (875,650) (994,349)
Town of Grand Valley - payable (28,226) (31,936)
$ (739,598) $ (872,451)
(c) Transactions with ultimate parents
The Corporation provides water and sewage billing and collection services to the customers of the Town of Orangeville and Town of Grand Valley, as well as supplying street light energy and street lighting maintenance services to the Town of Orangeville and Town of Grand Valley.
Revenue includes $492,661 (2019 - $417,621) from the Town of Orangeville and $25,506(2019 - $22,416) from the Town of Grand Valley for these services.
The Corporation also delivers electricity to the Town of Orangeville and Town of Grand Valley throughout the year for the electricity needs of the Townships and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The Corporation also provides

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additional services to the Townships, including streetlight maintenance services, sentinel lights and water and waste water billing and customer careservices.

(d) Transactions with related parties

The Corporation paid $52,609 (2019 - $73,725) in fees to Cornerstone Hydro Electric Concepts Association Inc. (CHEC). CHEC is an association of sixteen electricity distribution utilities modeled after a cooperative to share resources and proficiencies. The Corporation owns 100 common shares, at a cost of $100, in Utility Collaborative Services Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the immaterial amount, the investment was expensed. The Corporation paid $207,566 (2019 - $159,696) in fees to UCS. UCS offers standards-based back office services and the collaboration allows leverage in the reduction of costs for items such as information technology hosting and softwarelicensing.

(e) Key management personnel

The key management personnel of the Corporation have been defined as members of its board of directors and executive management team members. The compensation paid during theyear is $554,334 (2019 - $514,110).

19. Financial instruments and risk management

Fair value disclosure

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value becausethe amounts are payable on demand.

The fair value of the TD Bank long-term debt at December 31, 2020 is $6,942,693. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value atDecember 31, 2020 ranged from 0.46% to 1.43%.

Financial risks

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as relatedmitigation strategies are discussed below.

(a) Credit risk

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the Town of Orangeville and Town of Grand Valley. The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for impairment at December 31, 2020 is $46,000 (2019 - $42,000). An impairment loss of $37,389 (2019 - $51,922) was recognized during the year.

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2020, approximately $78,016 (2019 - $43,586) is considered 60 days past due. The Corporation has over 12,000 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB and through credit insurance. As at December 31, 2020, the Corporation holds security deposits in the amount of $629,719 (2019 - $724,514) which also includes

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

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deposits received from developers.
(b) Market risk
Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long-term Government of Canada bond yields. This rate of return is approved by the OEB as part of theapproval of distribution rates. A 1% increase in the interest rate at December 31, 2020 would have increased interest expense on the long-term debt by $137,012 (2019 - $132,603), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.
(c) Liquidity risk
The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a $3,500,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2020, the Corporation has $2,293,740 available on thiscredit facility. The Corporation also has a facility for $1,206,260 (the "LC" facility) for the purpose of issuing letters of credit mainly to support the prudential requirements of the IESO, of which $nil hasbeen drawn and posted with the IESO (2019 - $nil). The majority of accounts payable, as reported on the statement of financial position, are duewithin 30 days.
(d) Capital disclosures
The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns. The Corporation's definition of capital includes equity and long-term debt. As at December 31, 2020, equity amounts to $11,965,738 (2019 - $11,329,992) and long-term debt amounts to$13,418,780 (2019 - $12,444,972).
20. Impact of COVID-19 pandemic:
On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada andaround the world.
During the year, the Corporation has experienced the following in relation to the pandemic:- Mandatory working from home requirements for those able to do so The situation is evolving and the ultimate duration and magnitude of the impact on the economy is not known at this time. The outbreak has not had any material impacts on the operation of the Corporation to date, and management does not expect any material impacts given the nature and scope of the business, and management will continue to actively monitor the situation.21. Comparatives Certain comparative information has been reclassified to conform with the financial statementpresentation adopted in the current year.

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule to reconcile 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.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125			1,086,517	A
Add:				
Provision for income taxes – current	101	-102,388		
Provision for income taxes – deferred	102	144,285		
Amortization of tangible assets	104	996,813		
Charitable donations and gifts from Schedule 2	112	5,075		
Taxable capital gains from Schedule 6	113	43,554		
Non-deductible meals and entertainment expenses	121	625		
Reserves from financial statements – balance at the end of the year	126	392,292		
Subtotal of additions		1,480,256 ▶	1,480,256	

Other additions:

Miscellaneous other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	8,000
2	Paragraph 12(1)(x) - Contributed capital	239,979
3	Paragraph 12(1)(a) - Customer Deposits	629,719
4	Tax grouped with change in regulatory	298,777
	Total of column 2	1,176,475 ▶

	296	1,176,475		
Subtotal of other additions	199	1,176,475 ▶	1,176,475	D
Total additions	500	2,656,731 ▶	2,656,731	
Amount A **plus** line 500			3,743,248	B
Deduct:				
Gain on disposal of assets per financial statements	401	49,214		
Capital cost allowance from Schedule 8	403	1,534,855		
Reserves from financial statements – balance at the beginning of the year	414	379,688		
Subtotal of deductions		1,963,757 ▶	1,963,757	

Other deductions:

Miscellaneous other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	59,205
2	Subsection 13(7.4) election	239,979
3	Paragraph 20(1)(m) - Customer Deposits	629,719
4	Tax movement in reg account	144,285
	Total of column 2	1,073,188 ▶ 396 1,073,188

Subtotal of other deductions	499	1,073,188 ▶	1,073,188 E
Total deductions	510	3,036,945 ▶	3,036,945
Net income (loss) for income tax purposes (amount B **minus** line 510)			706,303 C

Enter amount C on line 300 of the T2 return.

T2 SCH 1 E (19)

Canada

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Explanatory note

For FS presentation, grouped $198,124 of tax expense as a reduction to regulatory movement.

Description	Operator (Note)	Amount
Movement in note 7 of FS for deferred tax balance		144,285 00
	+	
	Total	144,285 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 295 – Amount

Title Line 295 – Amount

Explanatory note
As per balance sheet

Description	Operator (Note)	Amount
Short term customer deposit		225,000 00
Long-term Portion of Customer Deposit	+	404,719 00
	+	
	Total	629,719 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Description	Operator (Note)	Amount
Short term customer deposit		225,000 00
Long-term Portion of Customer Deposit	+	404,719 00
	+	
	Total	629,719 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Federal

A		
X	Investment tax credit from apprenticeship job creation expenditures	2,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
	Canada emergency wage subsidy (CEWS), Canada emergency rent subsidy (CERS) and other taxable amounts from COVID-19 programs*	
	* The amount entered in this field is transferred to the **Miscellaneous other additions** section of Schedule 1 on the line of column 295 associated with line 4, **Taxable amounts from COVID-19 programs**, of column 605.	

Ontario

A		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit*	
	* Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency / Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Various donation slips	5,075
Subtotal	5,075
Add: Total donations of less than $100 each	
Total donations in current tax year	5,075

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			1A		
Charitable donations expired after five tax years*	239				
Charitable donations at the beginning of the current tax year (amount 1A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1, Net Income (Loss) for Income Tax Purposes)	210	5,075		5,075	5,075
Subtotal (line 250 **plus** line 210)		5,075	1B	5,075	5,075
Subtotal (line 240 **plus** amount 1B)		5,075	1C	5,075	5,075
Adjustment for an acquisition of control	255				
Total charitable donations available (amount 1C **minus** line 255)		5,075	1D	5,075	5,075
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2) (enter this amount on line 311 of the T2 return)	260	5,075		5,075	5,075
Charitable donations closing balance (amount 1D **minus** line 260)	280				

The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013) . . . . **262** ____________

Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %) . . . . ____________ 1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015) . . . . **263** ____________

Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %) . . . . ____________ 2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024) . . . . **265** ____________

British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %) . . . . ____________ 3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2019-12-31			
2nd prior year	2018-12-31			
3rd prior year	2017-12-31			
4th prior year	2016-12-31			
5th prior year	2015-12-31			
6th prior year*	2014-12-31			
7th prior year	2013-12-31			
8th prior year	2012-12-31			
9th prior year	2011-12-31			
10th prior year	2010-12-31			
11th prior year	2009-12-31			
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes Note 1 **multiplied** by 75 % 529,727 2A

Taxable capital gains arising in respect of gifts of capital property included in Part 1 Note 2 ..... **225**

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) **227**

The amount of the recapture of capital cost allowance in respect of charitable donations **230**

Proceeds of disposition, **less** outlays and expenses Note 2 .... 2B

Capital cost Note 2 .... 2C

Amount 2B or 2C, whichever is less **235**

Amount on line 230 or 235, whichever is less 2D

Subtotal (**add** lines 225, 227, and amount 2D) 2E

Amount 2E **multiplied** by 25 % 2F

Subtotal (amount 2A **plus** amount 2F) 529,727 2G

Maximum allowable deduction for charitable donations
(enter amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is the least) 5,075 2H

Note 1: For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift **divided** by the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

		Federal	Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year		3A		
Gifts of certified cultural property expired after five tax years*	439			
Gifts of certified cultural property at the beginning of the current tax year (amount 3A **minus** line 439)	440			
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450			
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410			
Subtotal (line 450 **plus** line 410)		3B		
Subtotal (line 440 **plus** amount 3B)		3C		
Adjustment for an acquisition of control	455			
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460			
Subtotal (line 455 **plus** line 460)		3D		
Gifts of certified cultural property closing balance (amount 3C **minus** amount 3D)	480			

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2019-12-31			
2nd prior year	2018-12-31			
3rd prior year	2017-12-31			
4th prior year	2016-12-31			
5th prior year	2015-12-31			
6th prior year*	2014-12-31			
7th prior year	2013-12-31			
8th prior year	2012-12-31			
9th prior year	2011-12-31			
10th prior year	2010-12-31			
11th prior year	2009-12-31			
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			4B		
Subtotal (line 540 **plus** amount 4B)			4C		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			4D		
Gifts of certified ecologically sensitive land closing balance (amount 4C **minus** amount 4D)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2019-12-31			
2nd prior year	2018-12-31			
3rd prior year	2017-12-31			
4th prior year	2016-12-31			
5th prior year	2015-12-31			
6th prior year*	2014-12-31			
7th prior year	2013-12-31			
8th prior year	2012-12-31			
9th prior year	2011-12-31			
10th prior year	2010-12-31			
11th prior year*	2009-12-31			
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

		Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year			5A		
Additional deduction for gifts of medicine expired after five tax years*	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				
Additional deduction for gifts of medicine made before March 22, 2017:					
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			5B		
Amount 5B **multiplied** by 50 %			5C		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

where:

a is the **lesser** of line 601 and amount 5C

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

		Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			5D		
Subtotal (line 640 **plus** amount 5D)			5E		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			5F		
Additional deduction for gifts of medicine closing balance (amount 5E **minus** amount 5F)	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2019-12-31			
2nd prior year	2018-12-31			
3rd prior year	2017-12-31			
4th prior year	2016-12-31			
5th prior year	2015-12-31			
6th prior year*	2014-12-31			
7th prior year	2013-12-31			
8th prior year	2012-12-31			
9th prior year	2011-12-31			
10th prior year	2010-12-31			
11th prior year	2009-12-31			
12th prior year				
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2019-12-31	
2nd prior year	2018-12-31	
3rd prior year	2017-12-31	
4th prior year	2016-12-31	
5th prior year	2015-12-31	
6th prior year*	2014-12-31	
7th prior year	2013-12-31	
8th prior year	2012-12-31	
9th prior year	2011-12-31	
10th prior year	2010-12-31	
11th prior year	2009-12-31	
12th prior year		
13th prior year		
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations.
- A payer corporation is **connected** with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.
  Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, I, I.1 and L **only if** the payer corporation is **connected.**

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business Number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			
					Total of column E (enter amount on line 402 of Schedule 1)	

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d)[note 1] **240**	F1	G Eligible dividends included in column F **242**	H Total taxable dividends paid by **connected** payer corporation (for tax year in column D) **250**
1				

	I Dividend refund of the **connected** payer corporation (for tax year in column D)[note 2] **260**	I.1 Dividend refund of the **connected** payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (for tax year in column D) [notes 2 and 5]	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3%[note 3] **265**	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3%[note 4] **275**	L Part IV tax before deductions on taxable dividends received from **connected** corporations [notes 2 and 5] **280**
1					

Total of column L (enter amount on line 2E in Part 2) ______

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) . . . . ______ 1A

Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) . . . . ______ 1B

Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 return) ______ 1C

Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) . . . . ______ 1D

Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) . . . . ______ 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) . . . . ______ 1F

Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) . . . . ______ 1G

Subtotal (amount 1F **plus** amount 1G) ______ ► ______ 1H

Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) . . . . ______ 1I

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) . . . . ______ 1J

Subtotal (amount 1I **plus** amount 1J) ______ ► ______ 1K

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) . . . . ______ 1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column J or column K whichever one applies. Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable. For column L, you only have to estimate the payer's dividend refund from its eligible refundable dividend tax on hand (ERDTOH) (column I.1).

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column F.

5 For taxable dividends received from **connected** corporations (with a tax year starting **after 2018**), Part IV tax on dividends is equal to: column I.1 (total of amounts CC and II of the connected payer corporation (on page 7 of the T2 return)) **divided** by column H **multiplied** by column F. If there is no dividend refund to the connected payer corporation from its ERDTOH for paying the taxable dividends, line 280 is nil.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320			
Subtotal (amount 2A **minus** line 320)			▶	2B
Current-year non-capital loss claimed to reduce Part IV tax	330			
Non-capital losses from previous years claimed to reduce Part IV tax	335			
Current-year farm loss claimed to reduce Part IV tax	340			
Farm losses from previous years claimed to reduce Part IV tax	345			
Total losses applied against Part IV tax (total of lines 330 to 345)			2C	
Amount 2C **multiplied** by 38 1 / 3 %				2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0") (enter amount on line 712 of the T2 return)	360			

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations (total of column L in part 1)	2E
Amount 4A from Schedule 43	2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E **minus** amount 2F, if negative enter "0") (enter at amount L on page 7 of the T2 return)	2G

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)	2H
Amount 4C from Schedule 43	2I
Part IV tax payable on eligible dividends received from non-connected corporations (amount 2H **minus** amount 2I, if negative enter "0") (enter at amount M on page 7 of the T2 return)	2J

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the connected recipient corporation, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of connected recipient corporation 400	M Business Number 410	N Tax year-end of connected recipient corporation in which the dividends in column O were received YYYYMMDD 420	O Taxable dividends paid to connected corporations 430	P Eligible dividends included in column O 440
1	Corporation of the town of Orangeville	10698 6151 RC0001	2020-12-31	425,979	
2					
				425,979 (Total of column O)	(Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations	450		24,792
Eligible dividends included in line 450	455		
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)	460		450,771
Total eligible dividends paid in the tax year (total of column P **plus** line 455)	465		
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)	470		450,771

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	172,796	3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)			450,771	
Other dividends paid in the tax year (total of 510 to 540)				
Total dividends paid in the tax year		500	450,771	
Dividends paid out of capital dividend account	510			
Capital gains dividends	520			
Dividends paid on shares described in subsection 129(1.2)	530			
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540			
Subtotal (total of lines 510 to 540)		►		4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)			450,771	4B

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Schedule 5

Tax Calculation Supplementary – Corporations

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if, during the tax year, your corporation:
  - had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - is claiming provincial or territorial tax credits or rebates (see Part 2), or
  - has to pay taxes, other than income tax, for Newfoundland and Labrador, or Ontario (see Part 2).
- All legislative references are to the Income Tax Regulations.
- For more information, see the T2 Corporation – Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Allocation of taxable income

100 ______ Enter the regulation that applies (402 to 413)

A Jurisdiction. Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year *		B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2** (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes ☐	103		143		
Newfoundland and Labrador Offshore	004 Yes ☐	104		144		
Prince Edward Island	005 Yes ☐	105		145		
Nova Scotia	007 Yes ☐	107		147		
Nova Scotia Offshore	008 Yes ☐	108		148		
New Brunswick	009 Yes ☐	109		149		
Quebec	011 Yes ☐	111		151		
Ontario	013 Yes ☐	113		153		
Manitoba	015 Yes ☐	115		155		
Saskatchewan	017 Yes ☐	117		157		
Alberta	019 Yes ☐	119		159		
British Columbia	021 Yes ☐	121		161		
Yukon	023 Yes ☐	123		163		
Northwest Territories	025 Yes ☐	125		165		
Nunavut	026 Yes ☐	126		166		
Outside Canada	027 Yes ☐	127		167		
Total		129 G		169 H		

* **Permanent establishment** is defined in subsection 400(2)

** For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:

1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation – Income Tax Guide.
2. If your corporation has provincial or territorial tax payable, complete Part 2.
3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits

Ontario basic income tax (from Schedule 500)	270		
Ontario small business deduction (from Schedule 500)	402		
Subtotal (line 270 **minus** line 402)		►	5A
Ontario transitional tax debits (from Schedule 506)	276		
Recapture of Ontario research and development tax credit (from Schedule 508)	277		
Subtotal (line 276 **plus** line 277)		►	5B
Gross Ontario tax (amount 5A **plus** amount 5B)			5C
Ontario resource tax credit (from Schedule 504)	404		
Ontario tax credit for manufacturing and processing (from Schedule 502)	406		
Ontario foreign tax credit (from Schedule 21)	408		
Ontario credit union tax reduction (from Schedule 500)	410		
Ontario political contributions tax credit (from Schedule 525)	415		
Ontario non-refundable tax credits (total of lines 404 to 415)		►	5D
Subtotal (amount 5C **minus** amount 5D) (if negative, enter "0")			5E
Ontario research and development tax credit (from Schedule 508)		416	
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E **minus** line 416) (if negative, enter "0")			5F
Ontario corporate minimum tax credit (from Schedule 510)		418	
Ontario community food program donation tax credit for farmers (from Schedule 2)		420	
Ontario corporate income tax payable (amount 5F **minus** the total of lines 418 and 420) (if negative, enter "0")			5G
Ontario corporate minimum tax (from Schedule 510)	278		
Ontario special additional tax on life insurance corporations (from Schedule 512)	280		
Subtotal (line 278 **plus** line 280)		►	5H
Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H)			5I
Ontario qualifying environmental trust tax credit	450		
Ontario co-operative education tax credit (from Schedule 550)	452		
Ontario apprenticeship training tax credit (from Schedule 552)	454		
Ontario computer animation and special effects tax credit (from Schedule 554)	456		
Ontario film and television tax credit (from Schedule 556)	458		
Ontario production services tax credit (from Schedule 558)	460		
Ontario interactive digital media tax credit (from Schedule 560)	462		
Ontario book publishing tax credit (from Schedule 564)	466		
Ontario innovation tax credit (from Schedule 566)	468		
Ontario business-research institute tax credit (from Schedule 568)	470		
Ontario regional opportunities investment tax credit (from Schedule 570)	472		
Ontario refundable tax credits (total of lines 450 to 472)		►	5J
Net Ontario tax payable or refundable tax credit (amount 5I **minus** amount 5J) (if a credit, enter amount in brackets) Include this amount on line 255.		290	

Summary

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable tax credits 255

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

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Schedule 6

Summary of Dispositions of Capital Property

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if your corporation disposed of (actual or deemed) capital property or claimed an allowable business investment loss (ABIL), or both, in the tax year.
- All legislative references are to the federal Income Tax Act.
- Also use this schedule to make a designation under paragraph 111(4)(e) if control of the corporation has been acquired by a person or a group of persons.
- For more information, see the section called "Schedule 6, Summary of Dispositions of Capital Property" in the T2 Corporation Income Tax Guide.
- If you need more space, attach additional schedules.

Designation under paragraph 111(4)(e)

Are any dispositions shown on this schedule related to deemed dispositions designated under paragraph 111(4)(e)? . . . . . . **050** Yes ☐ No ☒

If **yes**, attach a statement specifying which properties such a designation applies to.

In the various sections of this form:
- The abbreviation **FS** (for foreign source) is used to indicate the capital gain or loss arising from foreign property;
- The abbreviation **PA** (for passive asset) is used to indicate the capital gain or loss arising from the disposition of an asset other than an active asset of the corporation.

Part 1 – Shares

1 Number of shares **100**	2 Name of corporation in which the shares are held **105**	3 Class of shares **106**	4 Date of acquisition YYYYMMDD **110**	5 Proceeds of disposition **120**	6 Adjusted cost base **130**	7 Outlays and expenses from disposition **140**	8 Gain (or loss) (column 5 **minus** columns 6 and 7) **150**	A FS	A PA
			Totals						

Total adjustment under subsection 112(3) to all losses identified in Part 1 . . . . **160** ______

Actual gain or loss from the disposition of shares (total of column 8 **plus** line 160) . . . . ______ **A**

Part 2 – Real estate (Do not include losses on depreciable property)

1 Municipal address of real estate 1 = Address 1 2 = Address 2 3 = City 4 = Province, Country, Postal Code and Zip Code or Foreign Postal Code **200**	2 Date of acquisition YYYYMMDD **210**	3 Proceeds of disposition **220**	4 Adjusted cost base **230**	5 Outlays and expenses from disposition **240**	6 Gain (or loss) (column 3 **minus** columns 4 and 5) **250**	A FS	A PA
Land as per Q 101		91,580	4,473		87,107		
Totals		91,580	4,473		87,107 **B**		

Part 3 – Bonds

1 Face value of bonds **300**	2 Maturity date YYYYMMDD **305**	3 Name of bond issuer **307**	4 Date of acquisition YYYYMMDD **310**	5 Proceeds of disposition **320**	6 Adjusted cost base **330**	7 Outlays and expenses from disposition **340**	8 Gain (or loss) (column 5 **minus** columns 6 and 7) **350**	A FS	A PA
			Totals				**C**		

Part 4 – Other properties (Do not include losses on depreciable property)

1 Description of other property 400	2 Date of acquisition YYYYMMDD 410	3 Proceeds of disposition 420	4 Adjusted cost base 430	5 Outlays and expenses from disposition 440	6 Gain (or loss) (column 3 **minus** columns 4 and 5) 450	A FS	PA
	Totals					D	

Note
Other property includes capital debts, debts in respect of the disposition of a personal-use property per subsection 50(2), and amounts that arise from foreign currency transactions.

Part 5 – Personal-use property (Do not include listed personal property)

1 Description of personal-use property 500	2 Date of acquisition YYYYMMDD 510	3 Proceeds of disposition 520	4 Adjusted cost base 530	5 Outlays and expenses from disposition 540	6 Gain only (column 3 **minus** columns 4 and 5; if negative, enter "0") 550	A FS	PA
	Totals					E	

Note
You **cannot** deduct losses on dispositions of personal-use property (other than listed personal property or a debt that is a personal-use property) from your income.

Part 6 – Listed personal property

1 Description of listed personal property 600	2 Date of acquisition YYYYMMDD 610	3 Proceeds of disposition 620	4 Adjusted cost base 630	5 Outlays and expenses from disposition 640	6 Gain (or loss)* (column 3 **minus** columns 4 and 5) 650	A FS	PA
	Totals						

Unapplied listed personal property losses from other years (amount from line 530 of Schedule 4, Corporation Loss Continuity and Application) . . . . **655** ____________

Net gains (or losses) from the disposition of listed personal property (total of column 6 **minus** line 655) . . . . ____________ **F**

Note
Net listed personal property losses can only be applied against listed personal property gains.

* Do **not** include gains arising on the disposition of certain certified cultural property to a designated cultural institution. See subparagraph 39(1)(a)(i.1) for more information.

Part 7 – Property qualifying for and resulting in an allowable business investment loss

1 Name of small business corporation 900	2 Shares, enter **1**; debt, enter **2** 905	3 Date of acquisition YYYYMMDD 910	4 Proceeds of disposition 920	5 Adjusted cost base 930	6 Outlays and expenses from disposition 940	7 Loss only (column 4 **minus** columns 5 and 6) 950	A FS	PA
		Totals						

Allowable business investment losses (ABILs) . . . . Total of Column 7 ____________ x 50.0000 % = ____________ **G**

Enter amount G on line 406 of Schedule 1, Net Income (Loss) for Income Tax Purposes.

Note
Properties listed in Part 7 should **not** be included in any other parts of this schedule.

Part 8 – Capital gains or losses

Total of amounts A to F (do **not** include amount F if it is a loss)		87,107	H
Capital gains dividend received in the year	875		
Capital gains reserve opening balance (from Part 1 of Schedule 13, Continuity of Reserves)	880		
Subtotal (amount H **plus** total of lines 875 and 880)		87,107	I
Capital gains reserve closing balance (from Part 1 of Schedule 13, Continuity of Reserves)	885		
Capital gains or losses, excluding ABILs (amount I **minus** line 885)	890	87,107	

FS PA

Part 9 – Taxable capital gains and total capital losses

Capital gains or losses, excluding ABILs (amount from line 890 in Part 8) . . . 87,107 J

Deduct the following amounts included in amount J, that are subject to the zero inclusion rate:

Note
When a taxpayer is entitled to an advantage in respect of a donation, the zero inclusion rate is restricted to only part of the taxpayer's capital gain on disposition of the property. See section 38.2 for more information.

Gain on the donation to a qualified donee of a share, debt obligation, or right listed on a designated stock exchange and other securities under paragraphs 38(a.1)(i) and (iii)	895			
Gain on the donation to a qualified donee of ecologically sensitive land under subsection 38(a.2)*	896			
Exempt portion of the gain on the donation of securities arising from the exchange of a partnership interest under paragraph 38(a.3)		a		
Subtotal (line 895 **plus** line 896 **plus** line a)		►		K
Subtotal (amount J **minus** amount K)			87,107	L

Deemed capital gain from the donation of property included in a flow-through share class of property to a qualified donee under subsection 40(12):

Exemption threshold at time of disposition	897	
The total of all capital gains from the disposition of the actual property	898	

Line 897 or line 898, whichever is less . . . M

Taxable capital gains under section 34.2 (line 275 of Schedule 73, Income Inclusion Summary for Corporations that are Members of Partnerships) . . . x 2 = 899

Subtotal (total of amounts L and M **plus** line 899) 87,107 N

Allowable capital losses under section 34.2 (line 285 of Schedule 73, Income Inclusion Summary for Corporations that are Members of Partnerships) . . . x 2 = 901

Total capital gains or losses (amount N **minus** line 901) 87,107 O

Taxable capital gains or total capital losses

Total capital losses (amount O, if amount O is negative; if amount O is positive, enter "0") . . . P
Enter amount P on line 210 of Schedule 4.

Taxable capital gains (if amount O is positive, enter amount O 87,107 multiplied by 50.0000 %;
if amount O is negative, enter "0") . . . 43,554 Q
Enter amount Q on line 113 of Schedule 1.

* Do **not** include gains on donations of ecologically sensitive land to a private foundation.

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Schedule 7

Aggregate Investment Income and Income Eligible for the Small Business Deduction

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule if you are a Canadian-controlled private corporation (CCPC) to calculate:
  - your aggregate investment income and foreign investment income, as defined in subsection 129(4), to determine the refundable portion of Part I tax, and your adjusted aggregate investment income, as defined in subsection 125(7), for the purpose of the business limit reduction
  - your **specified partnership income**, as defined in subsection 125(7), if you are a member (or **designated member**) of one or more partnerships, and
  - your income from an active business carried on in Canada eligible for the small business deduction including any **specified corporate income** as defined in subsection 125(7)
- Use this schedule if another CCPC is making an assignment of **business limit** under subsection 125(3.2) to you.
- Use this schedule if you are a corporation that is a member of a partnership to assign **specified partnership business limit** to a **designated member** under subsection 125(8).
  Note: If you are a corporation that is not a CCPC, **only** complete Table 1 (columns A1, B1, C1, G1, H1 and J1) and Table 3 to make this assignment.
- The adjusted aggregate investment income, for the purpose of the business limit reduction, also applies to a tax year of a corporation that begins before 2019 and ends after 2018 under the following circumstances:
  - the corporation's preceding tax year was, because of a transaction or event or a series of transactions or events, shorter than it would have been in the absence of that transaction, event or series, and
  - one of the reasons for the transaction, event or series was to defer the application of subsections 125(5.1), (5.2) and (7) to the corporation
- All legislative references are to the Income Tax Act.
- For more information, see **Small Business Deduction** and **Refundable Portion of Part I Tax** in Guide T4012, T2 Corporation – Income Tax Guide.
- See the notes at the end of the form.

Part 1 – Aggregate investment income

Aggregate investment income is all **world** source income.

Eligible portion of taxable capital gains for the year	002			43,554	
Eligible portion of allowable capital losses for the year (including allowable business investment losses)	012				
Net capital losses of previous years claimed on line 332 on the T2 return	022				
Subtotal (line 012 **plus** line 022)			►		A
Line 002 **minus** amount A (if negative, enter "0")				43,554	B
Total income from property (include income from a specified investment business carried on in Canada other than income from a source outside Canada)	032				
Exempt income	042				
Amounts received from AgriInvest Fund No. 2 that were included in computing the corporation's income for the year	052				
Taxable dividends deductible (total of column F on Schedule 3 **minus** related expenses)	062				
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	072				
Subtotal (**add** lines 042, 052, 062 and 072)			►		C
Subtotal (line 032 **minus** amount C)			►		D
Amount B **plus** amount D				43,554	E
Total losses from property (include losses from a specified investment business carried on in Canada other than a loss from a source outside Canada)	082				
Amount E **minus** line 082 (if negative, enter "0") (enter on line 440 of the T2 return)	092			43,554	

Part 2 – Adjusted aggregate investment income

Eligible portion of taxable capital gains for the year (other than taxable capital gains from the disposition of an active asset note 13)			705	
Eligible portion of allowable capital losses for the year (including allowable business investment losses) (other than allowable capital losses from the disposition of an active asset note 13)			710	
Subtotal (line 705 **minus** line 710) (if negative, enter "0")				F
Total income from property note 14		715		
Exempt income	720			
Amounts received from AgriInvest Fund No. 2 that were included in computing the corporation's income for the year	725			
Dividends from connected corporations	730			
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)	735			
Subtotal (**add** lines 720, 725, 730 and 735)	►	G		
Subtotal (line 715 **minus** amount G)		►		H
Amount F **plus** amount H				I
Total losses from property note 14			740	
Amount, if any, deducted under subsection 91(4) in computing the corporation's income for the year			741	
Adjusted aggregate investment income (amount I **minus** line 740, **plus** line 741) (if negative, enter "0")			745	

If this is your first tax year starting after 2018, complete the following portion.

Eligible portion of taxable capital gains for each tax year that ended in the preceding calendar year (other than taxable capital gains from the disposition of an active asset note 13)			2A
Eligible portion of allowable capital losses for each tax year that ended in the preceding calendar year (including allowable business investment losses)(other than allowable capital losses from the disposition of an active asset note 13)			2B
Subtotal (amount 2A **minus** amount 2B) (if negative, enter "0")			2C
Total income from property for each tax year that ended in the preceding calendar year note 14		2D	
Exempt income for each tax year that ended in the preceding calendar year	2E		
Amounts received from AgriInvest Fund No. 2 that were included in computing the corporation's income for each tax year that ended in the preceding calendar year	2F		
Dividends from connected corporations for each tax year that ended in the preceding calendar year	2G		
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) for each tax year that ended in the preceding calendar year	2H		
Subtotal (**add** amounts 2E, 2F, 2G and 2H)	►	2I	
Subtotal (amount 2D **minus** amount 2I)		►	2J
Amount 2C **plus** amount 2J			2K
Total losses from property for each tax year that ended in the preceding calendar year note 14			2L
Amount, if any, deducted under subsection 91(4) in computing the corporation's income for each tax year that ended in the preceding calendar year			742
Adjusted aggregate investment income (amount 2K **minus** amount 2L, **plus** line 742) (if negative, enter "0")			744

(enter the total of line 744 and the adjusted aggregate investment income of all associated corporations on line 417 of the T2 return)

Part 3 – Foreign investment income

Foreign investment income is all income from sources **outside Canada**.

Eligible portion of taxable capital gains for the year **001**

Eligible portion of allowable capital losses for the year (including allowable business investment losses) **009**

Subtotal (line 001 **minus** line 009) (if negative, enter "0") J

Total income from property from a source **outside Canada** (net of related expenses) **019**

Exempt income **029**

Taxable dividends deductible (total of column F on Schedule 3 **minus** related expenses) **049**

Business income from an interest in a trust that is considered property income under paragraph 108(5)(a) . **059**

Subtotal (**add** lines 029, 049, and 059) ► K

Subtotal (line 019 **minus** amount K) ► L

Amount J **plus** amount L M

Total losses from property from a source **outside Canada** **069**

Amount M **minus** line 069 (if negative, enter "0") (enter on line 445 of the T2 return) **079**

Part 3A – Canadian and foreign investment income and adjusted aggregate investment income calculation

	A Canadian investment income	B Foreign investment income	C Adjusted aggregate investment income*	
Eligible portion of the taxable capital gains for the year before taking into account the capital gains reserves (federal) of Schedule 13*	43,554			1.1
Eligible portion of capital gains reserves (addition/deduction)*, **				1.2
Taxable capital gains under section 34.2 (line 275 on Schedule 73)**				1.3
Eligible portion of the taxable capital gains for the year (**add** amounts 1.1, 1.2, and 1.3)	43,554			1
Eligible portion of allowable capital losses for the year (including allowable business investment losses)*				2.1
Net capital losses of previous years (line 332 on the T2 return)				2.2
Allowable capital losses under section 34.2 (line 285 of Schedule 73)**				2.3
Allowable capital losses for the year (**add** amounts 2.1, 2.2 and 2.3)				2
Amount 1 **minus** amount 2 (if negative, enter "0")	43,554			3
Taxable dividends				4.1
Rental property income (under regulation 1100(11))				4.2
Other property income*				4.3
Property income under section 34.2 (line 280 of Schedule 73)**				4.4
Total property income (**add** amounts 4.1, 4.2, 4.3 and 4.4)				4
Exempt income				5.1
Amounts received from AgriInvest Fund No. 2 that were included in computing the corporation's income for the year				5.2
Taxable dividends deductible (total of column F on Schedule 3 **minus** related expenses)*				5.3
Business income from an interest in a trust that is considered property income under paragraph 108(5)(a)				5.4
Add amounts 5.1, 5.2, 5.3 and 5.4				5
Amount 4 **minus** amount 5				6
Amount 3 **plus** amount 6	43,554			7
Rental property losses (under regulation 1100(11))				8.1
Dividend losses				8.2
Other property losses*				8.3
Property losses under section 34.2 (line 280 of Schedule 73)**				8.4
Total property losses (**add** amounts 8.1, 8.2, 8.3 and 8.4)				8
Amount 7 **minus** amount 8 (if negative, enter "0")	43,554			9
Amount, if any, deducted under subsection 91(4) in computing the corporation's income for the year				10
Amount 7 **minus** amount 8 **plus** amount 10 (if negative, enter "0")				11

* To calculate the adjusted aggregate investment income under column C:

- On lines 1.1, 1.2 and 2.1, only capital gains and losses resulting from the disposition of property other than an active asset (as defined under subsection 125(7) ITA) are to be taken into account.
- On line 4.3, include amounts in respect of a life insurance policy that are included in computing the corporation's income for the year (even if those amounts are not included in the calculation of the corporation's investment income in column A and B) as well as the income from a specified foreign investment business.
- On line 5.3, only the dividends received from a connected corporation should be included.
- On line 8.3, include the loss from a specified foreign investment business.

For more information on the calculation of the adjusted aggregate investment income, consult notes 13 and 14 at the end of this form as well as the Help (F1).

** When an amount is entered on these lines in column B, it reduces the corresponding amount in column A. For more information, consult the Help (F1).

Net taxable dividends	A*	Canadian	Foreign	Total
Taxable dividends deducted per Schedule 3				
Less: Expenses related to such dividends				
Total expenses				
Net taxable dividends				

* Column A – Enter an “X” if the expense is related to a dividend received from a connected corporation.

Part 4 – Specified partnership income

Table 1 – Specified partnership income

A	A1	1A
Is the corporation a designated member of the partnership?	Partnership name **200**	Partnership's account number
Yes / No		

B1	C1	D1	1D	2D	E1	F1
Total income (loss) of partnership from an active business **300**	Corporation's share of amount in column B1 **310**	Income of the corporation from providing (directly or indirectly) services or property to the partnership **311**	Prorated amounts calculated under section 34.2 note 1	Expenses the corporation incurred to earn partnership income	Adjustments (column 1D **minus** column 2D) **315**	Corporation's income (loss) in respect of the partnership note 2 (**add** columns C1, D1 and E1) **320**

Total **350** ______

G1	H1	I1	J1	K1	L1	M1
Number of days in the partnership's fiscal period **325**	Prorated business limit notes 2 and 3 (column C1 ÷ column B1) × [$ 500 000 × (column G1 ÷ 365)] (if column C1 is negative, enter "0") **330**	Specified partnership business limit **assigned to you** (from H2 in Table 2) note 5 **335**	Specified partnership business limit **assigned by you** from F3 in Table 3) note 6 **336**	Specified partnership business limit amount (column H1 **plus** column I1 **minus** column J1)	Column F1 **minus** column K1 (if negative, enter "0")	Lesser of columns F1 and K1 (if column F1 is negative, enter "0") note 4 **340**

Total **385** ______ **360** ______

Corporation's losses for the year from an active business carried on in Canada (other than as a member of a partnership) – enter as a positive amount . . . . **370** ______

Specified partnership loss of the corporation for the year – enter as a positive amount (total of all negative amounts in column F1) . . . . **380** ______

Subtotal (line 370 **plus** line 380) ______ N

Amount at line 385 or amount N, whichever is less . . . . **390** ______

Specified partnership income (line 360 **plus** line 390) . . . . **400** ______
(enter at amount R in Part 5)

Part 4 – Specified partnership income (continued)

Tables 2 and 3 are used to make an assignment of **specified partnership business limit** under subsection 125(8). A person that is a member of a partnership can make an assignment of **specified partnership business limit** under subsection 125(8) to a **designated member**.

If you are a CCPC that is a designated member and **receiving** specified partnership business limit from a person that is a member of the partnership, complete Table 2.

If you are a corporation that is a member of the partnership and **assigning** specified partnership business limit to a designated member, complete Table 3.

Table 2 – A member is assigning to you specified partnership business limit under subsection 125(8)

A2	2A	B2
Partnership name 405	Partnership's account number	Name of the member 406

C2	D2	E2	F2	G2	H2
Business number of the member (if applicable) 410	Social insurance number of the member (if applicable) 411	Trust account number of the member (if applicable) 412	Tax year start of the member (yyyymmdd) 415	Tax year-end of the member (yyyymmdd) 416	Specified partnership business limit assigned to you by the member note 7 420

Table 3 – You are assigning to a designated member (CCPC) specified partnership business limit under subsection 125(8)

A3	3A	B3
Partnership name 425	Partnership's account number	Name of the designated member 426

C3	D3	E3	F3
Business number of the designated member 430	Tax year start of the designated member (yyyymmdd) 435	Tax year-end of the designated member (yyyymmdd) 436	Specified partnership business limit assigned by you to the designated member note 8 440

Part 5 – Partnership income not eligible for the small business deduction

Corporation's income from active businesses carried on in Canada as a member or designated member of a partnership (after deducting related expenses) – from line 350 in Part 4 (if the net amount is negative, enter "0" on line 450)		O
Specified partnership loss (from line 380 in Part 4)		P
Subtotal (amount O **plus** amount P)		Q
Specified partnership income (from line 400 in Part 4)		R
Partnership income not eligible for the small business deduction (amount Q **minus** amount R) (enter at amount Z in Part 6)	450	

Part 6 – Income eligible for the small business deduction

Net income for income tax purposes from line 300 of the T2 return		706,303	S		
Allowable business investment loss from line 406 of Schedule 1			T		
Subtotal (amount S **plus** amount T)		706,303	▶	706,303	U
Foreign business income after deducting related expenses note 9	500				
Taxable capital gains from line 113 of Schedule 1		43,554	V		
Net property income (line 032 note 10 **minus** the total of lines 042, 052 and 082 note 9 in Part 1)			W		
Personal services business income after deducting related expenses note 9	e1				
Other income after deducting related expenses note 9	e2				
Subtotal (amount e1 **plus** amount e2) note 9 ▶	520				
Subtotal (**add** line 500, amount V, amount W and line 520)		43,554	▶	43,554	X
Net amount (amount U **minus** amount X)				662,749	Y
Partnership income not eligible for the small business deduction (line 450 in Part 5)			Z		
Partnership income allocated to your corporation under subsection 96(1.1)	530				
Income referred to in clause 125(1)(a)(i)(C)	540				
Income referred to in clause 125(1)(a)(i)(B) (from line 615 in Part 7)			AA		
Subtotal (**add** amount Z, line 530, line 540 and amount AA)			▶		BB
Specified corporate income (from line 625 in Part 7)					CC
Income eligible for the small business deduction (amount Y **minus** amount BB, **plus** amount CC) (enter amount DD on line 400 of the T2 return - if negative, enter "0")				662,749	DD

Part 7 – Specified corporate income and assignment under subsection 125(3.2)

	1EE Name of the corporation	EE Business number of the corporation 600	FF Income described under clause 125(1)(a)(i)(B) received from the corporation identified in column EE note 11 610	GG Business limit assigned **from** the corporation identified in column EE note 12 620
1				
			Total 615	Total 625

See the privacy statement on your return.

Notes

Note 1 Do **not** include expenses that were deducted in computing the income of the corporation in column D1.

In general, amounts included under subsections 34.2(2) and 34.2(3) or claimed under subsection 34.2(4) are deemed to have the **same character** and be in the **same proportions** as the partnership income they relate to. For example, if a corporation receives $100,000 of partnership income for the partnership's fiscal period ending in its tax year, and that income is made up of $40,000 of active business income, $30,000 of income from property, and $30,000 as a taxable capital gain, the corporation's adjusted stub period accrual (ASPA) in respect of the partnership would be 40% active business income, 30% property income, and 30% taxable capital gains. Add or deduct only the portion of the following amounts that are characterized as **active business income** in accordance with subsection 34.2(5):

Add:

– the ASPA under subsection 34.2(2) (column 4 of Schedule 73)
– the income inclusion for a new corporate member of a partnership under subsection 34.2(3) (column 6 of Schedule 73)
– the previous-year transitional reserve under subsection 34.2(12) (column 12 of Schedule 73)

Deduct:

– the previous-year ASPA under subsection 34.2(4) (column 5 of Schedule 73)
– the previous-year income inclusion for a new corporate member of a partnership under subsection 34.2(4) (column 7 of Schedule 73)

Note 2 When a partnership carries on more than one business, one of which generates income and another of which realizes a loss, the loss is **not** netted against the partnership's income when calculating the prorated business limit (column H1). Enter on line 380 the total of all losses from column F1.

Note 3 **If** you are a **designated member** of the partnership, enter "0".

Note 4 You must enter "0" **if** the partnership provides services or property to either:

(A) a private corporation (directly or indirectly in any manner whatever) in the year, if:
- you (or one of your shareholders) or a person that does **not** deal at arm's length with you (or one of your shareholders) holds a direct or indirect interest in the private corporation, and
- it is not the case that all or substantially all of the partnership's income for the year from an active business is from providing services or property to
  – persons (other than the private corporation) that deal at arm's length with the partnership and each person that holds a direct or indirect interest in the partnership, or
  – partnerships with which the partnership deals at arm's length, other than a partnership in which a person that does **not** deal at arm's length with you holds a direct or indirect interest, or

(B) a particular partnership (directly or indirectly in any manner whatever) in the year, if:
- you (or one of your shareholders) do **not** deal at arm's length with the particular partnership or a person that holds a direct or indirect interest in the particular partnership, and
- it is not the case that all or substantially all of the partnership's income for the year from an active business is from providing services or property to
  – persons that deal at arm's length with the partnership and each person that holds a direct or indirect interest in the partnership, or
  – partnerships (other than the particular partnership) with which the partnership deals at arm's length, other than a partnership in which a person that does **not** deal at arm's length with you holds a direct or indirect interest.

Note 5 If you are a CCPC that is a **designated member** receiving an assignment of **specified partnership business limit,** complete Table 2 to determine the amounts to enter in Table 1 column I1.

Note 6 If you are a corporation that is a **member** of the partnership and you are assigning **specified partnership business limit**, complete Table 3 to determine the amounts to enter in Table 1 column J1.

Note 7 Add the amounts in column H2 that are for the same partnership and enter it in Table 1 column I1, in the row of the applicable partnership.

Note 8 Add the amounts in column F3 that are for the same partnership and enter it in Table 1 column J1, in the row of the applicable partnership. This amount **cannot** be higher than the amount of prorated business limit you would otherwise be entitled to in Table 1 column H1 for that partnership.

Note 9 If negative, enter amount in brackets, and **add** instead of subtracting.

Note 10 Net of related expenses.

Note 11 This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts, each of which is your income from an active business for the year from providing services or property to a private corporation (directly or indirectly, in any manner whatever) if

(A) at any time in the year, you (or one of your shareholders) or a person that does **not** deal at arm's length with you (or one of your shareholders) holds a direct or indirect interest in the private corporation, and

(B) it is not the case that all or substantially all of your income for the year from an active business is from providing services or property to
(I) persons (other than the private corporation) with which you deal at arm's length, or
(II) partnerships with which you deal at arm's length, other than a partnership in which a person that does **not** deal at arm's length with you holds a direct or indirect interest.

Do **not** include specified farming or fishing income. If the conditions described in subsection 125(10) are met, do not include income from an associated corporation.

Note 12 The amount of business limit that a CCPC can assign to you cannot be greater than the amount in column FF that is from providing services or property **directly** to that CCPC. If there is an amount included in column FF that is deductible by that CCPC in respect of the amount of its income referred to in clause 125(1)(a)(i)(A) or (B) for its tax year, you need to deduct it from column FF for the purpose of determining the amount that can be assigned to you.

Notes (continued)

Note 13 Active asset, of a particular corporation at any time, means property that is:

(A) used at that time principally in an active business carried on primarily in Canada by the particular corporation or by a Canadian-controlled private corporation that is related to the particular corporation,

(B) a share of the capital stock of another corporation if, at that time,

- the other corporation is connected with the particular corporation (within the meaning assigned by subsection 186(4) on the assumption that the other corporation is at that time a payer corporation within the meaning of that subsection), and
- the share would be a qualified small business corporation share (as defined in subsection 110.6(1)) if:

  – the references in that definition to an "individual" were references to the particular corporation, and

  – that definition were read without reference to "the individual's spouse or common-law partner", or

(C) an interest in a partnership, if:

- at that time, the fair market value of the particular corporation's interest in the partnership is equal to or greater than 10% of the total fair market value of all interests in the partnership,
- throughout the 24-month period ending before that time, more than 50% of the fair market value of the property of the partnership was attributable to property described in this paragraph or in paragraph (A) or (B), and
- at that time, all or substantially all of the fair market value of the property of the partnership was attributable to property described in this paragraph or in paragraph (A) or (B).

Note 14 Income or loss from property of a particular corporation, for the purposes of calculating the corporation's adjusted aggregate investment income, includes income or loss from a specified investment business, as well as all amounts in respect of a life insurance policy that are included in computing the corporation’s income for the year (even if those amounts were not included in the computation of the corporation’s aggregate investment income in Part 1).

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

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** Yes [ ] No [X]

	1 Class number * See note 1 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) See note 2 203	4 Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) or zero-emission vehicle (ZEV) See note 3 225	5 Adjustments and transfers See note 4 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6 222	8 Proceeds of dispositions See note 7 207	9 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See note 8
1.	1	Buildings	7,989,426						0	7,989,426
2.	8	Equipment	127,401	3,769	3,769				0	131,170
3.	10	Trucks	284,247	181,741	181,741				25,000	440,988
4.	45	Computer equipment	13						0	13
5.	47	Electric Distribution Equipment	9,803,573	1,404,434	1,404,434	28,511			25,000	11,211,518
6.	50	Computer equipment	11,572	44,717	44,717				0	56,289
7.	43.2	Solar Generation	219						0	219
8.	14.1		115,140						0	115,140
9.	1b		5,690						0	5,690
10.	1b	2018 Addition	94,783	25,149	25,149				0	119,932
11.	95	CIP	29,360	15,625	15,625	-28,513			0	16,472
12.	12			21,059	21,059				0	21,059
		Totals	18,461,424	1,696,494	1,696,494	-2			50,000	20,107,916

	1 Class number * See note 1 200	Description	10 Proceeds of disposition available to reduce the UCC of AIIP and ZEV (column 8 **plus** column 6 **minus** column 3 **plus** column 4 **minus** column 7) (if negative, enter "0")	11 Net capital cost additions of AIIP and ZEV acquired during the year (column 4 **minus** column 10) (if negative, enter "0")	12 UCC adjustment for AIIP and ZEV acquired during the year (column 11 **multiplied** by the relevant factor) See note 9	13 UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 **multiplied** by the result of column 3 **minus** column 4 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") See note 10 224	14 CCA rate % See note 11 212	15 Recapture of CCA See note 12 213	16 Terminal loss See note 13 215	17 CCA (for declining balance method, the result of column 9 **plus** column 12 **minus** column 13, **multiplied** by column 14 or a lower amount) See note 14 217	18 UCC at the end of the year (column 9 **minus** column 17) 220
1.	1	Buildings					4	0	0	319,577	7,669,849
2.	8	Equipment		3,769	1,885		20	0	0	26,611	104,559
3.	10	Trucks	25,000	156,741	78,371		30	0	0	155,808	285,180
4.	45	Computer equipment					45	0	0	6	7
5.	47	Electric Distribution Equipment	25,000	1,379,434	689,717		8	0	0	952,099	10,259,419
6.	50	Computer equipment		44,717	22,359		55	0	0	43,256	13,033
7.	43.2	Solar Generation					50	0	0	110	109
8.	14.1						5	0	0	8,038	107,102
9.	1b						6	0	0	341	5,349
10.	1b	2018 Addition		25,149	12,575		6	0	0	7,950	111,982
11.	95	CIP		15,625	7,813		0	0	0		16,472
12.	12			21,059			100	0	0	21,059	
		Totals	50,000	1,646,494	812,720					1,534,855	18,573,061

Enter the total of column 15 on line 107 of Schedule 1.
Enter the total of column 16 on line 404 of Schedule 1.
Enter the total of column 17 on line 403 of Schedule 1.

Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).

Note 2. 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 of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a new motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11, 12 and 13 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.

Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 9). Items that increase the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
Also include the UCC of each property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property continuously owned by the transferor for at least 364 days before the end of your tax year.

Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
- an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)

Also include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year.

Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the $55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of $55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.

Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1, 54 and 56
- 1 1/2 for property in Class 55
- 1 for property in Classes 43.2 and 53
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
- 0.5 for all other property that is AIIP

Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.

Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.

Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
- property in Class 14.1, unless you have ceased carrying on the business to which it relates or
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply

Note 14. 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2)(for single mine properties) and 1100(1)(ya.2)(for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Corporation of the Town of Orangev		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Co		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	42,000		46,000	42,000	46,000
2	Employee Future Benefits	337,688		346,292	337,688	346,292
3						
	Reserves from Part 2 of Schedule 13					
	Totals	379,688		392,292	379,688	392,292

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)
2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
3 – Non-CCPC that is a **third corporation**
4 – Associated non-CCPC
5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . . **025** Year Month Day

Enter the calendar year the agreement applies to . . . . . . **050** Year 2020

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . . **075** ☐ Yes ☒ No

	1 Name of associated corporations **100**	2 Business number of associated corporations **200**	3 Association code **300**	4 Business limit for the year before the allocation $	5 Percentage of the business limit % **350**	6 Business limit allocated* $ **400**	
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000	
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000			
3	Corporation of the Township of East Luther Gra	NR	1	500,000			
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000			
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000			
				Total	100.0000	500,000	A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - $10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

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Schedule 31

Investment Tax Credit – Corporations

General information

- Use this schedule:
  - to calculate an investment tax credit (ITC) earned during the tax year
  - to claim a deduction against Part I tax payable
  - to claim a refund of credit earned during the current tax year
  - to claim a carryforward of credit from previous tax years
  - to transfer a credit following an amalgamation or the wind-up of a subsidiary, as described under subsections 87(1) and 88(1)
  - to request a credit carryback to one or more previous years
  - if you are subject to a recapture of ITC
  - if you are claiming:
    - the **Ontario Research and Development Tax Credit**
    - the **Ontario Innovation Tax Credit**
- Unless otherwise stated, all legislative references are to the Income Tax Act and the Income Tax Regulations.
- The ITC is eligible for a three-year carryback (if not deductible in the year earned). It is also eligible for a twenty-year carryforward.
- Investments or expenditures, described in subsection 127(9) and Regulation Part XLVI, that currently earn an ITC are:
  - qualified property and qualified resource property (Parts 4 to 7 of this schedule)
  - qualified scientific research and experimental development (SR&ED) expenditures (Parts 8 to 17). File Form T661, Scientific Research and Experimental Development (SR&ED) Expenditures Claim
  - pre-production mining expenditures (Part 18)
    - You can no longer claim the ITC for the pre-production mining expenditures. Only unused credits that have not expired can be carried forward for up to 20 tax years following the tax year in which you made the investment.
  - apprenticeship job creation expenditures (Parts 19 to 21)
  - child care spaces expenditures (Parts 22 to 26)
    - Expenditures related to child care spaces incurred after March 21, 2017 no longer qualify for the ITC. However, if you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 remain eligible for the credit.
- File this schedule with the T2 Corporation Income Tax Return. If you need more space, attach additional schedules.
- For more information on ITCs, see "Investment Tax Credit" in Guide T4012, T2 Corporation – Income Tax Guide and read Information Circular IC78-4, Investment Tax Credit Rates, and its related Special Release.
- For more information on SR&ED, see guide T4088, Scientific Research and Experimental Development (SR&ED) Expenditures Claim – Guide to Form T661.

Detailed information

- 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 or non-government assistance that the corporation has received, is entitled to receive, or can reasonably be expected to receive for that property at the time it files the income tax return for the year in which the property was acquired.
- An ITC deducted in a tax year for a depreciable property, other than a depreciable property deductible under paragraph 37(1)(b), reduces both the capital cost of that property and the undepreciated capital cost of that class in the next tax year. An ITC for SR&ED deducted or refunded in a tax 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 tax year. An ITC from pre-production mining expenditures deducted in a tax year reduces the balance in the pool of deductible cumulative Canadian exploration expenses in the next tax year.
- Property acquired has to be **available for use** before a claim for an ITC can be made. See subsections 127(11.2) and 248(19) for more information.
- Expenditures for SR&ED 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 tax year in which it incurred the expenditures.
- Expenditures for apprenticeship or child care space for an ITC must be identified by the claimant on Schedule 31 no later than 12 months after the claimant's income tax return is due for the tax year in which it incurred the expenditures or capital costs.
- 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 is not applicable for the agreement to share any income or loss. Special rules apply to specified members of a partnership and limited partners. For more information, see Guide T4068, Guide for the Partnership Information Return (T5013 Forms).
- For tax purposes**,** Canada includes the **exclusive economic zone of Canada** as defined in the Oceans Act (which generally consists of an area of the sea that is within 200 nautical miles from the Canadian coastline), including the airspace, seabed and subsoil of that zone.
- For the purpose of this schedule, the expression **Atlantic Canada** includes the Gaspé Peninsula and the provinces of Newfoundland and Labrador, Prince Edward Island, Nova Scotia, and New Brunswick, as well as their respective offshore regions (prescribed in Regulation 4609).

Detailed information (continued)

- For the purpose of this schedule, **qualified property** means property in Atlantic Canada that is used primarily for manufacturing and processing, farming or fishing, logging, storing grain, or harvesting peat. Property in Atlantic Canada that is used primarily for oil and gas, and mining activities is considered qualified property only if acquired by the taxpayer **before** March 29, 2012, unless transitional measures were granted*. Qualified property includes new buildings and new machinery and equipment (prescribed in Regulation 4600), and new energy generation and conservation property (prescribed in Regulation 4600). Qualified property can also be used primarily to produce or process electrical energy or steam in a prescribed area (as described in Regulation 4610). See the definition of **qualified property** in subsection 127(9) for more information.
- For the purpose of this schedule, **qualified resource property** means property in Atlantic Canada that is used primarily for oil and gas, and mining activities, if acquired by the taxpayer **after** March 28, 2012, and **before** January 1, 2016. Qualified resource property includes new buildings and new machinery and equipment (prescribed in Regulation 4600). See the definition of **qualified resource property** in subsection 127(9) for more information.

Part 1 – Investments, expenditures, and percentages

Investments	**Specified percentage**
Qualified property acquired primarily for use in Atlantic Canada	10 %
Qualified resource property acquired primarily for use in Atlantic Canada and acquired:	
– after March 28, 2012, and before 2014	10 %
– after 2013 and before 2016	5 %
– after 2015*	0 %
Expenditures	
If you are a Canadian-controlled private corporation (CCPC), this percentage may apply to the portion that you claim of the SR&ED qualified expenditure pool that does not exceed your expenditure limit (see Part 10)	35 %
Note: If your current year's qualified expenditures are more than your expenditure limit (see Part 10), the excess is eligible for an ITC calculated at the 15% rate.	
If you are a corporation that is not a CCPC and have incurred qualified expenditures for SR&ED in any area in Canada	15 %
If you paid salary and wages to apprentices in the first 24 months of their apprenticeship contract for employment	10 %
If you incurred expenditures after March 18, 2007, and before March 22, 2017 (or before 2020 if you entered into a written agreement before March 22, 2017) for the creation of licensed child care spaces for the children of your employees and, potentially, for other children	25 %

* A transitional relief rate of 10% may apply to property acquired after 2013 and before 2017, if the property is acquired under a written agreement entered into before March 29, 2012, or the property is acquired as part of a **phase** of a project where the construction or the engineering and design work for the construction started before March 29, 2012. See paragraph (a.1) of the definition of **specified percentage** in subsection 127(9) for more information.

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

Part 2 – Determination of a qualifying corporation

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

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

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered **not** associated for the calculation of a refundable ITC if both of the following conditions are met:

- one corporation is associated with another corporation only because one or more persons own shares of the capital stock of both corporations
- 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 expenditures for SR&ED, up to the allocated expenditure limit.

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 expenditures for SR&ED, up to the allocated expenditure limit. The expenditure limit can be determined in Part 10.

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 one of the following:

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
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.

Contributions to agricultural organizations for SR&ED* . . . . ________ x 80 % = **103** ________
Enter on line 350 of Part 8.

* Enter only contributions not already included on Form T661.

Qualified Property and Qualified Resource Property

Part 4 – Eligible investments for qualified property and qualified resource property from the current tax year

Capital cost allowance class number **105**	Description of investment **110**	Date available for use **115**	Location used in Atlantic Canada (province) **120**	Amount of investment **125**
			Total of investments for qualified property and qualified resource property	A1

Part 5 – Current-year credit and account balances – ITC from investments in qualified property and qualified resource property

ITC at the end of the previous tax year				B1
Credit deemed as a remittance of co-op corporations	210			
Credit expired	215			
Subtotal (line 210 **plus** line 215)			▶	C1
ITC at the beginning of the tax year (amount B1 **minus** amount C1)			220	
Credit transferred on an amalgamation or the wind-up of a subsidiary	230			
ITC from repayment of assistance	235			
Qualified property; and qualified resource property acquired after March 28, 2012, and before January 1, 2014* (applicable part from amount A1 in Part 4) ______ x 10 % =	240			
Qualified resource property acquired after December 31, 2013, and before January 1, 2016 (applicable part from amount A1 in Part 4) ______ x 5 % =	242			
Credit allocated from a partnership	250			
Subtotal (total of lines 230 to 250)			▶	D1
Total credit available (line 220 **plus** amount D1)				E1
Credit deducted from Part I tax	260			
Credit carried back to previous years (amount H1 in Part 6)			a	
Credit transferred to offset Part VII tax liability	280			
Subtotal (total of line 260, amount a, and line 280)			▶	F1
Credit balance before refund (amount E1 **minus** amount F1)				G1
Refund of credit claimed on investments from qualified property and qualified resource property (from Part 7)			310	
ITC closing balance of investments from qualified property and qualified resource property (amount G1 **minus** line 310)			320	

* Include investments acquired after 2013 and before 2017 that are eligible for transitional relief.

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

	Year	Month	Day			
1st previous tax year				Credit to be applied	901	
2nd previous tax year				Credit to be applied	902	
3rd previous tax year				Credit to be applied	903	
				Total of lines 901 to 903 Enter at amount a in Part 5.		H1

Part 7 – Refund of ITC for qualifying corporations on investments from qualified property and qualified resource property

Current-year ITCs (total of lines 240, 242, and 250 in Part 5)		I1
Credit balance before refund (from amount G1 in Part 5)		J1
Refund (40 % of amount I1 or J1, whichever is less)		K1

Enter amount K1 or a lesser amount on line 310 in Part 5 (also enter on line 780 of the T2 return if you do not claim an SR&ED ITC refund).

SR&ED

Part 8 – Qualified SR&ED expenditures

Current expenditures (from line 559 on Form T661)				
Contributions to agricultural organizations for SR&ED				
Deduct: Government assistance, non-government assistance, or contract payment				
Subtotal				
x	80 %			
Contributions to agricultural organizations for SR&ED for the federal ITC (this amount is updated to line 103 of Part 3. For more details, consult the Help.)*		+		
Qualified SR&ED expenditures (line 559 on Form T661 **plus** line 103 in Part 3)*			350	
Repayments made in the year (from line 560 on Form T661)			370	
Total qualified SR&ED expenditures (line 350 **plus** line 370)			380	

* If you are claiming only contributions made to agricultural organizations for SR&ED, line 350 should equal line 103 in Part 3. Do not file Form T661.

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

Part 9 only applies if you are a CCPC.

Note: A CCPC considered associated with another corporation under subsection 256(1) will be considered not associated for the calculation of an SR&ED expenditure limit if both of the following apply:

- one corporation is associated with another corporation solely because one or more persons own shares of the capital stock of the corporation
- 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 [X]

If you answered **no** to the question on line 385 or if you are not associated with any other corporations, complete lines 390 and 398.
If you answered **yes**, complete Schedule 49, Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Expenditure Limit, to determine the amounts for associated corporations.

Enter your taxable income for the previous tax year* (prior to any loss carrybacks applied)		390	343,397
Enter your taxable capital employed in Canada for the previous tax year **minus** $10 million. If this amount is nil or negative, enter "0". If this amount is over $40 million, enter $40 million	24,526,474	398	14,526,474

* If the tax year referred to on line 390 is less than 51 weeks, **multiply** the taxable income by the following result: 365 **divided** by the number of days in that tax year.

Part 10 – SR&ED expenditure limit for a CCPC

For a stand-alone (not associated) corporation		$ **8,000,000**	
Taxable income for the previous tax year (line 390 in Part 9) or $500,000, whichever is more	500,000 x 10 =	5,000,000	A2
Excess ($8,000,000 **minus** amount A2; if negative, enter "0")		3,000,000	B2
$ 40,000,000 **minus** line 398 in Part 9	25,473,526 b		
Amount b **divided** by $ 40,000,000		0.63684	C2
For tax years ending before March 19, 2019 Amount B2 **multiplied** by amount C2			D2
For tax years ending after March 18, 2019 3,000,000 **multiplied** by amount C2		1,910,520	E2
Expenditure limit for the stand-alone corporation (amount D2 or amount E2, whichever applies)*		1,910,520	F2
For an associated corporation: If associated, the allocation of the SR&ED expenditure limit, as provided on Schedule 49*	400		G2

If your tax year is less than 51 weeks, calculate the amount of the expenditure limit as follows:

Amount F2 or G2 ______ x Number of days in the tax year / 365 366 = ______ H2

Your SR&ED expenditure limit for the year (enter amount F2, G2, or H2, whichever applies) 410 1,910,520

* Amount F2 or G2 cannot be more than $3,000,000.

Part 11 – Investment tax credits on SR&ED expenditures

Qualified SR&ED expenditures (from line 350 in Part 8) or the expenditure limit (from line 410 in Part 10), whichever is less*	420		x	35 %	=	I2
Line 350 **minus** line 410 (if negative, enter "0")	430		x	15 %	=	J2

If a corporation makes a repayment of any government or 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.

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

Enter the amount of the repayment on the line that corresponds to the appropriate rate.

Repayment of assistance that reduced a qualifying expenditure for a CCPC**	460		x	35 %	=	c
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred before 2015	480		x	20 %	=	d
Repayment of assistance made after September 16, 2016 that reduced a qualifying expenditure incurred after 2014	490		x	15 %	=	e

Subtotal (total of amounts c to e) ▶ K2

Current-year SR&ED ITC (total of amounts I2 to K2; enter on line 540 in Part 12) L2

* For corporations that are not CCPCs, enter "0" for amount I2.

** If you were a Canadian-controlled private corporation (CCPC), this percentage was applied to the portion that you claimed of the SR&ED qualified expenditure pool that did not exceed your expenditure limit at the time. This percentage includes the rate under subsection 127(10.1), **Additions to investment tax credit**. See subsection 127(10.1) for details about exceptions. For expenditures not eligible for this rate use line 480 or 490 as appropriate.

Part 12 – Current-year credit and account balances – ITC from SR&ED expenditures

ITC at the end of the previous tax year				M2
Credit deemed as a remittance of co-op corporations	510			
Credit expired	515			
Subtotal (line 510 **plus** line 515)			▶	N2
ITC at the beginning of the tax year (amount M2 **minus** amount N2)			520	
Credit transferred on an amalgamation or the wind-up of a subsidiary	530			
Total current-year credit (from amount L2 in Part 11)	540			
Credit allocated from a partnership	550			
Subtotal (total of lines 530 to 550)			▶	O2
Total credit available (line 520 **plus** amount O2)				P2
Credit deducted from Part I tax	560			
Credit carried back to previous years (amount S2 in Part 13)			f	
Credit transferred to offset Part VII tax liability	580			
Subtotal (total of line 560, amount f, and line 580)			▶	Q2
Credit balance before refund (amount P2 **minus** amount Q2)				R2
Refund of credit claimed on SR&ED expenditures (from Part 14 or 15, whichever applies)			610	
ITC closing balance on SR&ED (amount R2 **minus** line 610)			620	

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

	Year	Month	Day				
1st previous tax year				Credit to be applied	911		
2nd previous tax year				Credit to be applied	912		
3rd previous tax year				Credit to be applied	913		
				Total of lines 911 to 913 Enter at amount f in Part 12.			S2

Part 14 – Refund of ITC for qualifying corporations – SR&ED

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

Is the corporation an excluded corporation as defined under subsection 127.1(2)? . . . . . 650 1 Yes [ ] 2 No [X]

Current-year ITC (lines 540 **plus** 550 in Part 12 **minus** amount K2 in Part 11)		g
Refundable credits (amount g or amount R2 in Part 12, whichever is less)*		T2
Amount T2 or amount I2 in Part 11, whichever is less		U2
Net amount (amount T2 **minus** amount U2; if negative, enter "0")		V2
Amount V2 **multiplied** by 40 %		W2
Amount U2		X2
Refund of ITC (amount W2 **plus** amount X2 – enter this, or a lesser amount, on line 610 in Part 12)		Y2

Enter the total of line 310 in Part 5 and line 610 in 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 must be multiplied by 40%. Claim this, or a lesser amount, as your refund of ITC for amount Y2.

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

Complete this part only if you are a CCPC that is not a qualifying or excluded corporation as determined on line 101 in Part 2.

Credit balance before refund (amount R2 in Part 12)		Z2
Refund of ITC (amount Z2 or amount I2 in Part 11, whichever is less)		AA2

Enter amount AA2, or a lesser amount, on line 610 in Part 12 and also on line 780 of the T2 return.

Recapture – SR&ED

Part 16 – Recapture of ITC for corporations and 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 20 previous tax years, and the credit was earned in a tax year ending after 1997 and did not expire before 2008
- 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 calculating your ITC or was the subject of an agreement made under subsection 127(13) to transfer qualified expenditures
- 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 that 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 tax 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

Subtotal Enter at amount C3 in Part 17. ______ A3

Calculation 2 – Only if you transferred all or a part of the qualified expenditure to another person under an agreement described in subsection 127(13); otherwise, enter nil at amount B3.

A Rate that the transferee used in determining its ITC for qualified expenditures under a subsection 127(13) agreement **720**	B 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 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**	D Amount determined by the formula (A x B) – C	E ITC earned by the transferee for the qualified expenditures that were transferred **750**	F Amount from column D or E, whichever is less

Subtotal (total of column F) Enter at amount D3 in Part 17. ______ B3

Part 16 – Recapture of ITC for corporations and partnerships – SR&ED (continued)

Calculation 3

As a member of the partnership, you will report your share of the SR&ED ITC of the partnership after the SR&ED 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 enough 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 760.

Corporate partner's share of the excess of SR&ED ITC **760** ______
Enter at amount E3 in Part 17.

Part 17 – Total recapture of SR&ED investment tax credit

Recaptured ITC from calculation 1, amount A3 in Part 16			C3
Recaptured ITC from calculation 2, amount B3 in Part 16			D3
Recaptured ITC from calculation 3, line 760 in Part 16			E3
Total recapture of SR&ED investment tax credit (total of amounts C3 to E3) Enter at amount A8 in Part 27.			F3

Pre-Production Mining

Part 18 – Account balances – ITC from pre-production mining expenditures

ITC at the end of the previous tax year				A4
Credit deemed as a remittance of co-op corporations	841			
Credit expired	845			
Subtotal (line 841 **plus** line 845)		►		B4
ITC at the beginning of the tax year (amount A4 **minus** amount B4)		850		
Credit transferred on an amalgamation or the wind-up of a subsidiary		860		
Total credit available (line 850 **plus** line 860)				C4
Amount of unused credit carried forward from previous years and applied to reduce Part I tax payable in the current year		885		
ITC closing balance from pre-production mining expenditures (amount C4 **minus** line 885)		890		

Apprenticeship Job Creation

Part 19 – Total current-year credit – ITC from apprenticeship job creation expenditures

If you are a related person as defined under subsection 251(2), has it been agreed in writing that you are the only employer who will be claiming the apprenticeship job creation tax credit for this tax year for each apprentice whose contract number (or social insurance number (SIN) or name) appears below? (If not, you cannot claim the tax credit.) . . . . **611** 1 Yes ☐ 2 No ☐

For each apprentice in their first 24 months of the apprenticeship, enter the apprenticeship contract number registered with Canada, or a province or territory, under an apprenticeship program designed to certify or license individuals in the trade. For the province, the trade must be a Red Seal trade. If there is no contract number, enter the SIN or the name of the eligible apprentice.

	A Contract number (SIN or name of apprentice) **601**	B Name of eligible trade **602**	C Eligible salary and wages* **603**	D Column C x 10 % **604**	E Lesser of column D or $ 2,000 **605**
1.	SYS089443	Power Technician	82,761	8,276	2,000

Total current-year credit (total of column E) Enter on line 640 in Part 20. 2,000 A5

* Other than qualified expenditure incurred, and net of any other government or non-government assistance received or to be received. **Eligible salary and wages**, and **qualified expenditures** are defined under subsection 127(9).

Part 20 – Current-year credit and account balances – ITC from apprenticeship job creation expenditures

ITC at the end of the previous tax year B5

Credit deemed as a remittance of co-op corporations **612**

Credit expired after 20 tax years **615**

Subtotal (line 612 **plus** line 615) ► C5

ITC at the beginning of the tax year (amount B5 **minus** amount C5) **625**

Credit transferred on an amalgamation or the wind-up of a subsidiary **630**

ITC from repayment of assistance **635**

Total current-year credit (amount A5 in Part 19) **640** 2,000

Credit allocated from a partnership **655**

Subtotal (total of lines 630 to 655) 2,000 ► 2,000 D5

Total credit available (line 625 **plus** amount D5) 2,000 E5

Credit deducted from Part I tax **660**

Credit carried back to previous years (amount G5 in Part 21) . . . . h

Subtotal (line 660 **plus** amount h) ► F5

ITC closing balance from apprenticeship job creation expenditures (amount E5 **minus** amount F5) **690** 2,000

Part 21 – Request for carryback of credit from apprenticeship job creation expenditures

	Year	Month	Day		
1st previous tax year				Credit to be applied **931**	
2nd previous tax year				Credit to be applied **932**	
3rd previous tax year				Credit to be applied **933**	

Total of lines 931 to 933 Enter at amount h in Part 20. G5

Child Care Spaces

Part 22 – Eligible child care spaces expenditures

Enter the eligible expenditures that you incurred after March 18, 2007, and before March 22, 2017,* to create licensed child care spaces for the children of the employees and, potentially, for other children. You cannot be carrying on a child care services business. The eligible expenditures include:

- the cost of depreciable property (other than specified property)
- the specified child care start-up expenditures

Properties should be acquired and expenditures should be incurred only to create new child care spaces at a licensed child care facility.

Cost of depreciable property from the current tax year

	Capital cost allowance class number **665**	Description of investment **675**	Date available for use **685**	Amount of investment **695**
1.				

Total cost of depreciable property from the current tax year (total of column 695)	715		
Specified child care start-up expenditures from the current tax year	705		
Total gross eligible expenditures for child care spaces (line 715 **plus** line 705)			A6
Total of all assistance (including 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 in amount A6	725		
Excess (amount A6 **minus** line 725) (if negative, enter "0")			B6
Repayments by the corporation of government and non-government assistance	735		
Total eligible expenditures for child care spaces (amount B6 **plus** line 735)	745		

* If you entered into a written agreement before March 22, 2017, eligible expenditures incurred before 2020 will remain eligible for the credit.

Part 23 – Current-year credit – ITC from child care spaces expenditures

The credit is equal to 25% of eligible child care spaces expenditures incurred to a maximum of $10,000 per child care space created in a licensed child care facility.

Eligible expenditures (from line 745 in Part 22)			x	25 %	=	C6
Number of child care spaces	755		x	$ 10,000	=	D6
ITC from child care spaces expenditures (amount C6 or D6, whichever is less)						E6

Part 24 – Current-year credit and account balances – ITC from child care spaces expenditures

ITC at the end of the previous tax year			F6
Credit deemed as a remittance of co-op corporations	765		
Credit expired after 20 tax years	770		
Subtotal (line 765 **plus** line 770)		►	G6
ITC at the beginning of the tax year (amount F6 **minus** amount G6)		775	
Credit transferred on an amalgamation or the wind-up of a subsidiary	777		
Total current-year credit (amount E6 in Part 23)	780		
Credit allocated from a partnership	782		
Subtotal (total of lines 777 to 782)		►	H6
Total credit available (line 775 **plus** amount H6)			I6
Credit deducted from Part I tax	785		
Credit carried back to previous years (amount K6 in Part 25)		i	
Subtotal (line 785 **plus** amount i)		►	J6
ITC closing balance from child care spaces expenditures (amount I6 **minus** amount J6)		790	

Part 25 – Request for carryback of credit from child care space expenditures

	Year Month Day			
1st previous tax year	2019-12-31	Credit to be applied	941	
2nd previous tax year	2018-12-31	Credit to be applied	942	
3rd previous tax year	2017-12-31	Credit to be applied	943	
		Total of lines 941 to 943 Enter at amount i in Part 24.		K6

Recapture – Child Care Spaces

Part 26 – Recapture of ITC for corporations and partnerships – Child care spaces

The ITC will be recovered against the taxpayer's tax otherwise payable under Part I of the Act if, at any time within 60 months of the day on which the taxpayer acquired the property, one of the following situations takes place:

- the new child care space is no longer available
- property that was an eligible expenditure for the child care space is
  - disposed of or leased to a lessee
  - converted to another use

If the property disposed of is a child care space, the amount that can reasonably be considered to have been included in the original ITC (paragraph 127(27.12)(a))			**792**	
In the case of eligible expenditures (paragraph 127(27.12)(b)), the lesser of:				
The amount that can reasonably be considered to have been included in the original ITC	**795**			
25% of either the proceeds of disposition (if sold in an arm's length transaction) or the fair market value (in any other case) of the property	**797**			
Amount from line 795 or line 797, whichever is less				A7

Partnerships

As a member of the partnership, you will report your share of the child care spaces ITC of the partnership after the child care spaces ITC has been reduced by the amount of the recapture. If this amount is a positive amount, you will report it on line 782 in Part 24. However, if the partnership does not have enough 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 799 below.

Corporate partner's share of the excess of ITC	**799**		
Total recapture of child care spaces investment tax credit (total of line 792, amount A7, and line 799)			B7

Enter at amount B8 in Part 27.

Summary of Investment Tax Credits

Part 27 – Total recapture of investment tax credit

Recaptured SR&ED ITC (amount F3 in Part 17)		A8
Recaptured child care spaces ITC (amount B7 in Part 26)		B8
Total recapture of investment tax credit (amount A8 **plus** amount B8)		C8

Enter on line 602 of the T2 return.

Part 28 – Total ITC deducted from Part I tax

ITC from investments in qualified property deducted from Part I tax (line 260 in Part 5)		D8
ITC from SR&ED expenditures deducted from Part I tax (line 560 in Part 12)		E8
ITC from pre-production mining expenditures deducted from Part I tax (line 885 in Part 18)		F8
ITC from apprenticeship job creation expenditures deducted from Part I tax (line 660 in Part 20)		G8
ITC from child care space expenditures deducted from Part I tax (line 785 in Part 24)		H8
Total ITC deducted from Part I tax (total of amounts D8 to H8)		I8

Enter on line 652 of the T2 return.

Summary of Investment Tax Credit Carryovers

Continuity of investment tax credit carryovers

CCA class number 97 Apprenticeship job creation ITC

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)
2,000				2,000

Prior years

Taxation year	ITC beginning of year (E)	Adjustments (F)	Applied current year (G)	ITC end of year (E-F-G)
2019-12-31				
2018-12-31				
2017-12-31				
2016-12-31				
2015-12-31				
2014-12-31				
2013-12-31				
2012-12-31				
2011-12-31				
2010-12-31				*
2009-12-31				
				*
Total				

B+C+D+G **Total ITC utilized**

* The **ITC end of year** includes the amount of ITC expired from the 10th preceding year if it is before January 1, 1998, or the amount of ITC expired from the 20th preceding year if it is after December 31, 1997. Note that this credit expires at the end of the tax year and any expired credit will be posted to line 215, 515, 615, 770 or 845, as applicable, in Schedule 31 the following year.

Canada Revenue Agency / Agence du revenu du Canada

Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

Reserves that have not been deducted in calculating income for the year under Part I	101	392,292		
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714		
Retained earnings	104	3,627,624		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	13,418,780		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		25,729,410 ►	25,729,410	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
a) those lines applied to partnerships in the same manner that they apply to corporations, and
b) those amounts were computed without reference to amounts owing by the partnership
(i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
(ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

	Subtotal A (from page 1)		25,729,410	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121			
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122			
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123			
Deferred unrealized foreign exchange losses at the end of the year	124			
Subtotal (**add** lines 121 to 124)		►		B
Capital for the year (amount A **minus** amount B) (if negative, enter “0”)	190		25,729,410	

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	137,598
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	137,598

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		25,729,410	C
Deduct: Investment allowance for the year (line 490)		137,598	D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	25,591,812	

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500) 25,591,812 x Taxable income earned in Canada **610** 1,000 / Taxable income 1,000 = **Taxable capital employed in Canada** **690** 25,591,812

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

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

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

Deduct the following amounts:

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

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

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

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

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

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690)		F
Deduct:	10,000,000	G
Excess (amount F **minus** amount G) (if negative, enter "0")		H
Calculation for purposes of the small business deduction (amount H x 0.225%)		I

Enter this amount at line 415 of the T2 return.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Description	Operator (Note)	Amount	
Current portion of long-term debt		610,889	00
Long-term debt	+	12,807,891	00
	+		
	Total	13,418,780	00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

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Schedule 50

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- 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 (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "**NR**") 200	Social insurance number (9 digits) 300	Trust number (T followed by 8 digits) 350	Percentage common shares 400	Percentage preferred shares 500
1	The Corporation of the Town of Orangeville	106986151RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

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Schedule 53

General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

On: 2020-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.

Eligibility for the various additions

Answer the following questions to determine the corporation's eligibility for the various additions:

2006 addition

1. Is this the corporation's first taxation year that includes January 1, 2006? . . . . . ☐ Yes ☒ No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006? Enter the date and go directly to question 4 2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA? . . . . . ☐ Yes ☐ No
   If the answer to question 3 is yes, complete Part "GRIP addition for 2006".

Change in the type of corporation

4. Was the corporation a CCPC during its preceding taxation year? . . . . . ☒ Yes ☐ No
5. Corporations that become a CCPC or a DIC . . . . . ☐ Yes ☒ No
   If the answer to question 5 is yes, complete Part 4.

Amalgamation (first year of filing after amalgamation)

6. Corporations that were formed as a result of an amalgamation . . . . . ☐ Yes ☒ No
   If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC? . . . . . ☐ Yes ☐ No
   If the answer to question 7 is yes, complete Part 4.
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation? . . . . . ☐ Yes ☐ No
   If the answer to question 8 is yes, complete Part 3.

Winding-up

9. Has the corporation wound-up a subsidiary in the preceding taxation year? . . . . . ☐ Yes ☒ No
   If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year? . . . . . ☐ Yes ☐ No
    If the answer to question 10 is yes, complete Part 4.
11. Was the subsidiary a CCPC or a DIC during its last taxation year? . . . . . ☐ Yes ☐ No
    If the answer to question 11 is yes, complete Part 3.

Part 1 – General rate income pool (GRIP)

GRIP at the end of the previous tax year			100	8,135,461
Taxable income for the year (DICs enter "0")*		110		
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least*	130			
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income*	140			
Subtotal (line 130 **plus** line 140)		► A		
Income taxable at the general corporate rate (line 110 **minus** amount A) (if negative enter "0")		150		
After-tax income (line 150 **multiplied** by 0.72 (the general rate factor for the tax year))			190	
Eligible dividends received in the tax year		200		
Dividends deductible under section 113 received in the tax year		210		
Subtotal (line 200 **plus** line 210)			►	B
Becoming a CCPC (amount W5 in Part 4)		220		
Post-amalgamation (total of amount E4 in Part 3 and amount W5 in Part 4)		230		
Post-wind-up (total of amount E4 in Part 3 and amount W5 in Part 4)		240		
Subtotal (**add** lines 220, 230, and 240)		290	►	
Subtotal (**add** lines 100, 190, 290, and amount B)				8,135,461 C
Eligible dividends paid in the previous tax year		300		
Excessive eligible dividend designations made in the previous tax year		310		
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)				
Subtotal (line 300 **minus** line 310)			►	D
GRIP before adjustment for specified future tax consequences (amount C **minus** amount D) (amount can be negative)			490	8,135,461
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 in Part 2)			560	
GRIP at the end of the tax year (line 490 **minus** line 560)			590	8,135,461

Enter this amount on line 160 of Schedule 55, Part III.1 Tax on Excessive Eligible Dividend Designations.

* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560.

First previous tax year 2019-12-31

Taxable income before specified future tax consequences from the current tax year 343,397 A1

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ B1

Aggregate investment income (line 440 of the T2 return) . . . . ______ C1

Subtotal (amount B1 **plus** amount C1) ______ ▶ ______ D1

Subtotal (amount A1 **minus** amount D1) (if negative, enter "0") 343,397 ▶ 343,397 E1

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ______ F1

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ G1

Aggregate investment income (line 440 of the T2 return) . . . . ______ H1

Subtotal (amount G1 **plus** amount H1) ______ ▶ ______ I1

Subtotal (amount F1 **minus** amount I1) (if negative, enter "0") ______ ▶ ______ J1

Subtotal (amount E1 **minus** amount J1) (if negative, enter "0") ______ K1

GRIP adjustment for specified future tax consequences to the first previous tax year
(amount K1 **multiplied** by 0.72) . . . . **500** ______

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Second previous tax year 2018-12-31

Taxable income before specified future tax consequences from the current tax year 722,320 A2

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least B2

Aggregate investment income (line 440 of the T2 return) C2

Subtotal (amount B2 **plus** amount C2) ▶ D2

Subtotal (amount A2 **minus** amount D2) (if negative, enter "0") 722,320 ▶ 722,320 E2

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences F2

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least G2

Aggregate investment income (line 440 of the T2 return) H2

Subtotal (amount G2 **plus** amount H2) ▶ I2

Subtotal (amount F2 **minus** amount I2) (if negative, enter "0") ▶ J2

Subtotal (amount E2 **minus** amount J2) (if negative, enter "0") K2

GRIP adjustment for specified future tax consequences to the second previous tax year
(amount K2 **multiplied** by 0.72) **520**

****** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Third previous tax year 2017-12-31

Taxable income before specified future tax consequences from the current tax year 694,911 A3

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ B3

Aggregate investment income (line 440 of the T2 return) 58,221 C3

Subtotal (amount B3 **plus** amount C3) 58,221 ▶ 58,221 D3

Subtotal (amount A3 **minus** amount D3) (if negative, enter "0") 636,690 ▶ 636,690 E3

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ______ F3

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ G3

Aggregate investment income (line 440 of the T2 return) . . . . ______ H3

Subtotal (amount G3 **plus** amount H3) ______ ▶ ______ I3

Subtotal (amount F3 **minus** amount I3) (if negative, enter "0") ______ ▶ ______ J3

Subtotal (amount E3 **minus** amount J3) (if negative, enter "0") ______ K3

GRIP adjustment for specified future tax consequences to the third previous tax year
(amount K3 **multiplied by** 0.72) . . . . **540** ______

Total GRIP adjustment for specified future tax consequences to previous tax years:
(**add** lines 500, 520, and 540) (if negative, enter "0") . . . . ______ L3

Enter amount L3 on line 560 in Part 1.

** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

nb. 1 Post amalgamation . . . ☐ Post wind-up . . . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year				A4
Eligible dividends paid by the corporation in its last tax year		B4		
Excessive eligible dividend designations made by the corporation in its last tax year		C4		
Subtotal (amount B4 **minus** amount C4)			►	D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 **minus** amount D4)				E4

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:

- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC

nb. 1 Corporation becoming a CCPC . . . . . . ☐ Post amalgamation . . . . ☐ Post wind-up . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was not a CCPC or a DIC in its last year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year . . . . ______ A5

The corporation's money on hand immediately before the end of its previous/last tax year . . . . ______ B5

Total of subsection 111(1) losses that would have been deductible in calculating the corporation's taxable income for the previous/last tax year if the corporation had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for the previous/last tax year:

Non-capital losses . . . . ______ C5

Net capital losses . . . . ______ D5

Farm losses . . . . ______ E5

Restricted farm losses . . . . ______ F5

Limited partnership losses . . . . ______ G5

Subtotal (**add** amounts C5 to G5) ______ ► ______ H5

Total of all amounts deducted under subsection 111(1) in calculating the corporation's taxable income for the previous/last tax year:

Non-capital losses . . . . ______ I5

Net capital losses . . . . ______ J5

Farm losses . . . . ______ K5

Restricted farm losses . . . . ______ L5

Limited partnership losses . . . . ______ M5

Subtotal (**add** amounts I5 to M5) ______ ► ______ N5

Unused and unexpired losses at the end of the corporation's previous/last tax year (amount H5 **minus** amount N5) ______ ► ______ O5

Subtotal (**add** amounts A5, B5, and O5) ______ P5

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year . . . . ______ Q5

Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year . . . . ______ R5

All the corporation's reserves deducted in its previous/last tax year . . . . ______ S5

The corporation's capital dividend account immediately before the end of its previous/last tax year . . . . ______ T5

The corporation's low rate income pool immediately before the end of its previous/last tax year . . . . ______ U5

Subtotal (**add** amounts Q5 to U5) ______ ► ______ V5

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (amount P5 **minus** amount V5) (if negative, enter "0") . . . . ______ W5

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the W5 amounts. Enter this total amount on:

- line 220 for a corporation becoming a CCPC;
- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.
- File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year **not included** in Schedule 3				
Taxable dividends paid in the tax year **included** in Schedule 3		450,771		
Total taxable dividends paid in the tax year	100	450,771		
Total eligible dividends paid in the tax year			150	
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")			160	8,135,461
Excessive eligible dividend designation (line 150 **minus** line 160)				A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			180	
Subtotal (amount A **minus** line 180)				B
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B **multiplied** by 20 %)			190	

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year **not included** in Schedule 3				
Taxable dividends paid in the tax year **included** in Schedule 3				
Total taxable dividends paid in the tax year	200			
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)				C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			280	
Subtotal (amount C **minus** line 280)				D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D **multiplied** by 20 %)			290	

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

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Schedule 89

Request for Capital Dividend Account Balance Verification

- If you are a private corporation, use this schedule to summarize the components making up your capital dividend account (CDA) balance as of the date entered on line 003.
- Mail one completed copy of this schedule, separately from any other return to:
  Prince Edward Island Tax Centre
  275 Pope Road
  Summerside PE C1N 6A2
- All legislative references are to the current version of the Income Tax Act, unless otherwise stated. Since CDA balance components can span several years, the current references in the Act may not apply to older components of your CDA balance. In these cases, see the version of the Act that applies in that particular year.
- For specific details about calculating the CDA balance, see the applicable legislation in the Act.
- All references to paragraphs in subsection 89(1) of the Act are under the definition of **capital dividend account**.
- If you are paying out a capital dividend from your CDA, you must file Form T2054, Election for a Capital Dividend under Subsection 83(2). Attach a copy of this completed form. Note that if a capital dividend paid out under this election exceeds the balance of the CDA at the time the dividend becomes payable, you may have to pay Part III tax on the excessive dividends (see section 184 of the Act).

Part 1 – Identification

Corporation's name Orangeville Hydro Limited	Business number 86463 9562 RC0002	
Address 400 C Line Station A Box 400 Orangeville ON CA	Postal code L9W2Z7	
Name of contact person Suzanne Presseault		
Mailing address (complete only if different from address above)	Telephone number (519) 942-8000	Extension

Capital dividend account balance as of . . . . . Year Month Day 2020-12-31 003

Please check "yes" for **only one** of the following two questions:

Is this a balance verification request? Check yes only if this request does not relate to a Form T2054 mentioned at line 005 . . . . . . Yes ☐ No ☐
(if **Yes**, then the date on line 003 should be the last tax year-end, included in the CDA balance)

Is this request related to the requirements of subsection 89(1) for Form T2054? . . . . . Yes ☐ No ☒ 005
(if **Yes**, then the date on line 003 should be the earlier of the date the dividend became payable, or the first day on which any part of the dividend was paid)

Part 2 – CDA components (except for eligible capital property) Footnote 1 and Footnote 2

	1	2	3	4	5	6	7
	Tax year-end or relevant date (yyyymmdd) Footnote 3	The non-taxable portion of capital gains(including the non-taxable portion of capital gains from a trust after September 15, 2016) and non-deductible portion of capital losses per paragraph 89(1)(a) Footnote 4	Capital dividends received per paragraph 89(1)(b) Footnote 5	Net proceeds of a life insurance policy per paragraph 89(1)(d)	Non-taxable portion of capital gains from a trust before September 16, 2016 per paragraph 89(1)(f) Footnote 6	Capital dividends from a trust per paragraph 89(1)(g) Footnote 6	Capital dividends payable per subsection 83(2)
1.	2017-12-31	58,221					
	2020-12-31	43,554					
	Totals	101,775					

Footnote 1
For eligible capital property, see parts 3 and 5.

Footnote 2
If you were a private corporation under non-resident control that became Canadian controlled as per subsection 89(1.1), or were a tax-exempt corporation that became taxable as per subsection 89(1.2), the CDA balance may be reduced to nil immediately before the dates referred to in those provisions.

Footnote 3
Include as many tax years as required. Start your list with the tax year that began after the corporation last became a private corporation and that ended after 1971. End your list on the CDA balance date shown on line 003. If you are completing this schedule before your tax year-end, enter the relevant date of the activity. When Form T2054 has been completed, the program assumes that the relevant date of the activity to indicate in the last field of column 1 in Part 2 is the first of the following dates: the day immediately preceding the date on which the dividend becomes payable, or the first day immediately preceding the date on which any part of the dividend was paid. If this is not the case, enter the correct relevant date of the activity, using an override.

Footnote 4
Along with applicable losses, include the non-deductible portion of a business investment loss here. Show losses as a negative.

Footnote 5
May be adjusted by an excessive dividend election under subsection 184(3). Exclude a dividend that subsection 83(2.1) applies to.

Footnote 6
The amounts that can be added to the CDA of the corporation in a particular tax year, in respect of amounts received by the corporation, from a trust and that are attributable to capital gains realized by the trust or to dividends received and distributed by a trust, can only be determined after the end of the taxation year of the trust in which the capital gains were realized or the dividends were received and distributed by it.

Part 3 – CDA components – Eligible capital property (ECP)

Record in these tables the most common amounts included in the eligible capital property (ECP) component of the CDA. This information is not meant to replace the calculation at line 5B.1 in Part 5.

Section A: CDA components – List of ECP acquisitions and dispositions
(for tax years ending before **February 28, 2000)**

	1	2	3	4
	Tax year-end (yyyymmdd)	Cost of eligible capital property acquired	Proceeds of sale (**less** outlays and expenses not otherwise deductible) from the disposition of all eligible capital property	Non-taxable portion of ECP sales
1.				
			Total	

Section B: CDA components – List of ECP dispositions
(for tax years ending after **February 27, 2000** and before **January 1, 2017)**

	1	2	3	4	5
	Tax year-end (yyyymmdd)	Cost of eligible capital property acquired	Proceeds of sale (**less** outlays and expenses not otherwise deductible) from the disposition of all eligible capital property	Appropriate portion of the amount deducted as a bad debt per subsection 20(4.2) or as an allowable capital loss per subsection 20(4.3).	Non-taxable portion of ECP sales
1.					
				Total	

Part 4 – Additional information

For each capital dividend received, as recorded in column 3 in Part 2, give the name and business number of the corporation that paid the capital dividend and the date the dividend became payable.

	1 Corporation's name	2 Business number	3 Date the dividend became payable (yyyymmdd)
1.			

Part 5 – CDA balance

Include the non-taxable portion of capital gains (including the non-taxable portion of capital gains from a trust after September 15, 2016) and the non-deductible portion of capital losses (total of column 2 in Part 2; if negative enter "0")	101,775	5A
Capital dividends received (total of column 3 in Part 2)		5B
Eligible capital property for taxation years ending before January 1, 2017 (as calculated per former paragraphs 89(1)(c), (c.1) and (c.2); if negative, enter "0")		5B.1
Life insurance proceeds (total of column 4 in Part 2; if negative, enter "0")		5C
Life insurance CDA Footnote 7		5C.1
Non-taxable portion of capital gains from a trust before September 16, 2016 (total of column 5 in Part 2)		5D
Capital dividends from a trust (total of column 6 in Part 2)		5E
Amounts from predecessor and subsidiary corporations Footnote 8		5E.1
Subtotal (**add** amounts 5A to 5E and lines 5B.1, 5C.1 and 5E.1)	101,775	5F
Capital dividends that previously became payable (total of column 7 in Part 2)		5G
CDA balance (amount 5F **minus** amount 5G, if negative, write "0")	101,775	

Footnote 7
Include the balance of the corporation's life insurance CDA immediately before May 24, 1985, in accordance with paragraph 89(1)(e).
For more information, see paragraph 1.61 and 1.62 of Income Tax Folio S3-F2-C1, Capital Dividends.

Footnote 8
For amalgamations and wind-ups **before** July 14, 1990, calculate the CDA balance of each predecessor or subsidiary corporation separately. Then add these CDA balances to the CDA of the successor or parent corporation. Do not carry forward negative amounts, since these are considered to be nil.

- For amalgamations and wind-ups **after** July 13, 1990, carry over the amounts of all the CDA components of each predecessor or subsidiary corporation into the calculation of the CDA components of the company resulting from the merger or of the parent company. A negative balance in a component of a CDA of a predecessor or subsidiary corporation must be included in the CDA of the company resulting from the merger or of the parent corporation. Include a separate CDA calculation on a separate schedule for each predecessor or subsidiary corporation.
- For amalgamations, see paragraph 87(2)(z.1). For wind-ups, see paragraph 88(1)(e.2).

Privacy statement

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at **canada.ca/cra-info-source**.

Canada Revenue Agency / Agence du revenu du Canada

Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  4) a congregation or business agency to which section 143 of the federal Act applies;
  5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	34,302,686
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	50,000,001
Total assets (total of lines 112 to 116)		84,302,687
Total revenue of the corporation for the tax year **	142	39,106,543
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	100,000,000
Total revenue (total of lines 142 to 146)		139,106,543

The corporation is subject to CMT if:
- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than $5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than $10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than $50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than $100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* **Rules for total assets**
- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** **Rules for total revenue**
- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

	Line	Amount		Total	
Net income/loss per financial statements *	210			1,086,517	
Add (to the extent reflected in income/loss):					
Provision for current income taxes/cost of current income taxes	220				
Provision for deferred income taxes (debits)/cost of future income taxes	222	144,285			
Equity losses from corporations	224				
Financial statement loss from partnerships and joint ventures	226				
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230				
Other additions (see note below):					
Share of adjusted net income of partnerships and joint ventures **	228				
Total patronage dividends received, not already included in net income/loss	232				
281	282				
283	284				
Subtotal		144,285	▶	144,285	A
Deduct (to the extent reflected in income/loss):					
Provision for recovery of current income taxes/benefit of current income taxes	320	102,388			
Provision for deferred income taxes (credits)/benefit of future income taxes	322				
Equity income from corporations	324				
Financial statement income from partnerships and joint ventures	326				
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330				
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332				
Gain on donation of listed security or ecological gift	340				
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342				
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344				
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346				
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348				
Other deductions (see note below):					
Share of adjusted net loss of partnerships and joint ventures **	328				
Tax payable on dividends under subsection 191.1(1) of the federal Act **multiplied** by 3	334				
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336				
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338				
381 Tax Movement in regulatory account	382	144,285			
383 Tax Reclassification	384	298,777			
385	386				
387	388				
389	390				
Subtotal		545,450	▶	545,450	B
Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)	490			685,352	

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

– exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
– include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

* **Rules for net income/loss**

– Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

– Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.

– Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.

– Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.

** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.

*** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.

**** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.

***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)	515	685,352	
Deduct:			
CMT loss available (amount R from Part 7)			
Minus: Adjustment for an acquisition of control *	518		
Adjusted CMT loss available		►	C
Net income subject to CMT calculation (if negative, enter "0")	520	685,352	

Amount from line 520: 685,352 x (Number of days in the tax year before July 1, 2010 / Number of days in the tax year: 366) x 4 % = ______ 1

Amount from line 520: 685,352 x (Number of days in the tax year after June 30, 2010: 366 / Number of days in the tax year: 366) x 2.7 % = 18,505 2

Subtotal (amount 1 **plus** amount 2) ... 18,505 3

Gross CMT: amount on line 3 above x OAF **	540	18,505	
Deduct:			
Foreign tax credit for CMT purposes ***	550		
CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0")		18,505	D
Deduct:			
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)			
Net CMT payable (if negative, enter "0")			E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

** **Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

Ontario taxable income **** / Taxable income ***** = ______

Ontario allocation factor ... 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were $1,000.

***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *		G		
Deduct:				
CMT credit expired *	600			
CMT credit carryforward at the beginning of the current tax year * (see note below)		►	620	
Add:				
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)			650	
CMT credit available for the tax year (amount on line 620 **plus** amount on line 650)				H
Deduct:				
CMT credit deducted in the current tax year (amount P from Part 5)				I
Subtotal (amount H **minus** amount I)				J
Add:				
Net CMT payable (amount E from Part 3)				
SAT payable (amount O from Part 6 of Schedule 512)				
Subtotal		►		K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)			670	L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)				M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)			1	
For a corporation that is not a life insurance corporation:				
CMT after foreign tax credit deduction (amount D from Part 3)	18,505	2		
For a life insurance corporation:				
Gross CMT (line 540 from Part 3)		3		
Gross SAT (line 460 from Part 6 of Schedule 512)		4		
The **greater** of amounts 3 and 4		5		
Deduct: line 2 or line 5, whichever applies:			18,505	6
Subtotal (if negative, enter "0")			►	N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)				
Deduct:				
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)				
Subtotal (if negative, enter "0")			►	O
CMT credit deducted in the current tax year (least of amounts M, N, and O)				P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? 675 1 Yes ☐ 2 No ☒

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year * . . . . ______ Q

Deduct:

CMT loss expired * . . . . **700** ______

CMT loss carryforward at the beginning of the tax year * (see note below) . . . . ______ ► **720** ______

Add:

CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below) . . . . **750** ______

CMT loss available (line 720 **plus** line 750) . . . . ______ R

Deduct:

CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3) . . . . ______

Subtotal (if negative, enter "0") ______ S

Add:

Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if **negative**) (enter as a positive amount) . . . . **760** ______

CMT loss carryforward balance at the end of the tax year (amount S **plus** line 760) . . . . **770** ______ T

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line Q or line 700;
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:

- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

Canada Revenue Agency | Agence du revenu du Canada

SCHEDULE 511

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2020-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return.*

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	450 50,000,001	550 100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.
Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter ¨NR¨ if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

* **Rules for total assets**

- Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
- Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

** **Rules for total revenue**

- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
- If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
- Include the associated corporation's share of the total revenue of partnerships and joint ventures.
- If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.

T2 SCH 511

Canada

APPENDIX 6-F 2021 PILS TAX RETURN

KPMG LLP
120 Victoria Street South
Suite 600
Kitchener ON N2G 0E1
Canada
Telephone (519) 747-8800
Fax (519) 747-8811

PRIVATE AND CONFIDENTIAL

Amy Long
CFO
Orangeville Hydro Limited
400 C Line
Station A Box 400
Orangeville ON L9W 2Z7

June 23, 2022

Dear Long:

Subject: Orangeville Hydro Limited - Corporate Income Tax Returns

We have enclosed the corporate income tax return(s) (the "Returns") of Orangeville Hydro Limited (the "Company") for the period ended December 31, 2021.

- ☑ T2 – *Corporation Income Tax Return* - EXEMPT
- ☑ T183 - *Information Return for Corporations Filing Electronically*

(Federal - to be e-filed with CRA) - EXEMPT

- ☑ T2 – *Corporations Income Tax Return* (to be filed with Ministry of Finance) - PILS
- ☑ Instalment Schedule
- ☑ Client copy for your records

We have prepared these Returns based on our understanding of and reliance upon the facts, data, materials, assumptions and other information (collectively, the "Information") provided to us by the Company and/or its representatives, and we have not independently investigated or verified the accuracy or completeness of such Information. We accept no responsibility or liability for any errors attributable to our reliance upon inaccurate or incomplete Information. We recommend that you carefully review the Returns in their entirety to ensure that all of the relevant Information is correctly and completely disclosed.

When you are satisfied that the Returns are in order they must be filed (electronically or in paper format) with the respective taxing authorities by the due date (as set out in the following instructions) if late filing penalties are to be avoided or minimized, or if losses are carried back to a prior taxation year. One copy of each Return should be retained for your records (the ”Client Copy”) and the remaining copies should be completed by an authorized signing officer of the Company and filed as described below.

We would like to remind you that tax-deductible inter-corporate dividends that are received subsequent to April 20, 2015 and that are otherwise tax-free under Part I of the Income Tax Act may be re-characterized, under an expanded anti-avoidance rule in subsection 55(2) of the Income Tax Act, as capital gains that are subject to tax if, in general terms, there is insufficient safe income on hand.

You have advised us that either there is sufficient safe income on hand to support the position that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns, or that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns and that safe income on hand is not required to support the position that the anti-avoidance rule does not apply. If you wish to engage KPMG to prepare a safe income on hand calculation, please contact us and we would be pleased to discuss this with you.

FOREIGN PROPERTY

The information return, which reports the Company's specified foreign property, is Form T1135 - *Foreign Income Verification Statement*. Form T1135 should be completed if at any time during 2021 the total cost of all specified foreign property the Company owned or held a beneficial interest in was more than Cdn$100,000.

According to the information you have provided to us, the Company did not hold specified foreign property at any time in 2021 with a total cost of more than Cdn$100,000. As such, we have **not** marked an X in box 259 on page 3 of your return and **we have not completed the Form T1135**. If the information on specified foreign property is incorrect, please let us know immediately.

The Form T1135 is due by **June 30, 2022**. The implications of late filing and/or failure to properly report specified foreign property on the Form T1135 and failure to report income from a specified foreign property on your income tax return are substantial. They include significant penalties and an increase to the normal reassessment period by an additional 3 years. Further, the reassessment period extension would impact otherwise statute-barred tax years and would impact the entire income tax return, not just the foreign income and reporting sections.

DUE DATE OF RETURNS AND PAYMENTS

All returns must be filed with the respective taxing authorities by June 30, 2022 if late filing penalties are to be avoided. We recommend the returns be sent by registered mail and the mailing receipt be kept on file in order to have evidence of the date of filing.

Any balances owing must be remitted as soon as possible if interest charges are to be minimized.

T2 – T183 – INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY (FEDERAL-EXEMPT)

In order for us to electronically file the Company's corporate exempt income tax return, a signed copy of Form T183CORP – *Information Return for Corporations Filing Electronically* must be returned to us. Please note that we will not electronically file the Company's corporate income tax return until we receive the signed Form T183 Corp.

The Form T183CORP – *Information Return for Corporations Filing Electronically* includes information from your Company's income tax return and all applicable schedules.

Signature

☞ Form T183CORP – *Information Return for Corporations Filing Electronically* should be completed and signed

No amount is payable for the **2021** taxation year.

Mailing

✉ One copy of the signed Form T183 Corp should be returned to KPMG by fax at (519) 747-8811, as soon as possible, no later than June 30, 2022, in order to have the Company's Return filed on or before the due date for filing. **We will not electronically file the Return until we receive a copy of the signed T183CORP**. The Form T183CORP must **not** be sent to the CRA.

T2 – *CORPORATION INCOME TAX RETURN* - MINISTRY OF FINANCE

Signature

☞ Form T2, the certification section on page 9 should be completed and signed.

Refund

A refund of $3,660 is claimed and therefore no amount is payable for the **2021** taxation year.

Mailing

✉ One copy of the Return and one copy of the Company's financial statements must be **received** by The Ministry of Finance, HYDRO PIL DIVISION, PO Box 620, 33 King Street West, Oshawa, ON, L1H 8E9 no later than **June 30, 2022.** For greater certainty, KPMG will not be mailing this Return.

NOTICES OF ASSESSMENT

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

GENERAL RATE INCOME POOL ("GRIP")

Shareholders receiving eligible dividends as compared to non-eligible dividends, are subject to a reduced rate of income tax. Eligible dividends are paid out of the Company's GRIP balance, which at December 31, 2021 is estimated to be $9,134,650. The supporting calculation is summarized in Schedule 53 of the federal corporate tax return.

In addition, designation of eligible dividends is required, with each shareholder recipient being formally notified in writing at time of payment.

The Company did not designate the payment of an eligible dividend for the current taxation year.

INSTALMENTS

We have prepared and enclose an estimate of tax instalments as applicable for the Company for the taxation year ending on December 31, 2022. The amounts were computed with reference to the Company's taxable income and taxes payable for prior years.

If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Overpaid instalments may, in certain circumstances, be transferred to other accounts or applied to other liabilities such as payroll withholdings. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the tax authorities must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please feel free to contact us.

Yours truly,

Tony Italiano
Partner

Enclosure

Federal Tax Instalments

Federal tax instalments

For the taxation year ended 2022-12-31

Business number 86463 9562 RC0002

The following is a list of instalments payable for the current taxation year, and the last column indicates the instalments payable to the Canada Revenue Agency (CRA). The instalments must be paid on each of the dates indicated below, otherwise non-deductible interest might be charged.

You can pay using one of the methods listed at **canada.ca/payments**. However, when a remittance must mandatorily be made using electronic means, use one of the following electronic payment methods:

- a Canadian financial institution's services;
- the CRA's *My Payment* service, at **canada.ca/cra-my-payment**;
- a pre-authorized debit agreement set up in the CRA's *My Business Account* service, at **canada.ca/my-cra-business-account**;
- a wire transfer.

Do you want to calculate the tax instalments according to the extended payment date (COVID-19)?* ☐ Yes ☒ No

* The answer to this question is **Yes** when at least one of the dates entered in the **Monthly instalment workchart** or the **Quarterly instalment workchart** sections is after March 17, 2020, and before September 30, 2020.

Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2022-01-31	15,623				15,623
2022-02-28	15,623				15,623
2022-03-31	15,623				15,623
2022-04-30	15,623				15,623
2022-05-31	15,623				15,623
2022-06-30	15,623				15,623
2022-07-31	15,623				15,623
2022-08-31	15,623				15,623
2022-09-30	15,623				15,623
2022-10-31	15,623				15,623
2022-11-30	15,623				15,623
2022-12-31	15,620				15,620
Instalment (COVID-19)					
Totals	187,473				187,473

Canada Revenue Agency / Agence du revenu du Canada

T2 Corporation Income Tax Return

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 or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) **001** 86463 9562 RC0002

Corporation's name
002 Orangeville Hydro Limited

Address of head office
Has this address changed since the last time we were notified? . . . . **010** Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 400 C Line
012 Station A Box 400
City: **015** Orangeville
Province, territory, or state: **016** ON
Country (other than Canada): **017** CA
Postal or ZIP code: **018** L9W 2Z7

Mailing address (if different from head office address)
Has this address changed since the last time we were notified? . . . . **020** Yes [ ] No [X]
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 or ZIP code: **028**

Location of books and records (if different from head office address)
Has this address changed since the last time we were notified? . . . . **030** Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031 400 C Line
032 Station A Box 400
City: **035** Orangeville
Province, territory, or state: **036** ON
Country (other than Canada): **037** CA
Postal or ZIP code: **038** L9W 2Z7

040 **Type of corporation at the end of the tax year** (tick one)
- [X] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [ ] 4 Corporation controlled by a public corporation
- [ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change . . . . **043** Year Month Day

To which tax year does this return apply?
Tax year start (Year Month Day): **060** 2021-01-01
Tax year-end (Year Month Day): **061** 2021-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? . . . . **063** Yes [ ] No [X]
If **yes**, provide the date control was acquired . . . . **065** Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? . . . . **066** Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? . . . . **067** Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? . . . . **070** Yes [ ] No [X]
Amalgamation? . . . . **071** Yes [ ] No [X]
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** Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . **076** Yes [ ] No [X]

Is this the final return up to dissolution? . . . . **078** Yes [ ] No [X]

If an election was made under section 261, state the functional currency used **079**

Is the corporation a resident of Canada? **080** Yes [X] 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** Yes [ ] No [X]
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)
- [ ] 4 Exempt under other paragraphs of section 149

Do not use this area
095 **096** **898**

Attachments

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

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		———
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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	X	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	———
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
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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	254		T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272		58
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)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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	X	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
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	273		63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	274		59
Is the corporation claiming an air quality improvement tax credit?	275		65

Additional information

		Yes	No
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	X	
Is the corporation inactive?	280		X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

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

284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

		Yes	No
Did the corporation immigrate to Canada during the tax year?	291		X
Did the corporation emigrate from Canada during the tax year?	292		X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293		

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 Year Month Day

		Yes	No
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	295		

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI			300	734,864	A
Deduct:					
Charitable donations from Schedule 2	311	4,775			
Cultural gifts from Schedule 2	313				
Ecological gifts from Schedule 2	314				
Gifts of medicine made before March 22, 2017, 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				
Employer deduction for non-qualified securities	352				
Subtotal		4,775	▶	4,775	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")				730,089	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions			355		D
Taxable income (amount C **plus** amount D)			360	730,089	
Taxable income for the year from a personal services business					Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	734,864	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax	405	730,089	B
Business limit (see notes 1 and 2 below)	410	500,000	C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction

Amount C 500,000 x 415 *** 68,832 D / 11,250 = 3,059,200 E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** 417 ______ – 50,000 = ______ F

Amount C 500,000 / 100,000 x Amount F ______ = ______ G

The greater of amount E and amount G	422	3,059,200	H
Reduced business limit (amount C **minus** amount H) (if negative, enter "0")	426		I
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)			J
Reduced business limit after assignment (amount I **minus** amount J)	428		K
Small business deduction – Amount A, B, C, or K, whichever is the least ______ x 19 % =	430		

Enter amount from line 430 at amount J on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

Specified corporate income and assignment under subsection 125(3.2)

	L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount 490	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L ³ 500	N Business limit assigned to corporation identified in column L ⁴ 505
1.				
		Total	510	515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
   (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
   (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
   (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
   (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3			730,089	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		B		
Amount 13K from Part 13 of Schedule 27		C		
Personal services business income	432	D		
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least		E		
Aggregate investment income from line 440 on page 6*		F		
Subtotal (**add** amounts B to F)		►		G
Amount A **minus** amount G (if negative, enter "0")			730,089	H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %			94,912	I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 on page 3				J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		K		
Amount 13K from Part 13 of Schedule 27		L		
Personal services business income	434	M		
Subtotal (**add** amounts K to M)		►		N
Amount J **minus** amount N (if negative, enter "0")				O
General tax reduction – Amount O **multiplied** by 13 %				P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 . . . . **440** ______ x 30 2 / 3 % =				A
Foreign non-business income tax credit from line 632 on page 8		B		
Foreign investment income from Schedule 7 . . . . **445** ______ x 8 % =		C		
Subtotal (amount B **minus** amount C) (if negative, enter "0")		▶		D
Amount A **minus** amount D (if negative, enter "0")				E
Taxable income from line 360 on page 3	730,089	F		
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least . . . . ______ G				
Foreign non-business income tax credit from line 632 on page 8 . . . . ______ x 75 / 29 = ______ H				
Foreign business income tax credit from line 636 on page 8 . . ______ x 4 = ______ I				
Subtotal (**add** amounts G to I) ______ ▶		J		
Subtotal (amount F **minus** amount J)	730,089	K x 30 2 / 3 % =	223,894	L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)			109,513	M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450**				N

Refundable dividend tax on hand

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460			
Dividend refund for the previous tax year	465			
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480			
Subtotal (line 460 **minus** line 465 **plus** line 480)				A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)				B
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)			C	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)			D	
Subtotal (amount C **minus** amount D) (if negative, enter "0")			▶	E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")			F	
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)			G	
Subtotal (amount F **plus** amount G)			▶	H
Amount H **multiplied** by 38 1 / 3 %				I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 ________ of the preceding tax year)	520			J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 13,357 of the preceding tax year) (if negative, enter "0")	535		13,357	K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)			L	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)			M	
Subtotal (amount L **plus** amount M)			▶	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	525			O
ERDTOH dividend refund for the previous tax year	570			P
Refundable portion of Part I tax (from line 450 on page 6)				Q
Part IV tax before deductions (amount 2A from Schedule 3)			R	
Part IV tax allocated to ERDTOH (amount N)			S	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)			T	
Subtotal (amount R **minus** total of amounts S and T)			▶	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	540			V
NERDTOH dividend refund for the previous tax year	575		13,357	W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)				X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")				Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")	545			
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")				Z
ERDTOH at the end of the tax year (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")	530			

Dividend refund

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	208,249	DD
NERDTOH balance at the end of the tax year (line 545)		EE
Non-eligible dividend refund (amount DD or EE, whichever is less)		FF
Amount DD **minus** amount EE (if negative, enter "0")	208,249	GG
Amount BB **minus** amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund – Amount CC **plus** amount FF **plus** amount II		JJ

Enter amount JJ on line 784 on page 9.

Part I tax

Base amount Part I tax – Taxable income (from line 360 on page 3) **multiplied** by 38 %			550	277,434	A
Additional tax on personal services business income (section 123.5)					
Taxable income from a personal services business	555	x 5 % =	560		B
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 on page 6				D
Taxable income from line 360 on page 3	730,089	E		
Deduct: Amount from line 400, 405, 410, or 428 on page 4, whichever is the least		F		
Net amount (amount E **minus** amount F)	730,089	▶	730,089	G

Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G	604		H
Subtotal (**add** amounts A, B, C, and H)		277,434	I

Deduct:

Small business deduction from line 430 on page 4			J		
Federal tax abatement	608	73,009			
Manufacturing and processing profits deduction from Schedule 27	616				
Investment corporation deduction	620				
Taxed capital gains 624					
Federal foreign non-business income tax credit from Schedule 21	632				
Federal foreign business income tax credit from Schedule 21	636				
General tax reduction for CCPCs from amount I on page 5	638	94,912			
General tax reduction from amount P on page 5	639				
Federal logging tax credit from Schedule 21	640				
Eligible Canadian bank deduction under section 125.21	641				
Federal qualifying environmental trust tax credit	648				
Investment tax credit from Schedule 31	652				
Subtotal		167,921	▶	167,921	K

Part I tax payable – Amount I **minus** amount K	109,513	L

Enter amount L on line 700 on page 9.

Privacy notice

Personal information (including the SIN) is collected to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	109,513
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		109,513

Add provincial or territorial tax:

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

Net provincial or territorial tax payable (except Quebec and Alberta)	760	77,960
Total tax payable	770	187,473 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780		
Dividend refund from amount JJ on page 7	784		
Federal capital gains refund from Schedule 18	788		
Federal qualifying environmental trust tax credit refund	792		
Return of fuel charge proceeds to farmers tax credit from Schedule 63	795		
Canadian film or video production tax credit (Form T1131)	796		
Film or video production services tax credit (Form T1177)	797		
Canadian journalism labour tax credit from Schedule 58	798		
Air quality improvement tax credit from Schedule 65	799		
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	191,133	
Total credits	890	191,133 ▶	191,133 B

Balance (amount A **minus** amount B) -3,660

If the result is negative, you have **a refund**. If the result is positive, you have a **balance owing**.
Enter the amount below on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Refund code 894 1 Refund 3,660 Balance owing

For information on how to enrol for direct deposit, go to **canada.ca/cra-direct-deposit**.

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No ☒

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 G1829

Certification

I, 950 Long (Last name) 951 Amy (First name) 954 CFO (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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax 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 (519) 942-8000 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☐ No ☒

958 Suzanne Presseault (Name of other authorized person) 959 (519) 942-8000 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

Schedule of Instalment Remittances

Name of corporation contact

Telephone number

Effective interest date	Description (instalment remittance, split payment, assessed credit)	Amount of credit
	2021 installments	191,133

Total amount of instalments claimed (carry the result to line 840 of the T2 Return)	191,133	**A**
Total instalments credited to the taxation year per T9	191,133	**B**

Transfer

	Account number	Taxation year end	Amount	Effective interest date	Description
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule to reconcile 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.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125			908,964	A
Add:				
Provision for income taxes – current	101	185,002		
Provision for income taxes – deferred	102	124,121		
Interest and penalties on taxes	103	1,752		
Amortization of tangible assets	104	1,032,581		
Loss on disposal of assets	111	86,337		
Charitable donations and gifts from Schedule 2	112	4,775		
Non-deductible meals and entertainment expenses	121	2,015		
Reserves from financial statements – balance at the end of the year	126	464,481		
Subtotal of additions		1,901,064	1,901,064	

Add:

Other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	5,000
2	Paragraph 12(1)(x) - Contributed capital	349,139
3	Paragraph 12(1)(a) - Customer Deposits	514,847
4	Tax grouped with change in regulatory	37,177
	Total of column 2	906,163

Total of column 2	296	906,163		
Subtotal of other additions	199	906,163	906,163	D
Total additions	500	2,807,227	2,807,227	
Amount A **plus** line 500			3,716,191	B
Deduct:				
Capital cost allowance from Schedule 8	403	1,533,651		
Reserves from financial statements – balance at the beginning of the year	414	392,292		
Subtotal of deductions		1,925,943	1,925,943	
Deduct:				
Non-taxable/deductible other comprehensive income items	347	22,485		

Other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	67,211
2	Subsection 13(7.4) election	349,139
3	Paragraph 20(1)(m) - Customer Deposits	514,847
4	Tax movement in reg account	101,702
5	Deferred CGAAP Credits	0
	Total of column 2	1,032,899

Total of column 2 ▶ 396 1,032,899

Subtotal of other deductions	499	1,055,384 ▶	1,055,384	E
Total deductions	510	2,981,327 ▶	2,981,327	
Net income (loss) for income tax purposes (amount B **minus** line 510)			734,864	C

Enter amount C on line 300 of the T2 return.

T2 SCH 1 E (19)

Canada

Attached Schedule with Total

Line 295 – Amount

Title Line 295 – Amount

Explanatory note
As per balance sheet

Description	Operator (Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit	+	314,847 00
	+	
	Total	514,847 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Description	Operator (Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit	+	314,847 00
	+	
	Total	514,847 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 347 – Non-taxable/deductible other comprehensive income items

Title Line 347 – Non-taxable/deductible other comprehensive income items

Explanatory note

the OCI amount reported in the financials is NET of tax. So we need to reverese the tax amount inlcuded in the balance reported in OCI. IF the OCI entry relates to an adjustment reported in the tax return in Schedule 13 s then the pre tax amount does not requirte adjustment on schedule 1 - the only amount that needs to be accounted for in the return would be the tax portion.

Description	Operator (Note)	Amount
Pre tax amount pf actuarial change in note 11 b		84,849 00
Net amount reported in OCI in financials page 7	-	62,364 00
Proof = 84,849x 26.5% = $22,485 (tax recovery)	+	
	Total	22,485 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Federal

A		
X	Investment tax credit from apprenticeship job creation expenditures	2,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
	Return of fuel charge proceeds to farmers tax credit	
	Air quality improvement tax credit* * Please verify if the credit amount relates to depreciable property For more information, consult the Help (F1).	

Ontario

A		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	3,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency / Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- For use by corporations to claim any of the following:
  - – the eligible amount of charitable donations to qualified donees
  - – the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - – the eligible amount of gifts of certified cultural property
  - – the eligible amount of gifts of certified ecologically sensitive land or
  - – the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - – Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - – If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Various donation slips	4,775
Subtotal	4,775
Add: Total donations of less than $100 each	
Total donations in current tax year	4,775

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			1A		
Charitable donations expired after five tax years*	239				
Charitable donations at the beginning of the current tax year (amount 1A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1, Net Income (Loss) for Income Tax Purposes)	210	4,775		4,775	4,775
Subtotal (line 250 **plus** line 210)		4,775	1B	4,775	4,775
Subtotal (line 240 **plus** amount 1B)		4,775	1C	4,775	4,775
Adjustment for an acquisition of control	255				
Total charitable donations available (amount 1C **minus** line 255)		4,775	1D	4,775	4,775
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2) (enter this amount on line 311 of the T2 return)	260	4,775		4,775	4,775
Charitable donations closing balance (amount 1D **minus** line 260)	280				

	Line	Amount	
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)	262		
Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %)			1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

	Line	Amount	
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)	263		
Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %)			2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

	Line	Amount	
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)	265		
British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %)			3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2020-12-31			
2nd prior year	2019-12-31			
3rd prior year	2018-12-31			
4th prior year	2017-12-31			
5th prior year	2016-12-31			
6th prior year*	2015-12-31			
7th prior year	2014-12-31			
8th prior year	2013-12-31			
9th prior year	2012-12-31			
10th prior year	2011-12-31			
11th prior year	2010-12-31			
12th prior year	2009-12-31			
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes Note 1 **multiplied** by 75 % 551,148 2A

Taxable capital gains arising in respect of gifts of capital property included in Part 1 Note 2 ..... **225**

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) **227**

The amount of the recapture of capital cost allowance in respect of charitable donations **230**

Proceeds of disposition, **less** outlays and expenses Note 2 ..... 2B

Capital cost Note 2 ..... 2C

Amount 2B or 2C, whichever is less **235**

Amount on line 230 or 235, whichever is less 2D

Subtotal (**add** lines 225, 227, and amount 2D) 2E

Amount 2E **multiplied** by 25 % 2F

Subtotal (amount 2A **plus** amount 2F) 551,148 2G

Maximum allowable deduction for charitable donations
(enter amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is the least) 4,775 2H

Note 1: For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift **divided** by the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

	Line	Federal		Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			3A		
Gifts of certified cultural property expired after five tax years*	439				
Gifts of certified cultural property at the beginning of the current tax year (amount 3A **minus** line 439)	440				
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450				
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410				
Subtotal (line 450 **plus** line 410)			3B		
Subtotal (line 440 **plus** amount 3B)			3C		
Adjustment for an acquisition of control	455				
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460				
Subtotal (line 455 **plus** line 460)			3D		
Gifts of certified cultural property closing balance (amount 3C **minus** amount 3D)	480				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2020-12-31			
2nd prior year	2019-12-31			
3rd prior year	2018-12-31			
4th prior year	2017-12-31			
5th prior year	2016-12-31			
6th prior year*	2015-12-31			
7th prior year	2014-12-31			
8th prior year	2013-12-31			
9th prior year	2012-12-31			
10th prior year	2011-12-31			
11th prior year	2010-12-31			
12th prior year	2009-12-31			
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			4B		
Subtotal (line 540 **plus** amount 4B)			4C		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			4D		
Gifts of certified ecologically sensitive land closing balance (amount 4C **minus** amount 4D)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2020-12-31			
2nd prior year	2019-12-31			
3rd prior year	2018-12-31			
4th prior year	2017-12-31			
5th prior year	2016-12-31			
6th prior year*	2015-12-31			
7th prior year	2014-12-31			
8th prior year	2013-12-31			
9th prior year	2012-12-31			
10th prior year	2011-12-31			
11th prior year*	2010-12-31			
12th prior year	2009-12-31			
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

		Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year .			5A		
Additional deduction for gifts of medicine expired after five tax years* . .	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				
Additional deduction for gifts of medicine made before March 22, 2017:					
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			5B		
Amount 5B **multiplied** by 50 %			5C		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 . . . . **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 . . . . ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 . . . . ______

where:

a is the **lesser** of line 601 and amount 5C

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

		Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			5D		
Subtotal (line 640 **plus** amount 5D)			5E		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income . . . . (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			5F		
Additional deduction for gifts of medicine closing balance (amount 5E **minus** amount 5F)	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2020-12-31			
2nd prior year	2019-12-31			
3rd prior year	2018-12-31			
4th prior year	2017-12-31			
5th prior year	2016-12-31			
6th prior year*	2015-12-31			
7th prior year	2014-12-31			
8th prior year	2013-12-31			
9th prior year	2012-12-31			
10th prior year	2011-12-31			
11th prior year	2010-12-31			
12th prior year	2009-12-31			
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2020-12-31	
2nd prior year	2019-12-31	
3rd prior year	2018-12-31	
4th prior year	2017-12-31	
5th prior year	2016-12-31	
6th prior year*	2015-12-31	
7th prior year	2014-12-31	
8th prior year	2013-12-31	
9th prior year	2012-12-31	
10th prior year	2011-12-31	
11th prior year	2010-12-31	
12th prior year	2009-12-31	
13th prior year		
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

T2 SCH 2 E (20)

Canada

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is **connected** with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.
  Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, I, I.1 and L **only if** the payer corporation is **connected.**

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			
					Total of column E (enter amount on line 402 of Schedule 1)	

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d)[note 1] **240**	F1	G Eligible dividends included in column F **242**	H Total taxable dividends paid by **connected** payer corporation (for tax year in column D) **250**
1				

	I Dividend refund of the **connected** payer corporation (for tax year in column D)[note 2] **260**	I.1 Dividend refund of the **connected** payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (for tax year in column D) [notes 2 and 5]	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3%[note 3] **265**	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3%[note 4] **275**	L Part IV tax before deductions on taxable dividends received from **connected** corporations [notes 2 and 5] **280**
1					

Total of column L (enter amount on line 2E in Part 2)

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) 1A

Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) 1B

Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 return) 1C

Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) 1D

Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) 1F

Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) 1G

Subtotal (amount 1F **plus** amount 1G) ► 1H

Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) 1I

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) 1J

Subtotal (amount 1I **plus** amount 1J) ► 1K

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) 1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column K (and column J, if applicable). Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable. For column L, you only have to estimate the payer's dividend refund from its eligible refundable dividend tax on hand (ERDTOH) (column I.1).

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column F.

5 For taxable dividends received from connected corporations (with a tax year starting after 2018), Part IV tax on dividends is equal to: total of amounts CC and II of the connected payer corporation (on page 7 of the T2 return) divided by column H multiplied by column F. If there is no dividend refund (or estimated dividend refund) to the connected payer corporation from its ERDTOH for paying the taxable dividends, enter "0" in column L.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320			
Subtotal (amount 2A **minus** line 320)			►	2B
Current-year non-capital loss claimed to reduce Part IV tax	330			
Non-capital losses from previous years claimed to reduce Part IV tax	335			
Current-year farm loss claimed to reduce Part IV tax	340			
Farm losses from previous years claimed to reduce Part IV tax	345			
Total losses applied against Part IV tax (total of lines 330 to 345)			2C	
Amount 2C **multiplied** by 38 1 / 3 %				2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0") (enter amount on line 712 of the T2 return)	360			

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations (total of column L in part 1)		2E
Amount 4A from Schedule 43		2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E **minus** amount 2F, if negative enter "0") (enter at amount L on page 7 of the T2 return)		2G

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)		2H
Amount 4C from Schedule 43		2I
Part IV tax payable on eligible dividends received from non-connected corporations (amount 2H **minus** amount 2I, if negative enter "0") (enter at amount M on page 7 of the T2 return)		2J

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the recipient corporation with which you are connected, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of recipient corporation with which you are connected 400	M Business number 410	N Tax year-end of recipient corporation in which the dividends in column O were received YYYYMMDD 420	O Taxable dividends paid to recipient corporations with which you are connected 430	P Eligible dividends included in column O 440
1	Corporation of the town of Orangeville	10698 6151 RC0001	2021-12-31	513,380	
2					
				513,380 (Total of column O)	(Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations			450	29,879
Eligible dividends included in line 450	455			
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)			460	543,259
Total eligible dividends paid in the tax year (total of column P **plus** line 455)			465	
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)			470	543,259

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	208,249	3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)				543,259	
Other dividends paid in the tax year (total of 510 to 540)					
Total dividends paid in the tax year			500	543,259	
Dividends paid out of capital dividend account	510				
Capital gains dividends	520				
Dividends paid on shares described in subsection 129(1.2)	530				
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540				
Subtotal (total of lines 510 to 540)			►		4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)				543,259	4B

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Tax Calculation Supplementary – Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the federal Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation – Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Allocation of taxable income

100 ______ Enter the regulation that applies (402 to 413)

A Jurisdiction. Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year (Note 1)		B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2 (Note 2) (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes ☐	103		143		
Newfoundland and Labrador Offshore	004 Yes ☐	104		144		
Prince Edward Island	005 Yes ☐	105		145		
Nova Scotia	007 Yes ☐	107		147		
Nova Scotia Offshore	008 Yes ☐	108		148		
New Brunswick	009 Yes ☐	109		149		
Quebec	011 Yes ☐	111		151		
Ontario	013 Yes ☐	113		153		
Manitoba	015 Yes ☐	115		155		
Saskatchewan	017 Yes ☐	117		157		
Alberta	019 Yes ☐	119		159		
British Columbia	021 Yes ☐	121		161		
Yukon	023 Yes ☐	123		163		
Northwest Territories	025 Yes ☐	125		165		
Nunavut	026 Yes ☐	126		166		
Outside Canada	027 Yes ☐	127		167		
Total		129 G		169 H		

Note 1: **Permanent establishment** is defined in subsection 400(2).
Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:
1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation – Income Tax Guide.
2. If your corporation has provincial or territorial tax payable, complete Part 2.
3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits
730,089		730,089	83,960

Ontario basic income tax (from Schedule 500)	270	83,960		
Ontario small business deduction (from Schedule 500)	402			
Subtotal (line 270 **minus** line 402)		83,960	83,960	5A
Ontario transitional tax debits (from Schedule 506)	276			
Recapture of Ontario research and development tax credit (from Schedule 508)	277			
Subtotal (line 276 **plus** line 277)				5B
Gross Ontario tax (amount 5A **plus** amount 5B)			83,960	5C
Ontario resource tax credit (from Schedule 504)	404			
Ontario tax credit for manufacturing and processing (from Schedule 502)	406			
Ontario foreign tax credit (from Schedule 21)	408			
Ontario credit union tax reduction (from Schedule 500)	410			
Ontario political contributions tax credit (from Schedule 525)	415			
Ontario non-refundable tax credits (total of lines 404 to 415)				5D
Subtotal (amount 5C **minus** amount 5D) (if negative, enter "0")			83,960	5E
Ontario research and development tax credit (from Schedule 508)	416			
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E **minus** line 416) (if negative, enter "0")			83,960	5F
Ontario corporate minimum tax credit (from Schedule 510)	418			
Ontario community food program donation tax credit for farmers (from Schedule 2)	420			
Ontario corporate income tax payable (amount 5F **minus** the total of lines 418 and 420) (if negative, enter "0")			83,960	5G
Ontario corporate minimum tax (from Schedule 510)	278			
Ontario special additional tax on life insurance corporations (from Schedule 512)	280			
Subtotal (line 278 **plus** line 280)				5H
Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H)			83,960	5I
Ontario qualifying environmental trust tax credit	450			
Ontario co-operative education tax credit (from Schedule 550)	452	6,000		
Ontario apprenticeship training tax credit (from Schedule 552)	454			
Ontario computer animation and special effects tax credit (from Schedule 554)	456			
Ontario film and television tax credit (from Schedule 556)	458			
Ontario production services tax credit (from Schedule 558)	460			
Ontario interactive digital media tax credit (from Schedule 560)	462			
Ontario book publishing tax credit (from Schedule 564)	466			
Ontario innovation tax credit (from Schedule 566)	468			
Ontario business-research institute tax credit (from Schedule 568)	470			
Ontario regional opportunities investment tax credit (from Schedule 570)	472			
Ontario refundable tax credits (total of lines 450 to 472)		6,000	6,000	5J
Net Ontario tax payable or refundable tax credit (amount 5I **minus** amount 5J) (if a credit, enter amount in brackets) Include this amount on line 255.	290		77,960	

Summary

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable tax credits 255 77,960

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

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** Yes ☐ No ☒

	1 Class number * See note 1 (200)	Description	2 Undepreciated capital cost (UCC) at the beginning of the year (201)	3 Cost of acquisitions during the year (new property must be available for use) See note 2 (203)	4 Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) or zero-emission vehicle (ZEV) See note 3 (225)	5 Adjustments and transfers See note 4 (205)	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5 (221)	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6 (222)	8 Proceeds of dispositions See note 7 (207)	9 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See note 8
1.	1	Buildings	7,669,849						0	7,669,849
2.	8	Equipment	104,559	8,696	8,696				0	113,255
3.	10	Trucks	285,180						0	285,180
4.	45	Computer equipment	7						0	7
5.	47	Electric Distribution Equipment	10,259,419	1,842,794	1,842,794				1,839	12,100,374
6.	50	Computer equipment	13,033	29,188	29,188				0	42,221
7.	43.2	Solar Generation	109	7,110	7,110				0	7,219
8.	14.1		107,102						0	107,102
9.	1b		5,349						0	5,349
10.	1b	2018 Addition	111,982	5,633	5,633				0	117,615
11.	95	CIP	16,472	21,677	21,677				0	38,149
12.	12			22,675	22,675				0	22,675
		Totals	18,573,061	1,937,773	1,937,773				1,839	20,508,995

	1 Class number * See note 1 200	Description	10 Proceeds of disposition available to reduce the UCC of AIIP and ZEV (column 8 **plus** column 6 **minus** column 3 **plus** column 4 **minus** column 7) (if negative, enter "0")	11 Net capital cost additions of AIIP and ZEV acquired during the year (column 4 **minus** column 10) (if negative, enter "0")	12 UCC adjustment for AIIP and ZEV acquired during the year (column 11 **multiplied** by the relevant factor) See note 9	13 UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 **multiplied** by the result of column 3 **minus** column 4 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") See note 10 224	14 CCA rate % See note 11 212	15 Recapture of CCA See note 12 213	16 Terminal loss See note 13 215	17 CCA (for declining balance method, the result of column 9 **plus** column 12 **minus** column 13, **multiplied** by column 14 or a lower amount) See note 14 217	18 UCC at the end of the year (column 9 **minus** column 17) 220
1.	1	Buildings					4	0	0	306,794	7,363,055
2.	8	Equipment		8,696	4,348		20	0	0	23,521	89,734
3.	10	Trucks					30	0	0	85,554	199,626
4.	45	Computer equipment					45	0	0	3	4
5.	47	Electric Distribution Equipmen	1,839	1,840,955	920,478		8	0	0	1,041,668	11,058,706
6.	50	Computer equipment		29,188	14,594		55	0	0	31,248	10,973
7.	43.2	Solar Generation		7,110	7,110		50	0	0	7,165	54
8.	14.1						5	0	0	7,476	99,626
9.	1b						6	0	0	321	5,028
10.	1b	2018 Addition		5,633	2,817		6	0	0	7,226	110,389
11.	95	CIP		21,677	10,839		0	0	0		38,149
12.	12			22,675			100	0	0	22,675	
		Totals	1,839	1,935,934	960,186					1,533,651	18,975,344

Enter the total of column 15 on line 107 of Schedule 1.
Enter the total of column 16 on line 404 of Schedule 1.
Enter the total of column 17 on line 403 of Schedule 1.

Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).

Note 2. Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11 and 12 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.

Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 9). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor at least 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
- an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)

Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the $55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of $55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.

Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1, 54 and 56
- 1 1/2 for property in Class 55
- 1 for property in Classes 43.2 and 53
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
- 0.5 for all other property that is AIIP

Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.

Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.

Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
- property in Class 14.1, unless you have ceased carrying on the business to which it relates or
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met

Note 14. 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2) (for single mine properties) and 1100(1)(ya.2) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Cc		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	46,000		46,000	46,000	46,000
2	Employee Future Benefits	346,292		418,481	346,292	418,481
3						
	Reserves from Part 2 of Schedule 13					
	Totals	392,292		464,481	392,292	464,481

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)
2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
3 – Non-CCPC that is a **third corporation**
4 – Associated non-CCPC
5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . **025** Year Month Day

Enter the calendar year the agreement applies to . . . . . **050** Year 2021

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . **075** ☐ Yes ☒ No

	1 Name of associated corporations **100**	2 Business number of associated corporations **200**	3 Association code **300**	4 Business limit for the year before the allocation $	5 Percentage of the business limit % **350**	6 Business limit allocated* $ **400**	
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000	
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000			
3	Corporation of the Township of East Luther Gra	NR	1	500,000			
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000			
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000			
				Total	100.0000	500,000	A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - $10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19)

Canada

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Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

	Line	Amount		
Reserves that have not been deducted in calculating income for the year under Part I	101	464,481		
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714		
Retained earnings	104	4,055,694		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	13,805,822		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		26,616,711 ▶	26,616,711	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if

a) those lines applied to partnerships in the same manner that they apply to corporations, and

b) those amounts were computed without reference to amounts owing by the partnership

(i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or

(ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Subtotal A (from page 1)			26,616,711	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121			
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122			
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123			
Deferred unrealized foreign exchange losses at the end of the year	124			
Subtotal (**add** lines 121 to 124)		►		B
Capital for the year (amount A **minus** amount B) (if negative, enter "0")	190		26,616,711	

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	135,504
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	135,504

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		26,616,711	C
Deduct: Investment allowance for the year (line 490)		135,504	D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	26,481,207	

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500) 26,481,207 x (Taxable income earned in Canada **610** 730,089 / Taxable income 730,089) = **Taxable capital employed in Canada** **690** 26,481,207

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

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

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

Deduct the following amounts:

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

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

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

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

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

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690)		F
Deduct:	10,000,000	G
Excess (amount F **minus** amount G) (if negative, enter "0")		H
Calculation for purposes of the small business deduction (amount H x 0.225%)		I

Enter this amount at line 415 of the T2 return.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Explanatory note

See "21 SFP" Tab "BS_IFRS-F"

Description	Operator (Note)	Amount
Current portion of long-term debt		5,140,633 00
Long-term debt	+	8,665,189 00
	+	
	Total	13,805,822 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Part 1 – Reserves that have not been deducted in calculating income for the year under Part I

Title Part 1 – Reserves that have not been deducted in calculating income for the

Explanatory note

See "21 SFP" Tab "BS_IFRS-F"

Description	Operator (Note)	Amount
Allowance for Doubtful Accounts - Sch13S		46,000 00
Employee Future Benefits - Sch13S	+	418,481 00
	+	
	Total	464,481 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

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Schedule 50

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- 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 (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "**NR**") 200	Social insurance number (9 digits) 300	Trust number (T followed by 8 digits) 350	Percentage common shares 400	Percentage preferred shares 500
1	The Corporation of the Town of Orangeville	106986151RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.
- File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3		543,259			
Total taxable dividends paid in the tax year	100	543,259			
Total eligible dividends paid in the tax year			150		
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")			160	9,134,650	
Excessive eligible dividend designation (line 150 **minus** line 160)					A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			180		
Subtotal (amount A **minus** line 180)					B
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B **multiplied** by 20 %)			190		

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3					
Total taxable dividends paid in the tax year	200				
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)					C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			280		
Subtotal (amount C **minus** line 280)					D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D **multiplied** by 20 %)			290		

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

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Schedule 500

Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Part 1 – Ontario basic income tax

Ontario taxable income Note 1	730,089	1A
Ontario basic rate of tax for the year	**11.5** %	1B
Ontario basic income tax (amount 1A **multiplied** by amount 1B) Note 2	83,960	1C

Note 1 If your corporation had a permanent establishment only in Ontario, enter the amount from line 360, from page 3 of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

Note 2 If your corporation had a permanent establishment in more than one jurisdiction or is claiming an Ontario tax credit in addition to Ontario basic income tax, or Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount 1C on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 return.

Part 2 – Ontario small business deduction (OSBD)

Complete this part if your corporation claimed the federal small business deduction under subsection 125(1).

Line 400 of the T2 return	734,864	2A
Line 405 of the T2 return	730,089	2B
Line 410 of the T2 return	500,000	2C
Line 415 of the T2 return	68,832	2D

Amount 2C 500,000 x Amount 2D 68,832 / 11,250 = 3,059,200 2E

Line 515 of the T2 return			2F
Subtotal (amount 2C **minus** amount 2E **minus** amount 2F)		►	2G
Amount 2A, 2B or 2G whichever is the least		►	2H

Ontario domestic factor (ODF): Taxable income for Ontario Note 3 / Taxable income for all provinces Note 4 = 730,089.00 / 730,089 = 1.00000 2I

Amount 2H **multiplied** by amount 2I		2J
Ontario taxable income (amount 1A)	730,089	2K
Ontario small business income (amount 2J or 2K, whichever is less)	►	2L

Ontario small business deduction for the year

Amount 2L ______ x Number of days in the tax year before January 1, 2020 ______ / Number of days in the tax year 365 x 8 % = ______ 2M

Amount 2L ______ x Number of days in the tax year after December 31, 2019 365 / Number of days in the tax year 365 x 8.3 % = ______ 2N

Ontario small business deduction for the year (amount 2M **plus** amount 2N) ► ______ 2O
Enter amount 2O on line 402 of Schedule 5.

Note 3 Enter amount 1A.

Note 4 Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 3 – Ontario adjusted small business income

Complete this part if your corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.

Ontario adjusted small business income (amount 1A or 2H, whichever is the least) . . . . ______ 3A

Enter amount 3A at amount 4B in Part 4 of this schedule or at amount 2E in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.

Part 4 – Credit union tax reduction

Complete this part and Schedule 17, Credit Union Deductions, if the corporation was a credit union throughout the tax year.

Amount 3C of Schedule 17 . . . . ______ 4A

Ontario adjusted small business income (amount 3A) . . . . ______ 4B

Subtotal (amount 4A **minus** amount 4B, if negative, enter "0") ▶ ______ 4C

Amount 4C ______ x (Number of days in the tax year before January 1, 2020 ______ / Number of days in the tax year 365) x 8 % = ______ 4D

Amount 4C ______ x (Number of days in the tax year after December 31, 2019 365 / Number of days in the tax year 365) x 8.3 % = ______ 4E

Total (amount 4D **plus** amount 4E) ▶ ______ 4F

Ontario domestic factor (amount 2I) 1.00000 4G

Ontario credit union tax reduction (amount 4F **multiplied** by amount 4G) . . . . ______ 4H
Enter amount 4H on line 410 of Schedule 5.

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Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  4) a congregation or business agency to which section 143 of the federal Act applies;
  5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	35,048,951
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	50,000,001
Total assets (total of lines 112 to 116)		85,048,952
Total revenue of the corporation for the tax year **	142	36,500,402
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	100,000,000
Total revenue (total of lines 142 to 146)		136,500,402

The corporation is subject to CMT if:
– for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than $5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than $10,000,000.
– for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than $50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than $100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* **Rules for total assets**
– Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
– The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
– A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** **Rules for total revenue**
– Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
– The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
– A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

Net income/loss per financial statements *			210	908,964	
Add (to the extent reflected in income/loss):					
Provision for current income taxes/cost of current income taxes	220	185,002			
Provision for deferred income taxes (debits)/cost of future income taxes	222	124,121			
Equity losses from corporations	224				
Financial statement loss from partnerships and joint ventures	226				
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230				
Other additions (see note below):					
Share of adjusted net income of partnerships and joint ventures **	228				
Total patronage dividends received, not already included in net income/loss	232				
281	282				
283	284				
Subtotal		309,123	▶	309,123	A
Deduct (to the extent reflected in income/loss):					
Provision for recovery of current income taxes/benefit of current income taxes	320				
Provision for deferred income taxes (credits)/benefit of future income taxes	322				
Equity income from corporations	324				
Financial statement income from partnerships and joint ventures	326				
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330				
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332				
Gain on donation of listed security or ecological gift	340				
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342				
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344				
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346				
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348				
Other deductions (see note below):					
Share of adjusted net loss of partnerships and joint ventures **	328				
Tax payable on dividends under subsection 191.1(1) of the federal Act **multiplied** by 3	334				
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336				
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338				
381 Tax Movement in regulatory account	382	124,121			
383 Tax Reclassification	384	37,177			
385 OCI	386	62,364			
387	388				
389	390				
Subtotal		223,662	▶	223,662	B
Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)			490	994,425	

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

* **Rules for net income/loss**

- Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

– Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.

– Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.

– Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.

** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.

*** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.

**** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.

***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)		515	994,425	
Deduct:				
CMT loss available (amount R from Part 7)				
Minus: Adjustment for an acquisition of control *	518			
Adjusted CMT loss available		▶		C
Net income subject to CMT calculation (if negative, enter "0")		520	994,425	

Amount from line 520: 994,425 x Number of days in the tax year before July 1, 2010 ( ) / Number of days in the tax year (365) x 4 % = ______ 1

Amount from line 520: 994,425 x Number of days in the tax year after June 30, 2010 (365) / Number of days in the tax year (365) x 2.7 % = 26,849 2

Subtotal (amount 1 **plus** amount 2) 26,849 3

Gross CMT: amount on line 3 above x OAF **	540	26,849	
Deduct:			
Foreign tax credit for CMT purposes ***	550		
CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0")		26,849	D
Deduct:			
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		83,960	
Net CMT payable (if negative, enter "0")			E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

** **Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

Ontario taxable income **** / Taxable income ***** = ______

Ontario allocation factor 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were $1,000.

***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *			G		
Deduct:					
CMT credit expired *	600				
CMT credit carryforward at the beginning of the current tax year * (see note below)			▶	620	
Add:					
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)				650	
CMT credit available for the tax year (amount on line 620 **plus** amount on line 650)					H
Deduct:					
CMT credit deducted in the current tax year (amount P from Part 5)					I
Subtotal (amount H **minus** amount I)					J
Add:					
Net CMT payable (amount E from Part 3)					
SAT payable (amount O from Part 6 of Schedule 512)					
Subtotal			▶		K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)				670	L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)				M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		83,960	1	
For a corporation that is not a life insurance corporation:				
CMT after foreign tax credit deduction (amount D from Part 3)	26,849	2		
For a life insurance corporation:				
Gross CMT (line 540 from Part 3)		3		
Gross SAT (line 460 from Part 6 of Schedule 512)		4		
The **greater** of amounts 3 and 4		5		
Deduct: line 2 or line 5, whichever applies:		26,849	6	
Subtotal (if negative, enter "0")		57,111	▶	57,111 N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		83,960		
Deduct:				
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)		6,000		
Subtotal (if negative, enter "0")		77,960	▶	77,960 O
CMT credit deducted in the current tax year (least of amounts M, N, and O)				P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? 675 1 Yes ☐ 2 No ☒

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year * . . . . Q

Deduct:

CMT loss expired * 700

CMT loss carryforward at the beginning of the tax year * (see note below) . . . . ▶ 720

Add:

CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below) 750

CMT loss available (line 720 **plus** line 750) . . . . R

Deduct:

CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3) . . . .

Subtotal (if negative, enter "0") S

Add:

Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if **negative**) (enter as a positive amount) 760

CMT loss carryforward balance at the end of the tax year (amount S **plus** line 760) . . . . 770 T

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line Q or line 700;
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:

– the tax year includes January 1, 2009; or
– the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

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SCHEDULE 511

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return*.

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	450 50,000,001	550 100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.
Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter ¨NR¨ if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

*** Rules for total assets**

– Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
– Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

**** Rules for total revenue**

– Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
– If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
– Include the associated corporation's share of the total revenue of partnerships and joint ventures.
– If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.

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SCHEDULE 550

ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the *Taxation Act, 2007* (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is $1,000 for each qualifying work placement ending before March 27, 2009, and $3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation;
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the *T2 Corporation Income Tax Return*.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Corporate information

110 Name of person to contact for more information: Suzanne Presseault

120 Telephone number including area code: (519) 942-8000

Is the claim filed for a CETC earned through a partnership?* . . . . . **150** 1 Yes [ ] 2 No [X]

If you answered **yes** to the question at line 150, what is the name of the partnership? . . . . . **160** ____________

Enter the percentage of the partnership's CETC allocated to the corporation . . . . . **170** ________ %

* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 550 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 550 to claim the partner's share of the partnership's CETC. The allocated amounts can not exceed the amount of the partnership's CETC.

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year? . . . . . **200** 1 Yes [X] 2 No [ ]
2. Was the corporation exempt from tax under Part III of the *Taxation Act*, 2007 (Ontario)? . . . . . **210** 1 Yes [ ] 2 No [X]

If you answered **no** to question 1 or **yes** to question 2, then the corporation is **not eligible** for the CETC.

Part 3 – Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year * . . . . **300** ______

For eligible expenditures incurred before March 27, 2009:

- If line 300 is $400,000 or less, enter 15% on line 310.
- If line 300 is $600,000 or more, enter 10% on line 310.
- If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 310 using the following formula:

$$\text{Eligible percentage} = 15\ \% - \left[5\ \% \times \left(\frac{\text{amount on line 300} \ \textbf{minus} \ \$\ 400{,}000}{\$\ 200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . **310** 15.000 %

For eligible expenditures incurred after March 26, 2009:

- If line 300 is $400,000 or less, enter 30% on line 312.
- If line 300 is $600,000 or more, enter 25% on line 312.
- If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 312 using the following formula:

$$\text{Eligible percentage} = 30\ \% - \left[5\ \% \times \left(\frac{\text{amount on line 300} \ \textbf{minus} \ \$\ 400{,}000}{\$\ 200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . **312** 30.000 %

* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act, 2007* (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

	A Name of university, college, or other eligible educational institution **400**	B Name of qualifying co-operative education program **405**
1.	Conestoga College	Powerline Technician
2.	Conestoga College	Powerline Technician
3.		

	C Name of student **410**	D Start date of WP (see note 1 below) **430**	E End date of WP (see note 2 below) **435**
1.	Devin Fox	2021-01-01	2021-04-30
2.	Carson Edward	2021-05-01	2021-08-31
3.			

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

Part 4 – Calculation of the Ontario co-operative education tax credit (continued)

	F1 Eligible expenditures before March 27, 2009 (see note 1 below) 450	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	F2 Eligible expenditures after March 26, 2009 (see note 1 below) 452	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.		15.000 %	10,275	30.000 %		17
2.		15.000 %	14,244	30.000 %		17
3.		15.000 %		30.000 %		

	G Eligible amount (eligible expenditures **multiplied** by eligible percentage) (see note 2 below) 460	H Maximum CETC per WP (see note 3 below) 462	I CETC on eligible expenditures (column G or H, whichever is less) 470	J CETC on repayment of government assistance (see note 4 below) 480	K CETC for each WP (column I or column J) 490
1.	3,083	3,000	3,000		3,000
2.	4,273	3,000	3,000		3,000
3.					

Ontario co-operative education tax credit (total of amounts in column K) 500 6,000 L

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:

Amount L ________ x percentage on line 170 in Part 1 ________ % = ... ________ M

Enter amount L or M, whichever applies, on line 452 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is $1,000.
If the WP begins after March 26, 2009, the maximum credit amount for the WP is $3,000.
If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

($1,000 x X/Y) + [$3,000 x (Y – X)/Y]

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009, and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received. Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.

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Information Return for Corporations Filing Electronically

- **Do not send this form to the Canada Revenue Agency (CRA) unless we ask for it. We will not keep or return this form.**
- Complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed with the CRA on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the federal Income Tax Act, you have to keep all records used to prepare your T2 Corporation Income Tax Return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your T2 Corporation Income Tax Return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted your return.

Part 1 – Identification

Corporation's name: Orangeville Hydro Limited

Business number: 86463 9562 RC0002

Tax year start (Year Month Day): 2021-01-01

Tax year-end (Year Month Day): 2021-12-31

Is this an amended return? ☐ Yes ☒ No

Get your CRA mail electronically delivered in My Business Account at canada.ca/my-cra-business-account (optional)

Email address: ______________________

I understand that by providing an email address, I am **registering** the corporation to receive email notifications from the CRA. I understand and agree that all notices and other correspondence eligible for electronic delivery will no longer be printed and mailed. The CRA will notify the corporation at this email address when they are available in My Business Account and requiring immediate attention. They will be presumed to have been received on the date that the email is sent. For more information, see **canada.ca/cra-business-email-notifications**.

Part 2 – Declaration

Enter the following amounts, if applicable, from the T2 return for the tax year noted above:

Net income or loss for income tax purposes from Schedule 1, financial statements, or General Index of Financial Information (GIFI) (line 300)	734,864
Part I tax payable (line 700)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	

Part 3 – Certification and authorization

I, Long (Last name), Amy (First name), CFO (Position, office, or rank),

am an authorized signing officer of the corporation. I certify that I have examined the T2 Corporation Income Tax Return, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

I authorize the transmitter identified in Part 4 to electronically file the T2 Corporation Income Tax Return identified in Part 1. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

Date (yyyy/mm/dd)	Signature of an authorized signing officer of the corporation	Telephone number
		(519) 942-8000

The CRA will accept an electronic signature if it is applied in accordance with the guidance specified by the CRA.

Part 4 – Transmitter identification

The following transmitter has electronically filed the tax return of the corporation identified in Part 1.

Name of person or firm	Electronic filer number
KPMG LLP	G1829

Privacy notice

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 and CRA PPU 211 on Info Source at **canada.ca/cra-info-source**.

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 Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

055 **Do not use this area**

Identification

Business number (BN) 001 86463 9562 RC0002

Corporation's name
002 Orangeville Hydro Limited

Address of head office
Has this address changed since the last time we were notified? 010 Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 400 C Line
012 Station A Box 400
City: 015 Orangeville
Province, territory, or state: 016 ON
Country (other than Canada): 017 CA
Postal or ZIP code: 018 L9W 2Z7

Mailing address (if different from head office address)
Has this address changed since the last time we were notified? 020 Yes [ ] No [X]
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 or ZIP code: 028

Location of books and records (if different from head office address)
Has this address changed since the last time we were notified? 030 Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031 400 C Line
032 Station A Box 400
City: 035 Orangeville
Province, territory, or state: 036 ON
Country (other than Canada): 037 CA
Postal or ZIP code: 038 L9W 2Z7

040 **Type of corporation at the end of the tax year** (tick one)
[X] 1 Canadian-controlled private corporation (CCPC)
[ ] 2 Other private corporation
[ ] 3 Public corporation
[ ] 4 Corporation controlled by a public corporation
[ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change 043 Year Month Day

To which tax year does this return apply?
Tax year start (Year Month Day): 060 2021-01-01
Tax year-end (Year Month Day): 061 2021-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? 063 Yes [ ] No [X]
If **yes**, provide the date control was acquired 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? 066 Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? 067 Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? 070 Yes [ ] No [X]
Amalgamation? 071 Yes [ ] No [X]
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 Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? 076 Yes [ ] No [X]

Is this the final return up to dissolution? 078 Yes [ ] No [X]

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 Yes [X] 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 Yes [ ] No [X]
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)
[X] 4 Exempt under other paragraphs of section 149

Do not use this area
095 096 898

Attachments

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

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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 a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	
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
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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	254		T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272		58
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)

	Line	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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	X	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
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	273		63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	274		59
Is the corporation claiming an air quality improvement tax credit?	275		65

Additional information

	Line	Yes	No
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	X	
Is the corporation inactive?	280		X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

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

Line	Product or service	Line	%
284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

	Line	Yes	No
Did the corporation immigrate to Canada during the tax year?	291		X
Did the corporation emigrate from Canada during the tax year?	292		X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293		

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 Year Month Day

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes [ ] No [ ]

Taxable income

	Line		Amount	
Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	300		734,864	A
Deduct:				
Charitable donations from Schedule 2	311	4,775		
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine made before March 22, 2017, 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			
Employer deduction for non-qualified securities	352			
Subtotal		4,775 ▶	4,775	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")			730,089	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355			D
Taxable income (amount C **plus** amount D)	360		730,089	
Taxable income for the year from a personal services business				Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	734,864	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax	405		B
Business limit (see notes 1 and 2 below)	410	500,000	C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction

Amount C 500,000 x 415 *** 68,832 D / 11,250 = 3,059,200 E

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7**** 417 ______ – 50,000 = ______ F

Amount C 500,000 / 100,000 x Amount F ______ = ______ G

The greater of amount E and amount G 422 3,059,200 H

Reduced business limit (amount C **minus** amount H) (if negative, enter "0")	426		I
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)			J
Reduced business limit after assignment (amount I **minus** amount J)	428		K
Small business deduction – Amount A, B, C, or K, whichever is the least ______ x 19 % =	430		

Enter amount from line 430 at amount J on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

Specified corporate income and assignment under subsection 125(3.2)

	L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount 490	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L [3] 500	N Business limit assigned to corporation identified in column L [4] 505
1.				
			Total 510	Total 515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
   (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
   (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
   (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
   (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3				A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			B	
Amount 13K from Part 13 of Schedule 27			C	
Personal services business income	432		D	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least			E	
Aggregate investment income from line 440 on page 6*			F	
Subtotal (**add** amounts B to F)			▶	G
Amount A **minus** amount G (if negative, enter "0")				H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %				I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 on page 3				J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27			K	
Amount 13K from Part 13 of Schedule 27			L	
Personal services business income	434		M	
Subtotal (**add** amounts K to M)			▶	N
Amount J **minus** amount N (if negative, enter "0")				O
General tax reduction – Amount O **multiplied** by 13 %				P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 . . . . **440** ______ x 30 2 / 3 % = ...			A
Foreign non-business income tax credit from line 632 on page 8		B	
Foreign investment income from Schedule 7 . . . . **445** ______ x 8 % =		C	
Subtotal (amount B **minus** amount C) (if negative, enter "0")		▶	D
Amount A **minus** amount D (if negative, enter "0")			E
Taxable income from line 360 on page 3	730,089	F	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least . . . . ______ G			
Foreign non-business income tax credit from line 632 on page 8 . . . . ______ x 75 / 29 = ______ H			
Foreign business income tax credit from line 636 on page 8 . . ______ x 4 = ______ I			
Subtotal (**add** amounts G to I) ______ ▶		J	
Subtotal (amount F **minus** amount J)	730,089	K x 30 2 / 3 % =	223,894 L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)			M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450**			N

Refundable dividend tax on hand

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460			
Dividend refund for the previous tax year	465			
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480			
Subtotal (line 460 **minus** line 465 **plus** line 480)				A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)				B
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)			C	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)			D	
Subtotal (amount C **minus** amount D) (if negative, enter "0")			▶	E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")			F	
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)			G	
Subtotal (amount F **plus** amount G)			▶	H
Amount H **multiplied** by 38 1 / 3 %				I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 ________ of the preceding tax year)	520			J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 13,357 of the preceding tax year) (if negative, enter "0")	535	13,357		K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)			L	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)			M	
Subtotal (amount L **plus** amount M)			▶	N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	525			O
ERDTOH dividend refund for the previous tax year	570			P
Refundable portion of Part I tax (from line 450 on page 6)				Q
Part IV tax before deductions (amount 2A from Schedule 3)			R	
Part IV tax allocated to ERDTOH (amount N)			S	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)			T	
Subtotal (amount R **minus** total of amounts S and T)			▶	U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	540			V
NERDTOH dividend refund for the previous tax year	575	13,357		W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)				X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")				Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")	545			
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")				Z
ERDTOH at the end of the tax year (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")	530			

Dividend refund

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	208,249	DD
NERDTOH balance at the end of the tax year (line 545)		EE
Non-eligible dividend refund (amount DD or EE, whichever is less)		FF
Amount DD **minus** amount EE (if negative, enter "0")	208,249	GG
Amount BB **minus** amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund – Amount CC **plus** amount FF **plus** amount II		JJ

Enter amount JJ on line 784 on page 9.

Part I tax

Base amount Part I tax – Taxable income (from line 360 on page 3) **multiplied** by 38 % . . . . . 550 ______ A

Additional tax on personal services business income (section 123.5)

Taxable income from a personal services business . . . . . 555 ______ x 5 % = 560 ______ B

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 on page 6 . . . . . ______ D

Taxable income from line 360 on page 3 . . . . . ______ E

Deduct:
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least . . . . . ______ F

Net amount (amount E **minus** amount F) ______ ► ______ G

Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount D or amount G . . . . . 604 ______ H

Subtotal (**add** amounts A, B, C, and H) ______ I

Deduct:

Small business deduction from line 430 on page 4 . . . . . ______ J

Federal tax abatement . . . . . 608 ______

Manufacturing and processing profits deduction from Schedule 27 . . . . . 616 ______

Investment corporation deduction . . . . . 620 ______

Taxed capital gains 624 ______

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

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

General tax reduction for CCPCs from amount I on page 5 . . . . . 638 ______

General tax reduction from amount P on page 5 . . . . . 639 ______

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

Eligible Canadian bank deduction under section 125.21 . . . . . 641 ______

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

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

Subtotal ______ ► ______ K

Part I tax payable – Amount I **minus** amount K . . . . . ______ L

Enter amount L on line 700 on page 9.

Privacy notice

Personal information (including the SIN) is collected to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at **canada.ca/cra-info-source**.

Summary of tax and credits

Federal tax

Part I tax payable from amount L on page 8	700	
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 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta)	760		
Total tax payable	770		A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount JJ on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Return of fuel charge proceeds to farmers tax credit from Schedule 63	795	
Canadian film or video production tax credit (Form T1131)	796	
Film or video production services tax credit (Form T1177)	797	
Canadian journalism labour tax credit from Schedule 58	798	
Air quality improvement tax credit from Schedule 65	799	
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

Balance (amount A **minus** amount B)

If the result is negative, you have **a refund**. If the result is positive, you have a **balance owing**.
Enter the amount below on whichever line applies.
Generally, we do not charge or refund a difference of $2 or less.

Refund code 894 ☐ Refund

Balance owing . . . .

For information on how to enrol for direct deposit, go to **canada.ca/cra-direct-deposit**.

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No ☒

If this return was prepared by a tax preparer for a fee, provide their EFILE number . . . 920 G1829

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Certification

I, 950 Long (Last name) 951 Amy (First name) 954 CFO (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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax 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 (519) 942-8000 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below . . . . 957 Yes ☐ No ☒

958 Suzanne Presseault (Name of other authorized person) 959 (519) 942-8000 (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

SCHEDULE 100

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
	Assets				
	Total current assets	1599	+	8,163,738	8,634,373
	Total tangible capital assets	2008	+	29,427,839	27,369,942
	Total accumulated amortization of tangible capital assets	2009	–	6,684,735	5,800,763
	Total intangible capital assets	2178	+	428,971	543,892
	Total accumulated amortization of intangible capital assets	2179	–	219,549	326,700
	Total long-term assets	2589	+	3,932,687	3,881,942
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	35,048,951	34,302,686
	Liabilities				
	Total current liabilities	3139	+	10,440,158	6,114,988
	Total long-term liabilities	3450	+	12,277,349	16,221,960
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	22,717,507	22,336,948
	Shareholder equity				
	Total shareholder equity (mandatory field)	3620	+	12,331,444	11,965,738
	Total liabilities and shareholder equity	3640	=	35,048,951	34,302,686
	Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849	=	4,055,694	3,627,624

* Generic item

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

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	+	36,202,611	38,812,698
	Cost of sales	8518	–	30,596,804	34,271,041
	Gross profit/loss	8519	=	5,605,807	4,541,657
	Cost of sales	8518	+	30,596,804	34,271,041
	Total operating expenses	9367	+	4,804,504	4,652,333
	Total expenses (mandatory field)	9368	=	35,401,308	38,923,374
	Total revenue (mandatory field)	8299	+	36,500,402	39,106,543
	Total expenses (mandatory field)	9368	–	35,401,308	38,923,374
	Net non-farming income	9369	=	1,099,094	183,169
	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	=	1,099,094	183,169
	Total – other comprehensive income	9998	=	-62,364	
	Extraordinary items and income (linked to Schedule 140)				
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–	-181,357	-945,245
	Current income taxes	9990	–	185,002	-102,388
	Future (deferred) income tax provision	9995	–	124,121	144,285
	Total – Other comprehensive income	9998	+	-62,364	
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	908,964	1,086,517

PREPARED SOLELY FOR INCOME TAX PURPOSES WITHOUT AUDIT OR REVIEW FROM INFORMATION PROVIDED BY THE TAXPAYER.

Canada Revenue Agency / Agence du revenu du Canada

Schedule 141

Notes Checklist

Corporation's name	Business number	Tax Year End Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Fill out this schedule to identify who prepared or reported on the financial statements, the extent of their involvement and to identify the type of information contained in the notes to the financial statements. If the person preparing the tax return is not the person referred to above, they must still complete Parts 1, 2, 3, 4 and 5, as applicable.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation – Income Tax Guide.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the person who prepared or reported on the financial statements

Were financial statements prepared? . . . . . 111 Yes [X] No [ ]

If you answered **no**, go to part 5.

Does the person who prepared or reported on the financial statements have an accounting professional designation? . . . . . 095 Yes [X] No [ ]

Is that person connected* with the corporation? . . . . . 097 Yes [ ] No [X]

Note: If that person does not have an accounting professional designation or is connected with the corporation, go to part 4.

* 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.

Part 2 – Type of involvement with the financial statements

Choose the option that represents the highest level of involvement of the person referred to in part 1: 198

- Completed an auditor's report . . . . . [X] 1
- Completed a review engagement report . . . . . [ ] 2
- Conducted a compilation engagement . . . . . [ ] 3
- Other . . . . . [ ] 4

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 person referred to in part 1 expressed a reservation? . . . . . 099 Yes [ ] No [X]

Part 4 – Other information

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

If **yes**, complete lines 104 to 107 below:

- Are subsequent events mentioned in the notes? . . . . . 104 Yes [X] No [ ]
- Is re-evaluation of asset information mentioned in the notes? . . . . . 105 Yes [ ] No [X]
- Is contingent liability information mentioned in the notes? . . . . . 106 Yes [ ] No [X]
- Is information regarding commitments mentioned in the notes? . . . . . 107 Yes [X] No [ ]

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

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year? . . . . . 200 Yes [ ] No [X]

If **yes**, enter the amount recognized:

		In net income Increase (decrease)		**In OCI** Increase (decrease)
Property, plant, and equipment	210		211	
Intangible assets	215		216	
Investment property	220			
Biological assets	225			
Financial instruments	230		231	
Other	235		236	

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? . . . . . 250 Yes [ ] No [X]

Did the corporation apply hedge accounting during the tax year? . . . . . 255 Yes [ ] No [X]

Did the corporation discontinue hedge accounting during the tax year? . . . . . 260 Yes [ ] No [X]

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? . . . . . 265 Yes [ ] No [X]

If **yes**, you have to maintain a separate reconciliation.

Part 5 – Information on the person who prepared the information return

If the person that prepared the information return has an accounting professional designation but is not the person associated with the financial statements in part 1 above, choose one of the following options, if applicable: 110

Financial statements provided by client . . . . . [X] 1

Prepared the information return and the financial information contained therein . . . . . [ ] 2

General Index of Financial Information
Notes to the financial statements

ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
1. Reporting entity
Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The address of the Corporation's registered office is 400 C Line, Orangeville, Ontario.
The Corporation delivers electricity and related energy services to residential and commercial customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by theTown of Orangeville and Town of Grand Valley.
The financial statements are for the Corporation as at and for the year ended December 31, 2021.2. Basis of presentation
(a) Statement of compliance
The Corporation's financial statements have been prepared in accordance with InternationalFinancial Reporting Standards ("IFRS").
The financial statements were approved by the Board of Directors on April 21, 2022.(b) Basis of measurement
These financial statements have been prepared on the historical cost basis, unless otherwisestated.
(c) Functional and presentation currency
These financial statements are presented in Canadian dollars, which is the Corporation'sfunctional currency.
(d) Use of estimates and judgments
The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in anyfuture years affected.
Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:
(i) Note 3(b) - measurement of unbilled revenue
(ii) Notes 5, 6 - estimation of useful lives of its property, plant and equipment and intangibleassets
(iii) Note 8 - recognition and measurement of regulatory balances
(iv) Note 11 - measurement of defined benefit obligations: key actuarial assumptions
(v) Note 17 - recognition and measurement of provisions and contingencies
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
2. Basis of presentation (continued)
(e) Rate regulation
The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power and

General Index of Financial Information

Notes to the financial statements

responsibility to approve or set rates for the transmission and distribution
of electricity, providing
continued rate protection for electricity consumers in Ontario, and ensuring
that transmission
and distribution companies fulfill obligations to connect and service
customers. The OEB may
also prescribe license requirements and conditions of service to local
distribution companies
("LDCs"), such as the Corporation, which may include, among other things,
record keeping,
regulatory accounting principles, separation of accounts for distinct
businesses, and filing andprocess requirements for rate setting purposes.
Rate setting
Distribution revenue
For the distribution revenue included in sale of energy, the Corporation
files a "Cost of Service"
("COS") rate application with the OEB every five years where rates are
determined through a
review of the forecasted annual amount of operating and capital expenditures,
debt and
shareholder's equity required to support the Corporation's business. The
Corporation
estimates electricity usage and the costs to service each customer class to
determine the
appropriate rates to be charged to each customer class. The COS application
is reviewed by
the OEB and interveners and rates are approved based upon this review,
including anyrevisions resulting from that review.
The application is based on the Annual IR Index option to set rates for 2021.
The Corporation
was required by the OEB to apply the Annual IR Index method after deferring
its COS rate
application for three consecutive years. The Annual IR Index is based on
inflation less the
OEB's highest stretch factor assessment of a distributor's efficiency.
As a licensed distributor, the Corporation is responsible for billing
customers for electricity
generated by third parties and the related costs of providing electricity
service, such as
transmission services and other services provided by third parties. The
Corporation is required,
pursuant to regulation, to remit such amounts to these third parties,
irrespective of whether the
Corporation ultimately collects these amounts from customers.
The Corporation last filed a COS application in October 2013 for rates
effective May 1, 2014 to
April 30, 2019. The Corporation received approval for a deferral of a COS
application for 2021
rates. The GDP IPI-FDD for 2021 is 2.20%, the Corporation's productivity
factor is nil% and the
stretch factor is 0.60%, resulting in a net adjustment of 1.60% to the
previous year's rates.ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
2. Basis of presentation (continued)
(e) Rate regulation (continued)

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

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Notes to the financial statements

Electricity rates
The OEB sets electricity prices for low-volume consumers twice each year based on an
estimate of how much it will cost to supply the province with electricity for the next year. All
remaining consumers pay the market price for electricity. The Corporation is billed for the cost
of the electricity that its customers use and passes this cost on to the customer at cost withouta mark-up.
3. Significant accounting policies
The accounting policies set out below have been applied consistently in all years presented in thesefinancial statements.
(a) Financial instruments
At initial recognition, the Corporation measures its financial assets at fair value plus, in the case
of a financial asset not at fair value through profit or loss, transaction costs that are directly
attributable to the acquisition of the financial asset. Transaction costs of financial assets carried
at fair value through profit or loss are expensed in profit or loss.
Subsequent measurement of the financial asset depends on the classification determined on
initial recognition. Financial assets are classified as either amortized cost, fair value through
other comprehensive income or fair value through profit or loss, depending on its business
model for managing the financial assets and the contractual cash flow characteristics of the
financial assets. Financial assets are not reclassified subsequent to their initial recognition,
unless the Corporation changes its business model for managing financial
assets.Financial liabilities are initially measured at fair value, net of
transaction costs incurred. They
are subsequently carried at amortized cost using the effective interest rate method; any
difference between the proceeds (net of transaction costs) and the redemption
value isrecognized as an adjustment to interest expense over the period of
the borrowings.The Corporation has not entered into derivative instruments.
Hedge accounting has not been used in the preparation of these financial statements.
Cash equivalents include short-term investments with maturities of three
months or less whenpurchased.
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
3. Significant accounting policies (continued)
(b) Revenue recognition
Sale and distribution of electricity
The performance obligations for the sale and distribution of electricity are recognized over time
using an output method to measure the satisfaction of the performance obligation. The value
of the electricity services transferred to the customer is determined on the basis of cyclical
meter readings plus estimated customer usage since the last meter reading date to the end of

the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related costof power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 Revenue from Contracts with Customers. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life ofthe related asset.

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the usefullife of the related asset.

Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are recognized as revenue in the year when there is reasonable assurance that the programconditions have been satisfied and the payment will be received.

ORANGEVILLE HYDRO LIMITED

Notes to Financial Statements

Year ended December 31, 2021

3. Significant accounting policies (continued)

(c) Inventory

Inventory, the majority of which is consumed by the Corporation in the provision of its services,

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Notes to the financial statements

is valued at the lower of cost and net realizable value, with cost being
determined on an
average cost basis, and includes expenditures incurred in acquiring the
materials and supplies
and other costs incurred in bringing them to their existing location and
condition.(d) Property, plant and equipment
Items of property, plant and equipment ("PP&E") used in rate-regulated
activities and acquired
prior to January 1, 2015 are measured at the deemed cost (carrying value as
elected under
IFRS 1) established on the transition date, less accumulated depreciation.
All other items of
PP&E are measured at cost, or, where the item is contributed by customers,
its fair value, lessaccumulated depreciation.
Cost includes expenditures that are directly attributable to the acquisition
of the asset. The
cost of self-constructed assets includes contracted services, materials and
transportation
costs, direct labour, overhead costs, borrowing costs and any other costs
directly attributable
to bringing the asset to a working condition for its intended use.
Borrowing costs on qualifying assets are capitalized as part of the cost of
the asset based upon
the weighted average cost of debt incurred on the Corporation's borrowings.
Qualifying assets
are considered to be those that take in excess of 12 months to construct.
When parts of an item of PP&E have different useful lives, they are accounted
for as separateitems (major components) of PP&E.
When items of PP&E are retired or otherwise disposed of, a gain or loss on
disposal is
determined by comparing the proceeds from disposal, if any, with the carrying
amount of theitem and is included in profit or loss.
Major spare parts and standby equipment are recognized as items of PP&E.
The cost of replacing a part of an item of PP&E is recognized in the net book
value of the item
if it is probable that the future economic benefits embodied within the part
will flow to the
Corporation and its cost can be measured reliably. In this event, the
replaced part of PP&E is
written off, and the related gain or loss is included in profit or loss. The
costs of the day-to-day
servicing of PP&E are recognized in profit or loss as incurred.
The need to estimate the decommissioning costs at the end of the useful lives
of certain assets
is reviewed periodically. The Corporation has concluded it does not have any
legal orconstructive obligation to remove PP&E.
Depreciation is calculated to write off the cost of items of PP&E using the
straight-line method
over their estimated useful lives, and is generally recognized in profit or
loss. Depreciation
methods, useful lives, and residual values are reviewed at each reporting
date and adjustedprospectively if appropriate. Land is not depreciated.
Construction-in-progress assets are not
depreciated until the project is complete and the asset is available for use.
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

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Notes to the financial statements

Year ended December 31, 2021
3. Significant accounting policies (continued)
(d) Property, plant and equipment (continued)
The estimated useful lives are as follows:
Asset Years
Buildings 20-60 years
Distribution equipment 15-60 years
Vehicles 8-15 years
Other tools and equipment 10-60 years
Computer equipment 5 years
(e) Intangible assets
Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015 are
measured at deemed cost (carrying value as elected under IFRS 1) established on the
transition date, less accumulated amortization. All other intangible assets are measured atcost.
Computer software that is acquired or developed by the Corporation after January 1, 2015,
including software that is not integral to the functionality of equipment purchased which has
finite useful lives, is measured at cost less accumulated amortization.
Payments to obtain rights to access land ("land rights") are classified as intangible assets.
These include payments made for easements, right of access and right of use over land for
which the Corporation does not hold title. Land rights are measured at cost. Management
has determined that land rights have an indefinite life. Land rights are tested for impairment
when events or circumstances indicate their carrying amount exceeds their fair value. As at
December 31, 2021, management has not identified any events or circumstances indicatingthat land rights are impaired.
Amortization is recognized in profit or loss on a straight-line basis over the estimated useful
lives of intangible assets from the date that they are available for use. Amortization
methods and useful lives of all intangible assets are reviewed at each reporting date and
adjusted prospectively if appropriate. The estimated useful lives are:
Asset Years
Computer software 5 years
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
3. Significant accounting policies (continued)
(f) Impairment
(i) Financial assets measured at amortized cost:
A loss allowance for expected credit losses on financial assets measured at amortized cost
is recognized at the reporting date. The loss allowance is measured at an amount equalto the lifetime expected credit losses for the asset.
(ii) Non-financial assets:
The carrying amounts of the Corporation's non-financial assets, other than materials and

supplies and deferred tax assets, are reviewed at each reporting date to
determine whether
there is any indication of impairment. If any such indication exists, then
the asset'srecoverable amount is estimated.
For the purpose of impairment testing, assets are grouped together into the
smallest group
of assets that generates cash inflows from continuing use that are largely
independent of
the cash inflows of other assets or groups of assets (the "cash-generating
unit" or "CGU").
The recoverable amount of an asset or CGU is the greater of its value in use
and its fair
value less costs to sell. In assessing value in use, the estimated future
cash flows are
discounted to their present value using a pre-tax discount rate that reflects
current market
assessments of the time value of money and the risks specific to the asset.
An impairment loss is recognized if the carrying amount of an asset or its
CGU exceeds its
estimated recoverable amount. Impairment losses are recognized in profit or
loss.
An impairment loss is reversed only to the extent that the asset's carrying
amount does not
exceed the carrying amount that would have been determined, net of
depreciation oramortization, if no impairment loss had been recognized.
(g) Customer deposits
Customer deposits represent cash deposits from electricity distribution
customers and retailers
to guarantee the payment of energy bills. Interest is paid on customer
deposits.
Deposits are refundable to customers who demonstrate an acceptable level of
credit risk as
determined by the Corporation in accordance with policies set out by the OEB
or upontermination of their electricity distribution service.
(h) Provisions
A provision is recognized if, as a result of a past event, the Corporation
has a present legal or
constructive obligation that can be estimated reliably, and it is probable
that an outflow of
economic benefits will be required to settle the obligation. Provisions are
determined by
discounting the expected future cash flows at a pre-tax rate that reflects
current market
assessments of the time value of money and the risks specific to the
liability.ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
3. Significant accounting policies (continued)
(i) Regulatory balances
Regulatory deferral account debit balances represent costs incurred in excess
of amounts
billed to the customer at OEB approved rates. Regulatory deferral account
credit balances
represent amounts billed to the customer at OEB approved rates in excess of
costs incurredby the Corporation.
Regulatory deferral account debit balances are recognized if it is probable

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Notes to the financial statements

that future billings
in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable
costs for rate-making purposes. The offsetting amount is recognized in net movement in
regulatory balances in profit or loss or OCI. When the customer is billed at rates approved by
the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue.
The regulatory deferral debit balance is reduced by the amount of these customer billings with
the offset to net movement in regulatory balances in profit or loss or OCI.
The probability of recovery of the regulatory deferral debit account balances is assessed
annually based upon the likelihood that the OEB will approve the change in rates to recover
the balance. The assessment of likelihood of recovery is based upon previous decisions made
by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any
resulting impairment loss is recognized in profit or loss in the year incurred.
When the Corporation is required to refund amounts to ratepayers in the future, the Corporation
recognizes a regulatory deferral account credit balance. The offsetting amount is recognized
in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the
customers are recognized as a reduction of revenue. The regulatory deferral credit balance is
reduced by the amount of these customer repayments with the offset to net
movement inregulatory balances in profit or loss or OCI.
(j) Post-employment benefits
(i) Pension plan
The Corporation provides a pension plan for all its full-time employees through Ontario
Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer
pension plan which operates as the Ontario Municipal Employees Retirement Fund ("the
Fund"), and provides pensions for employees of Ontario municipalities, local boards and
public utilities. The Fund is a contributory defined benefit pension plan, which is financed
by equal contributions from participating employers and employees, and by the
investmentearnings of the Fund. To the extent that the Fund finds itself in an under-funded position,
additional contribution rates may be assessed to participating employers and members.
OMERS is a defined benefit plan. However, as OMERS does not segregate its
pensionasset and liability information by individual employers, there is insufficient information
available to enable the Corporation to directly account for the plan. Consequently, the plan
has been accounted for as a defined contribution plan. The Corporation is not
responsiblefor any other contractual obligations other than the contributions. Obligations for

contributions to defined contribution pension plans are recognized as an employee benefitexpense in profit or loss when they are due.

ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021

3. Significant accounting policies (continued)

(j) Post-employment benefits (continued)

(ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medicalbenefits beyond those provided by government sponsored plans.
The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management's best estimate of certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees isrecognized immediately in profit or loss.

(k) Leased assets

At inception of a contract, the Company assesses whether a contract is, or contains, a lease.
A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
For leases and contracts that contain a lease, the Corporation recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.
The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Subsequent to initial recognition, the right-of-use asset is recognized at cost less any accumulated depreciation and any accumulated impairment losses, adjusted for certain remeasurements of the correspondinglease liability.
The lease liability is initially measured at the present value of lease payments plus the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily

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determined, the Corporation'sincremental borrowing rate.
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
3. Significant accounting policies (continued)
(k) Leased assets (continued)
The lease liability is subsequently measured at amortized cost using the effective interest
method. It is remeasured when there is a change in future lease payments arising from a
change in an index or rate, if there is a change in the Corporation's estimate of the amount
expected to be payable under a residual value guarantee, or if the Corporation changes its
assessment of whether it will exercise a purchase, extension or termination option. When the
lease liability is remeasured in this way, a corresponding adjustment is made to the carrying
amount of the right-of-use asset, or is recorded in profit or loss if the
carrying amount of theright-of-use asset has been reduced to zero.
Short-term leases and low value assets
The Corporation has elected not to recognize right-of-use assets and lease liabilities for shortterm
leases that have a lease term of 12 months or less and leases of low-value assets. The
Corporation recognizes the lease payments associated with these leases as an
expense on astraight-line basis over the lease term.
(l) Finance income and finance costs
Finance income is recognized as it accrues in profit or loss, using the
effective interest method.Finance income comprises interest earned on cash.
Finance costs comprise interest expense on borrowings and net interest expense on postemployment
benefits. Finance costs are recognized in profit or loss unless they are
capitalizedas part of the cost of qualifying assets.
(m) Income taxes
The income tax expense comprises current and deferred tax. Income tax expense
isrecognized in profit or loss except to the extent that it relates to items
recognized directly inequity, in which case, it is recognized in equity.
The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the
Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the Electricity Act, 1998, the
Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial
Corporation ("OEFC"). These payments are calculated in accordance with the rules for
computing taxable income and taxable capital and other relevant amounts contained in the Tax
Acts as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001,
the Corporation was not subject to income or capital taxes. Payments in lieu of taxes arereferred to as income taxes.
Current tax comprises the expected tax payable or receivable on the taxable income or loss
for the year, using tax rates enacted or substantively enacted at the
reporting date, and anyadjustment to tax payable in respect of previous years.

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Year ended December 31, 2021
3. Significant accounting policies (continued)
(m) Income taxes
Deferred tax is recognized in respect of temporary differences between the tax basis of assets
and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are
recognized for unused tax losses, unused tax credits and deductible temporary differences to
the extent that it is probable that future taxable profits will be available against which they can
be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary
differences when they reverse, using tax rates enacted or substantively enacted, at thereporting date.
4. Accounts receivable
2021 2020
Trade customer accounts receivable $ 4,131,648 $ 4,023,520
Other receivables 477,896 717,999
Provision uncollectible accounts (46,000) (46,000)
$ 4,563,544 $ 4,695,519
5. Property, plant and equipment
Land and Distribution Other fixed Construction
buildings equipment assets -in-Progress Total
Cost or deemed cost
Balance at January 1, 2021 $ 2,113,293 $ 23,572,246 $1,667,931 $ 16,472 $
27,369,942Additions 5,634 2,213,609 44,994 - 2,264,237
Transfers - (21,677) - 21,677 -
Disposals/retirements - (137,856) (68,484) - (206,340)
Balance at December 31, 2021 $ 2,118,927 $ 25,626,322 $1,644,441 $ 38,149 $
29,427,839
Balance at January 1, 2020 $ 2,092,617 $ 22,023,107 $1,513,612 $ 847 $
25,630,183Additions 25,149 1,644,413 230,227 15,625 1,915,414
Transfers - - - - -
Disposals/retirements (4,473) (95,274) (75,908) - (175,655)
Balance at December 31, 2020 $ 2,113,293 $ 23,572,246 $1,667,931 $ 16,472 $
27,369,942Accumulated depreciation
Balance at January 1, 2021 $ 558,816 $ 4,469,818 $ 772,129 $ - $ 5,800,763
Depreciation 84,193 777,222 141,375 - 1,002,790
Disposals - (51,359) (67,459) - (118,818)
Balance at December 31, 2021 $ 643,009 $ 5,195,681 $ 846,045 $ $ 6,684,735
Balance at January 1, 2020 $ 475,139 $ 3,752,437 $ 694,396 $ - $ 4,921,972
Depreciation 83,677 741,455 142,193 - 967,325
Disposals - (24,074) (64,460) - (88,534)
Balance at December 31, 2020 $ 558,816 $ 4,469,818 $ 772,129 $ - $ 5,800,763
Carrying amounts
At December 31, 2021 $ 1,475,918 $ 20,430,641 $ 798,396 $ 38,149 $ 22,743,104
At December 31, 2020 $ 1,554,477 $ 19,102,428 $ 895,802 $ 16,472 $ 21,569,179
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
6. Intangible assets
Computer Land
software rights Total

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Cost or deemed cost
Balance at January 1, 2021 $ 404,085 $ 139,807 $ 543,892
Additions 22,675 - 22,675
Disposals (137,596) - (137,596)
Balance at December 31, 2021 $ 289,164 $ 139,807 $ 428,971
Balance at January 1, 2020 $ 406,540 $ 135,718 $ 542,258
Additions 21,059 4,089 25,148
Disposals (23,514) - (23,514)
Balance at December 31, 2020 $ 404,085 $ 139,807 $ 543,892
Accumulated amortization
Balance at January 1, 2021 $ 326,700 $ - $ 326,700
Amortization 29,791 - 29,791
Disposal (136,942) - (136,942)
Balance at December 31, 2021 $ 219,549 $ $ 219,549
Balance at January 1, 2020 $ 315,481 $ - $ 315,481
Amortization 29,488 - 29,488
Disposal (18,269) - (18,269)
Balance at December 31, 2020 $ 326,700 $ - $ 326,700
Carrying amounts
At December 31, 2021 $ 69,615 $ 139,807 $ 209,422
At December 31, 2020 $ 77,385 $ 139,807 $ 217,192
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
7. Income tax expense
Current tax expense (recovery)
2021 2020
Current tax expense (recovery) $ 185,002 $ (102,388)
Deferred tax expense 124,121 144,285
Income tax expense $ 309,123 $ 41,897
Reconciliation of effective tax rate:
2021 2020
Income before taxes $1,075,634 $ 183,169
Statutory income tax rates 26.5% 26.5%
Expected tax provision on income at statutory rates 285,043 48,540
Increase (decrease) in income taxes resulting from:
Permanent differences 938 (11,376)
Other 7,139 4,733
Adjustment for prior years 16,003 -
Income tax expense $ 309,123 $ 41,897
Significant components of the Corporation's deferred tax balances
2021 2020
Deferred tax assets (liabilities):
Property, plant and equipment $ (365,074) $ (244,000)
Post-employment benefits 110,897 91,715
Other 12,256 12,000
$ (241,921) $ (140,285)
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
8. Regulatory balances
Reconciliation of the carrying amount for each class of regulatory balances
Remaining
recovery/
January 1, Recovery/ December 31, reversal
Regulatory deferral account debit balances 2021 Additions reversal 2021 years

Corporation's name	Business number	Tax year end Year Month Day
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Retail settlement variances $ 3,230,412 $1,078,548 $(1,159,541)$3,149,419 1
Regulatory transition to IFRS 165,003 837 - 165,840 -
Regulatory variances disposition 257,249 116,253 - 373,502 -
Deferred income tax 140,285 101,702 - 241,987 -
Other 88,993 (87,054) - 1,939 1
$ 3,881,942 $1,210,286 $(1,159,541)$3,932,687
Remaining
recovery/
January 1, Recovery/ December 31, reversal
Regulatory deferral account debit balances 2020 Additions reversal 2020 years
Retail settlement variances $ 2,498,035 $1,349,925 $(617,548) $3,230,412 1
Regulatory transition to IFRS 162,985 2,018 - 165,003 -
Regulatory variances disposition 39,590 217,659 - 257,249 -
Deferred income tax (4,000) 144,285 - 140,285 -
Other 14,673 74,320 - 88,993 1
$ 2,711,283 $1,788,207 $(617,548) $3,881,942
January 1, Recovery/ December 31, Remaining
Regulatory deferral account credit balances 2021 Additions reversal 2021 years
Retail settlement variances $ 202,469 $ (189,856) $ (68,173) $ (55,560) 1
Change in asset useful lives 20,093 - - 20,093 -
Other 260,112 90,239 - 350,351 1
$ 482,674 $ (99,617) $ (68,173) $ 314,884
January 1, Recovery/ December 31, Remaining
Regulatory deferral account credit balances 2020 Additions reversal 2020 years
Retail settlement variances $ 369,893 $ 136,112 $(303,536) $ 202,469 1
Change in asset useful lives 20,102 (9) - 20,093 -
Other 166,038 94,074 - 260,112 1
$ 556,033 $ 230,177 $(303,536) $ 482,674
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
8. Regulatory balances (continued)
The regulatory balances are recovered or settled through rates approved by
the OEB which are
determined using estimates of future consumption of electricity by its
customers. Future
consumption is impacted by various factors including the economy and weather.
The Corporation
has received approval from the OEB to establish its regulatory balances.
Settlement of the Group 1 deferral accounts is done on an annual basis
through application to the
OEB. An application has been approved on an interim basis by the OEB to
recover $1,087,217 for
the Group 1 deferral accounts for the 2021 rate application. The Corporation
received approval for
deferral of a COS application for 2021 rates and is completing an Annual IR
Index application for
2022 rates. The OEB requires the Corporation to estimate its income taxes
when it files a COS
application to set its rates. As a result, the Corporation has recognized a
regulatory deferral
account for the amount of deferred taxes that will ultimately be recovered
from/paid back to its
customers. This balance will fluctuate as the Corporation's deferred tax
balance fluctuates.
Regulatory balances attract interest at OEB prescribed rates, which are based

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on Bankers'
Acceptances three-month rate plus a spread of 25 basis points. In 2021, the rate was 0.57%.9. Accounts payable and accrued liabilities
2021 2020
Accounts payable - energy purchases $ 2,344,531 $ 2,633,131
Water and sewer charges payable 984,737 903,876
Other 1,587,137 1,453,604
$ 4,916,405 $ 4,990,611
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
10. Long-term debt
2021 2020
TD Bank term loan payable, interest at 3.38%,
payable in monthly instalments, due 2022 $ 2,372,434 $ 2,752,028
TD Bank term loan payable, interest at 3.54%,
payable in monthly instalments, due 2024 3,391,640 3,490,086
TD Bank term loan payable, interest at 3.40%,
interest only payments, due 2022 2,500,000 2,500,000
TD Bank term loan payable, interest at 3.60%,
payable in monthly instalments, due 2027 1,739,436 1,797,107
TD Bank term loan payable, interest at 4.20%,
payable in monthly instalments, due 2029 1,855,465 1,905,751
TD Bank term loan payable, interest at 2.58%,
payable in monthly instalments, due 2025 946,847 973,808
TD Bank term loan payable, interest at 2.58%,
payable in monthly instalments, due 2026 1,000,000 -
13,805,822 13,418,780
Less current portion of long-term debt (5,140,633) (610,889)
$ 8,665,189 $ 12,807,891
The TD Bank term loans holds as security a general security agreement representing a first charge
on all assets and undertakings of the Corporation and assignment of general liability insurance forthe Corporation.
The agreement with respect to the TD Bank term loans contain certain covenants regarding (i)
leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v) limitationson additional debt and encumbrance of assets.
The agreement with TD Bank also contains financial covenants that require the Corporation to
maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio
of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance withthese covenants as at December 31, 2021.
Principal repayments for the next five years and thereafter are as follows:
2022 $ 5,140,633
2023 277,980
2024 3,362,127
2025 185,225
2026 986,991
Thereafter 3,852,866
$ 13,805,822
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
11. Post-employment benefits

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(a) OMERS pension plan
The Corporation provides a pension plan for its employees through OMERS. The plan is a
multi-employer, contributory defined pension plan with equal contributions by the employer and
its employees. In 2021, the Corporation made employer contributions of $188,253 to OMERS
(2020 - $192,886), of which has been recognized in profit or loss. The Corporation estimates
that a contribution of $185,365 to OMERS will be made during the next fiscal year.
As at December 31, 2021, OMERS had approximately 541,000 members, of whom 19
arecurrent employees of the Corporation. The most recently available OMERS annual report is
for the year ended December 31, 2021, which reported that the plan was 97% funded, with an
unfunded liability of $3.1 billion. This unfunded liability is likely to
result in future payments byparticipating employers and members.
(b) Post-employment benefits other than pension
The Corporation pays certain medical and life insurance benefits on behalf of some of its retired
employees. The Corporation recognizes these post-employment benefits in the year in which
employees' services were rendered. The Corporation is recovering its post-employment
benefits in rates based on the expense and remeasurements recognized for
post-employmentbenefit plans.
Reconciliation of the obligation 2021 2020
Defined benefit obligation, beginning of year $ 346,292 $ 337,688
Included in profit or loss
Current service cost 13,459 12,557
Interest cost 13,655 13,219
27,114 25,776
Included in OCI
Actuarial losses arising from:
changes in financial assumptions 84,849 -
458,255 363,464
Benefits paid (39,774) (17,172)
Defined benefit obligation, end of year $ 418,481 $ 346,292
Actuarial assumptions 2021 2020
Discount (interest) rate 3.00% 4.00%
Medical costs 4.40% 4.20%
Dental costs 4.70% 4.50%
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
11. Post-employment benefits (continued)
(b) Post-employment benefits other than pension (continued)
A 1% increase in the assumed discount rate would result in the defined benefit obligation
decreasing by $65,200. A 1% decrease in the assumed discount rate would
result in thedefined benefit obligation increasing by $88,900.
12. Contributions in aid of construction
2021 2020
Contributions in aid of construction, beginning of year $ 2,040,099 $
1,859,325Contributions in aid of construction received 349,139 239,979

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Contributions in aid of construction recognized as
other revenue (67,211) (59,205)
Contributions in aid of construction, end of year $ 2,322,027 $ 2,040,099
13. Share capital
2021 2020
Authorized:
Unlimited number of common shares
Issued:
1,000 common shares $ 8,290,714 $ 8,290,714
14. Revenues
2021 2020
Collection and other service charges $ 104,914 $ 46,180
Water and sewer billing services 40,566 11,583
Rent 103,918 109,913
Gain (loss) on disposals (86,337) 49,214
Other 127,902 63,964
Total other revenue $ 290,963 $ 280,854
In the following table, sale of energy and distribution revenue is
disaggregated by type of customer.2021 2020
Residential $ 16,115,251 $ 17,783,192
Commercial 19,762,951 20,686,145
Other 324,409 343,361
$ 36,202,611 $ 38,812,698
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
15. Employee salaries and benefits
2021 2020
Salaries, wages and benefits $ 1,974,400 $ 1,974,111
CPP and EI remittances 75,356 72,154
Contributions to OMERS 188,253 192,886
$ 2,238,009 $ 2,239,151
16. Finance income and costs
2021 2020
Finance income
Interest income on bank deposits $ 6,828 $ 12,991
Finance costs
Interest expense on long-term debt (464,823) (460,312)
Interest expense on customer deposits (22,858) (9,901)
(487,681) (470,213)
Net finance costs recognized in profit or loss $ (480,853) $ (457,222)
17. Commitments and contingencies
Cornerstone Hydro Electric Concepts (CHEC)
CHEC is an association of fifteen LDCs modelled after a co-operative to share
resources andproficiencies (see note 18).
The Corporation may terminate its membership at any time upon the following
terms:(a) giving written notice 60 days in advance of termination; and
(b) by making a prepayment in full of the balance of its contract service
costs to CHEC. The amount
of prepayment cost shall be the total cost which the Corporation would have
paid over the three
year term of the agreement less amounts already paid by it to the date of the
termination. The
current three year term for CHEC commitment goes to December 31, 2023. The
prepayment
cost of termination is a settlement of the Corporation's obligation under the

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agreement by
reason of termination of its membership before the expiry of the term. The amount is liquidated
damages and not a penalty for early termination and is intended to leave the remaining
members in the same position as if the Corporation had not terminated the agreement. As at
December 31, 2021, the obligation to CHEC includes the 2022 to 2024
membership dues ofapproximately $48,000 per year, $144,000 total.
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
17. Commitments and contingencies (continued)
Utility Collaborative Services Inc. (UCS)
The Corporation has the right to redeem its shares in UCS (see note 18) by
retraction upon thefollowing terms:
(a) notice of such retraction shall be given 120 days prior to the effective date; and
(b) a redemption fee shall be paid equal to the previous three years' worth of average purchases
from UCS for services or products; or in alternative to paying such fees, the Corporation may
elect in writing to provide three years' written notice of the retraction, provided that the
Corporation continues to receive services at the same or greater average
volume as thosereceived at the time the notice was given.
General Liability Insurance
The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange
(MEARIE). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario.
All members of the pool are subjected to assessment for losses experienced by the pool for the
years in which they were members, on a pro-rata basis based on the total of their respective service
revenues. As at December 31, 2021, no assessments have been made.
18. Related party transactions
(a) Parents and ultimate controlling party
The common shares of Orangeville Hydro Limited are owned by the Town of
Orangeville andTown of Grand Valley, the ultimate parents.
(b) Outstanding balances with related parties
2021 2020
Town of Orangeville - receivable $ 130,294 $ 149,403
Town of Grand Valley - receivable 12,562 14,875
Town of Orangeville - payable (955,148) (875,650)
Town of Grand Valley - payable (29,589) (28,226)
$ (841,881) $ (739,598)
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
18. Related party transactions (continued)
(c) Transactions with ultimate parents
The Corporation provides water and sewage billing and collection services to the customers of
the Town of Orangeville and Town of Grand Valley, as well as supplying street light energy and

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street lighting maintenance services to the Town of Orangeville and Town of
Grand Valley.
Revenue includes $481,855 (2020 - $492,661) from the Town of Orangeville and
$29,494(2020 - $25,506) from the Town of Grand Valley for these services.
The Corporation also delivers electricity to the Town of Orangeville and Town
of Grand Valley
throughout the year for the electricity needs of the Townships and its
related organizations.
Electricity delivery charges are at prices and under terms approved by the
OEB. The
Corporation also provides additional services to the Townships, including
streetlight
maintenance services, sentinel lights and water and waste water billing and
customer careservices.
(d) Transactions with related parties
The Corporation paid $53,140 (2020 - $52,609) in fees to Cornerstone Hydro
Electric Concepts
Association Inc. (CHEC). CHEC is an association of fifteen electricity
distribution utilities
modeled after a cooperative to share resources and proficiencies.
The Corporation owns 100 common shares, at a cost of $100, in Utility
Collaborative Services
Inc. (UCS) which represents a 10% interest. At the time of purchase, due to
the immaterial
amount, the investment was expensed. The Corporation paid $210,168 (2020 -
$207,566) in
fees to UCS. UCS offers standards-based back office services and the
collaboration allows
leverage in the reduction of costs for items such as information technology
hosting and softwarelicensing.
(e) Key management personnel
The key management personnel of the Corporation have been defined as members
of its board
of directors and executive management team members. The compensation paid
during theyear is $404,719 (2020 - $554,334).
19. Financial instruments and risk management
Fair value disclosure
The carrying values of cash, accounts receivable, unbilled revenue, due
from/to related parties and
accounts payable and accrued liabilities approximate fair value because of
the short maturity of
these instruments. The carrying value of the customer deposits approximates
fair value becausethe amounts are payable on demand.
The fair value of the TD Bank long-term debt at December 31, 2021 is
$6,217,607. The fair value
is calculated based on the present value of future principal and interest
cash flows, discounted at
the current rate of interest at the reporting date. The interest rate used to
calculate fair value atDecember 31, 2021 ranged from 0.46% to 3.04%.
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2021
19. Financial instruments and risk management (continued)
Financial risks
The Corporation understands the risks inherent in its business and defines
them broadly as

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anything that could impact its ability to achieve its strategic objectives.
The Corporation's exposure
to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as relatedmitigation strategies are discussed below.
(a) Credit risk
Financial assets carry credit risk that a counterparty will fail to discharge an obligation which
could result in a financial loss. Financial assets held by the Corporation, such as accounts
receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of
customers located in the Town of Orangeville and Town of Grand Valley.
The carrying amount of accounts receivable is reduced through the use of an allowance for
impairment and the amount of the related impairment loss is recognized in profit or loss.
Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The
balance of the allowance for impairment at December 31, 2021 is $46,000 (2020 - $46,000).
An impairment loss of $35,839 (2020 - $37,389) was recognized during the year.
The Corporation's credit risk associated with accounts receivable is primarily related to
payments from distribution customers. At December 31, 2021, approximately $63,286 (2020 -
$78,016) is considered 60 days past due. The Corporation has over 12,000 customers, the
majority of whom are residential. Credit risk is managed through collection of security deposits
from customers in accordance with directions provided by the OEB and through credit
insurance. As at December 31, 2021, the Corporation holds security deposits in the amount
of $514,847 (2020 - $629,719) which also includes deposits received from developers.(b) Market risk
Market risks primarily refer to the risk of loss resulting from changes in commodity prices,
foreign exchange rates, and interest rates. The Corporation currently does not have any
material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in
interest rates as the regulated rate of return for the Corporation's distribution business is
derived using a complex formulaic approach which is in part based on the forecast for long-term
Government of Canada bond yields. This rate of return is approved by the OEB as part of theapproval of distribution rates.
A 1% increase in the interest rate at December 31, 2021 would have increased interest
expense on the long-term debt by $141,133 (2020 - $137,012), assuming all other variables
remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.ORANGEVILLE HYDRO LIMITED
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Year ended December 31, 2021
19. Financial instruments and risk management (continued)

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(c) Liquidity risk
The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet
operational and investing requirements. The Corporation's objective is to ensure that sufficient
liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The
Corporation has access to a $3,500,000 credit facility and monitors cash balances daily to
ensure that a sufficient level of liquidity is on hand to meet financial commitments as they
become due. As at December 31, 2021, the Corporation has $2,293,740 available on thiscredit facility.
The Corporation also has a facility for $1,206,260 (the "LC" facility) for the purpose of issuing
letters of credit mainly to support the prudential requirements of the IESO,
of which $nil hasbeen drawn and posted with the IESO (2020 - $nil).
The majority of accounts payable, as reported on the statement of financial
position, are duewithin 30 days.
(d) Capital disclosures
The main objectives of the Corporation, when managing capital, are to ensure ongoing access
to funding to maintain and improve the electricity distribution system, compliance with
covenants related to its credit facilities, prudent management of its capital structure with regard
for recoveries of financing charges permitted by the OEB on its regulated electricity distribution
business, and to deliver the appropriate financial returns.
The Corporation's definition of capital includes equity and long-term debt. As at December 31,
2021, equity amounts to $12,354,904 (2020 - $11,965,738) and long-term debt
amounts to$13,805,822 (2020 - $13,418,780).
20. Impact of COVID-19 pandemic:
On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak
a pandemic. This has resulted in significant financial, market and societal
impacts in Canada andaround the world.
The situation is evolving and the ultimate duration and magnitude of the impact on the economy is
not known at this time. The outbreak has not had any material impacts on the operation of the
Corporation to date, and management does not expect any material impacts given the nature and
scope of the business, and management will continue to actively monitor the situation.

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule to reconcile 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.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125			908,964	A

Add:

Provision for income taxes – current	101	185,002		
Provision for income taxes – deferred	102	124,121		
Interest and penalties on taxes	103	1,752		
Amortization of tangible assets	104	1,032,581		
Loss on disposal of assets	111	86,337		
Charitable donations and gifts from Schedule 2	112	4,775		
Non-deductible meals and entertainment expenses	121	2,015		
Reserves from financial statements – balance at the end of the year	126	464,481		
Subtotal of additions		1,901,064	1,901,064	

Add:

Other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	5,000
2	Paragraph 12(1)(x) - Contributed capital	349,139
3	Paragraph 12(1)(a) - Customer Deposits	514,847
4	Tax grouped with change in regulatory	37,177
	Total of column 2	906,163

Total of column 2	296	906,163		
Subtotal of other additions	199	906,163	906,163	D
Total additions	500	2,807,227	2,807,227	
Amount A **plus** line 500			3,716,191	B

Deduct:

Capital cost allowance from Schedule 8	403	1,533,651	
Reserves from financial statements – balance at the beginning of the year	414	392,292	
Subtotal of deductions		1,925,943	1,925,943

Deduct:

Non-taxable/deductible other comprehensive income items	347	22,485

Other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	67,211
2	Subsection 13(7.4) election	349,139
3	Paragraph 20(1)(m) - Customer Deposits	514,847
4	Tax movement in reg account	101,702
5	Deferred CGAAP Credits	0
	Total of column 2	1,032,899

Total of column 2	396	1,032,899

Subtotal of other deductions	499	1,055,384 ▶	1,055,384	E
Total deductions	510	2,981,327 ▶	2,981,327	
Net income (loss) for income tax purposes (amount B **minus** line 510)			734,864	C

Enter amount C on line 300 of the T2 return.

Attached Schedule with Total

Line 295 – Amount

Title Line 295 – Amount

Explanatory note

As per balance sheet

Description	Operator (Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit	+	314,847 00
	+	
	Total	514,847 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Description	Operator (Note)	Amount	
Short term customer deposit		200,000	00
Long-term Portion of Customer Deposit	+	314,847	00
	+		
	Total	514,847	00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 347 – Non-taxable/deductible other comprehensive income items

Title Line 347 – Non-taxable/deductible other comprehensive income items

Explanatory note

the OCI amount reported in the financials is NET of tax. So we need to reverese the tax amount inlcuded in the balance reported in OCI. IF the OCI entry relates to an adjustment reported in the tax return in Schedule 13 s then the pre tax amount does not requirte adjustment on schedule 1 - the only amount that needs to be accounted for in the return would be the tax portion.

Description	Operator (Note)	Amount	
Pre tax amount pf actuarial change in note 11 b		84,849	00
Net amount reported in OCI in financials page 7	-	62,364	00
Proof = 84,849x 26.5% = $22,485 (tax recovery)	+		
	+		
	Total	22,485	00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Federal

A		
X	Investment tax credit from apprenticeship job creation expenditures	2,000
	Investment tax credit from child care spaces expenditures	
	Canadian film or video production tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Film or video production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Investment tax credit claimed on contributions made to SR&ED farming organizations	
	Canadian journalism labour tax credit	
	Return of fuel charge proceeds to farmers tax credit	
	Air quality improvement tax credit* * Please verify if the credit amount relates to depreciable property For more information, consult the Help (F1).	

Ontario

A		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	3,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency / Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Various donation slips	4,775
Subtotal	4,775
Add: Total donations of less than $100 each	
Total donations in current tax year	4,775

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			1A		
Charitable donations expired after five tax years*	239				
Charitable donations at the beginning of the current tax year (amount 1A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1, Net Income (Loss) for Income Tax Purposes)	210	4,775		4,775	4,775
Subtotal (line 250 **plus** line 210)		4,775	1B	4,775	4,775
Subtotal (line 240 **plus** amount 1B)		4,775	1C	4,775	4,775
Adjustment for an acquisition of control	255				
Total charitable donations available (amount 1C **minus** line 255)		4,775	1D	4,775	4,775
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2) (enter this amount on line 311 of the T2 return)	260	4,775		4,775	4,775
Charitable donations closing balance (amount 1D **minus** line 260)	280				

The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013) . . . . **262** ________

Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %) . . . . ________ 1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015) . . . . **263** ________

Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %) . . . . ________ 2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024) . . . . **265** ________

British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %) . . . . ________ 3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2020-12-31			
2nd prior year	2019-12-31			
3rd prior year	2018-12-31			
4th prior year	2017-12-31			
5th prior year	2016-12-31			
6th prior year*	2015-12-31			
7th prior year	2014-12-31			
8th prior year	2013-12-31			
9th prior year	2012-12-31			
10th prior year	2011-12-31			
11th prior year	2010-12-31			
12th prior year	2009-12-31			
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes Note 1 **multiplied** by 75 % 551,148 2A

Taxable capital gains arising in respect of gifts of capital property included in Part 1 Note 2 ..... **225** ______

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) .... **227** ______

The amount of the recapture of capital cost allowance in respect of charitable donations .... **230** ______

Proceeds of disposition, **less** outlays and expenses Note 2 .... ______ 2B

Capital cost Note 2 .... ______ 2C

Amount 2B or 2C, whichever is less .... **235** ______

Amount on line 230 or 235, whichever is less .... ______ 2D

Subtotal (**add** lines 225, 227, and amount 2D) ______ 2E

Amount 2E **multiplied** by 25 % ______ 2F

Subtotal (amount 2A **plus** amount 2F) 551,148 2G

Maximum allowable deduction for charitable donations
(enter amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is the least) 4,775 2H

Note 1: For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift **divided** by the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

	Line	Federal		Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			3A		
Gifts of certified cultural property expired after five tax years*	439				
Gifts of certified cultural property at the beginning of the current tax year (amount 3A **minus** line 439)	440				
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450				
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410				
Subtotal (line 450 **plus** line 410)			3B		
Subtotal (line 440 **plus** amount 3B)			3C		
Adjustment for an acquisition of control	455				
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460				
Subtotal (line 455 **plus** line 460)			3D		
Gifts of certified cultural property closing balance (amount 3C **minus** amount 3D)	480				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2020-12-31			
2nd prior year	2019-12-31			
3rd prior year	2018-12-31			
4th prior year	2017-12-31			
5th prior year	2016-12-31			
6th prior year*	2015-12-31			
7th prior year	2014-12-31			
8th prior year	2013-12-31			
9th prior year	2012-12-31			
10th prior year	2011-12-31			
11th prior year	2010-12-31			
12th prior year	2009-12-31			
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			4B		
Subtotal (line 540 **plus** amount 4B)			4C		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			4D		
Gifts of certified ecologically sensitive land closing balance (amount 4C **minus** amount 4D)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2020-12-31			
2nd prior year	2019-12-31			
3rd prior year	2018-12-31			
4th prior year	2017-12-31			
5th prior year	2016-12-31			
6th prior year*	2015-12-31			
7th prior year	2014-12-31			
8th prior year	2013-12-31			
9th prior year	2012-12-31			
10th prior year	2011-12-31			
11th prior year*	2010-12-31			
12th prior year	2009-12-31			
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

		Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year			5A		
Additional deduction for gifts of medicine expired after five tax years*	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				
Additional deduction for gifts of medicine made before March 22, 2017:					
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			5B		
Amount 5B **multiplied** by 50 %			5C		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

where:

a is the **lesser** of line 601 and amount 5C

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

		Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			5D		
Subtotal (line 640 **plus** amount 5D)			5E		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			5F		
Additional deduction for gifts of medicine closing balance (amount 5E **minus** amount 5F)	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2020-12-31			
2nd prior year	2019-12-31			
3rd prior year	2018-12-31			
4th prior year	2017-12-31			
5th prior year	2016-12-31			
6th prior year*	2015-12-31			
7th prior year	2014-12-31			
8th prior year	2013-12-31			
9th prior year	2012-12-31			
10th prior year	2011-12-31			
11th prior year	2010-12-31			
12th prior year	2009-12-31			
13th prior year				
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2020-12-31	
2nd prior year	2019-12-31	
3rd prior year	2018-12-31	
4th prior year	2017-12-31	
5th prior year	2016-12-31	
6th prior year*	2015-12-31	
7th prior year	2014-12-31	
8th prior year	2013-12-31	
9th prior year	2012-12-31	
10th prior year	2011-12-31	
11th prior year	2010-12-31	
12th prior year	2009-12-31	
13th prior year		
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

T2 SCH 2 E (20)

Canada

Canada Revenue Agency / Agence du revenu du Canada

Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is **connected** with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.
  Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, I, I.1 and L **only if** the payer corporation is **connected.**

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			
					Total of column E (enter amount on line 402 of Schedule 1)	

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1),(b), or (d)[note 1] **240**	F1	G Eligible dividends included in column F **242**	H Total taxable dividends paid by **connected** payer corporation (for tax year in column D) **250**
1				

	I Dividend refund of the **connected** payer corporation (for tax year in column D)[note 2] **260**	I.1 Dividend refund of the **connected** payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (for tax year in column D) [notes 2 and 5]	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3%[note 3] **265**	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3%[note 4] **275**	L Part IV tax before deductions on taxable dividends received from **connected** corporations [notes 2 and 5] **280**
1					

Total of column L (enter amount on line 2E in Part 2) ______

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) . . . . ______ 1A

Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) . . . . ______ 1B

Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 return) ______ 1C

Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) . . . . ______ 1D

Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) . . . . ______ 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) . . . . ______ 1F

Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) . . . . ______ 1G

Subtotal (amount 1F **plus** amount 1G) ______ ▶ ______ 1H

Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) . . . . ______ 1I

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) . . . . ______ 1J

Subtotal (amount 1I **plus** amount 1J) ______ ▶ ______ 1K

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) . . . . ______ 1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column K (and column J, if applicable). Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the connected payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable. For column L, you only have to estimate the payer's dividend refund from its eligible refundable dividend tax on hand (ERDTOH) (column I.1).

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to: column I **divided** by column H **multiplied** by column F.

5 For taxable dividends received from connected corporations (with a tax year starting after 2018), Part IV tax on dividends is equal to: total of amounts CC and II of the connected payer corporation (on page 7 of the T2 return) divided by column H multiplied by column F. If there is no dividend refund (or estimated dividend refund) to the connected payer corporation from its ERDTOH for paying the taxable dividends, enter "0" in column L.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1) 2A

Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43) **320**

Subtotal (amount 2A **minus** line 320) ▶ 2B

Current-year non-capital loss claimed to reduce Part IV tax **330**

Non-capital losses from previous years claimed to reduce Part IV tax **335**

Current-year farm loss claimed to reduce Part IV tax **340**

Farm losses from previous years claimed to reduce Part IV tax **345**

Total losses applied against Part IV tax (total of lines 330 to 345) 2C

Amount 2C **multiplied** by 38 1 / 3 % 2D

Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0") **360**

(enter amount on line 712 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations (total of column L in part 1) 2E

Amount 4A from Schedule 43 .... 2F

Part IV tax payable on taxable dividends received from connected corporations (amount 2E **minus** amount 2F, if negative enter "0") 2G

(enter at amount L on page 7 of the T2 return)

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1) 2H

Amount 4C from Schedule 43 .... 2I

Part IV tax payable on eligible dividends received from non-connected corporations (amount 2H **minus** amount 2I, if negative enter "0") 2J

(enter at amount M on page 7 of the T2 return)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the recipient corporation with which you are connected, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of recipient corporation with which you are connected **400**	M Business number **410**	N Tax year-end of recipient corporation in which the dividends in column O were received YYYYMMDD **420**	O Taxable dividends paid to recipient corporations with which you are connected **430**	P Eligible dividends included in column O **440**
1	Corporation of the town of Orangeville	10698 6151 RC0001	2021-12-31	513,380	
2					
				513,380 (Total of column O)	(Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations		450	29,879
Eligible dividends included in line 450	455		
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)		460	543,259
Total eligible dividends paid in the tax year (total of column P **plus** line 455)		465	
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)		470	543,259

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	208,249	3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)				543,259
Other dividends paid in the tax year (total of 510 to 540)				
Total dividends paid in the tax year			500	543,259
Dividends paid out of capital dividend account	510			
Capital gains dividends	520			
Dividends paid on shares described in subsection 129(1.2)	530			
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540			
Subtotal (total of lines 510 to 540)			►	4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)				543,259 4B

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Canada

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Tax Calculation Supplementary – Corporations

Schedule 5

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the federal Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation – Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Allocation of taxable income

100 ______ Enter the regulation that applies (402 to 413)

A Jurisdiction. Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year Note 1		B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2 Note 2 (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes ☐	103		143		
Newfoundland and Labrador Offshore	004 Yes ☐	104		144		
Prince Edward Island	005 Yes ☐	105		145		
Nova Scotia	007 Yes ☐	107		147		
Nova Scotia Offshore	008 Yes ☐	108		148		
New Brunswick	009 Yes ☐	109		149		
Quebec	011 Yes ☐	111		151		
Ontario	013 Yes ☐	113		153		
Manitoba	015 Yes ☐	115		155		
Saskatchewan	017 Yes ☐	117		157		
Alberta	019 Yes ☐	119		159		
British Columbia	021 Yes ☐	121		161		
Yukon	023 Yes ☐	123		163		
Northwest Territories	025 Yes ☐	125		165		
Nunavut	026 Yes ☐	126		166		
Outside Canada	027 Yes ☐	127		167		
Total		129 G		169 H		

Note 1: **Permanent establishment** is defined in subsection 400(2).
Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:
1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation – Income Tax Guide.
2. If your corporation has provincial or territorial tax payable, complete Part 2.
3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits

Ontario basic income tax (from Schedule 500) 270

Ontario small business deduction (from Schedule 500) 402

Subtotal (line 270 **minus** line 402) ▶ 5A

Ontario transitional tax debits (from Schedule 506) 276

Recapture of Ontario research and development tax credit (from Schedule 508) 277

Subtotal (line 276 **plus** line 277) ▶ 5B

Gross Ontario tax (amount 5A **plus** amount 5B) 5C

Ontario resource tax credit (from Schedule 504) 404

Ontario tax credit for manufacturing and processing (from Schedule 502) 406

Ontario foreign tax credit (from Schedule 21) 408

Ontario credit union tax reduction (from Schedule 500) 410

Ontario political contributions tax credit (from Schedule 525) 415

Ontario non-refundable tax credits (total of lines 404 to 415) ▶ 5D

Subtotal (amount 5C **minus** amount 5D) (if negative, enter "0") 5E

Ontario research and development tax credit (from Schedule 508) 416

Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E **minus** line 416) (if negative, enter "0") 5F

Ontario corporate minimum tax credit (from Schedule 510) 418

Ontario community food program donation tax credit for farmers (from Schedule 2) 420

Ontario corporate income tax payable (amount 5F **minus** the total of lines 418 and 420) (if negative, enter "0") 5G

Ontario corporate minimum tax (from Schedule 510) 278

Ontario special additional tax on life insurance corporations (from Schedule 512) 280

Subtotal (line 278 **plus** line 280) ▶ 5H

Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H) 5I

Ontario qualifying environmental trust tax credit 450

Ontario co-operative education tax credit (from Schedule 550) 452

Ontario apprenticeship training tax credit (from Schedule 552) 454

Ontario computer animation and special effects tax credit (from Schedule 554) 456

Ontario film and television tax credit (from Schedule 556) 458

Ontario production services tax credit (from Schedule 558) 460

Ontario interactive digital media tax credit (from Schedule 560) 462

Ontario book publishing tax credit (from Schedule 564) 466

Ontario innovation tax credit (from Schedule 566) 468

Ontario business-research institute tax credit (from Schedule 568) 470

Ontario regional opportunities investment tax credit (from Schedule 570) 472

Ontario refundable tax credits (total of lines 450 to 472) ▶ 5J

Net Ontario tax payable or refundable tax credit (amount 5I **minus** amount 5J) 290
(if a credit, enter amount in brackets) Include this amount on line 255.

Summary

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable tax credits 255

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

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** Yes ☐ No ☒

	1 Class number * See note 1 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) See note 2 203	4 Cost of acquisitions from column 3 that are accelerated investment incentive properties (AIIP) or zero-emission vehicle (ZEV) See note 3 225	5 Adjustments and transfers See note 4 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See note 5 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See note 6 222	8 Proceeds of dispositions See note 7 207	9 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See note 8
1.	1	Buildings	7,669,849						0	7,669,849
2.	8	Equipment	104,559	8,696	8,696				0	113,255
3.	10	Trucks	285,180						0	285,180
4.	45	Computer equipment	7						0	7
5.	47	Electric Distribution Equipment	10,259,419	1,842,794	1,842,794				1,839	12,100,374
6.	50	Computer equipment	13,033	29,188	29,188				0	42,221
7.	43.2	Solar Generation	109	7,110	7,110				0	7,219
8.	14.1		107,102						0	107,102
9.	1b		5,349						0	5,349
10.	1b	2018 Addition	111,982	5,633	5,633				0	117,615
11.	95	CIP	16,472	21,677	21,677				0	38,149
12.	12			22,675	22,675				0	22,675
		Totals	18,573,061	1,937,773	1,937,773				1,839	20,508,995

	1 Class number * See note 1 200	Description	10 Proceeds of disposition available to reduce the UCC of AIIP and ZEV (column 8 **plus** column 6 **minus** column 3 **plus** column 4 **minus** column 7) (if negative, enter "0")	11 Net capital cost additions of AIIP and ZEV acquired during the year (column 4 **minus** column 10) (if negative, enter "0")	12 UCC adjustment for AIIP and ZEV acquired during the year (column 11 **multiplied** by the relevant factor) See note 9	13 UCC adjustment for property acquired during the year other than AIIP and ZEV (0.5 **multiplied** by the result of column 3 **minus** column 4 **minus** column 6 **plus** column 7 **minus** column 8) (if negative, enter "0") See note 10 224	14 CCA rate % See note 11 212	15 Recapture of CCA See note 12 213	16 Terminal loss See note 13 215	17 CCA (for declining balance method, the result of column 9 **plus** column 12 **minus** column 13, **multiplied** by column 14 or a lower amount) See note 14 217	18 UCC at the end of the year (column 9 **minus** column 17) 220
1.	1	Buildings					4	0	0	306,794	7,363,055
2.	8	Equipment		8,696	4,348		20	0	0	23,521	89,734
3.	10	Trucks					30	0	0	85,554	199,626
4.	45	Computer equipment					45	0	0	3	4
5.	47	Electric Distribution Equipmen	1,839	1,840,955	920,478		8	0	0	1,041,668	11,058,706
6.	50	Computer equipment		29,188	14,594		55	0	0	31,248	10,973
7.	43.2	Solar Generation		7,110	7,110		50	0	0	7,165	54
8.	14.1						5	0	0	7,476	99,626
9.	1b						6	0	0	321	5,028
10.	1b	2018 Addition		5,633	2,817		6	0	0	7,226	110,389
11.	95	CIP		21,677	10,839		0	0	0		38,149
12.	12			22,675			100	0	0	22,675	
		Totals	1,839	1,935,934	960,186					1,533,651	18,975,344

Enter the total of column 15 on line 107 of Schedule 1.
Enter the total of column 16 on line 404 of Schedule 1.
Enter the total of column 17 on line 403 of Schedule 1.

Note 1. If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101. Class numbers followed by a letter indicate the basic rate of the class taking into account the additional deduction allowed. Class 1a: 4% + 6% = 10% (class 1 to 10%), class 1b: 4% + 2% = 6% (class 1 to 6%).

Note 2. Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 3. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. ZEV is, subject to certain exceptions, a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. The Government proposes to create Class 56 for zero-emission automotive equipment and vehicles that currently do not benefit from the accelerated rate provided by Classes 54 and 55. Class 56 would apply to eligible zero-emission automotive equipment and vehicles that are acquired after March 1, 2020, and became available for use before 2028. Columns 4, 10, 11 and 12 also apply for additions of class 56 property. See the T2 Corporation Income Tax Guide for more information.

Note 4. Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 9). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor at least 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 5. Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Note 6. Include all amounts you have repaid during the year with respect to any legally required repayment, made after the disposition of a corresponding property, of:
- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
- an inducement, assistance or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)

Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 7. For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
The proceeds of disposition of a ZEV that has been included in Class 54 and that is subject to the $55,000 (plus sales taxes) capital cost limit will be adjusted based on a factor equal to the capital cost limit of $55,000 (plus sales taxes) as a proportion of the actual cost of the vehicle.

Note 8. If the amount in column 5 reduces the undepreciated capital cost (i.e. it is shown in brackets), you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 9. The relevant factors for property of a class in Schedule II, that is AIIP or included in Classes 54 to 56, available for use before 2024 are:
- 2 1/3 for property in Classes 43.1, 54 and 56
- 1 1/2 for property in Class 55
- 1 for property in Classes 43.2 and 53
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 14 for additional information) and
- 0.5 for all other property that is AIIP

Note 10. The UCC adjustment for property acquired during the year other than AIIP and ZEV (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP). For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 11. Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 17.

Note 12. If the amount in column 9 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 9 in column 15 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1.

Note 13. If no property is left in the class at the end of the tax year and there is still a positive amount in the column 9, you have a terminal loss. If applicable, enter the positive amount from column 9 in column 16. The terminal loss rules do not apply to:
- passenger vehicles in Class 10.1
- property in Class 14.1, unless you have ceased carrying on the business to which it relates or
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met

Note 14. 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:
- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraph 1100(1)(y.2) (for single mine properties) and 1100(1)(ya.2) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Corporation of the Town of Orange'		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangeville Hydro Services Inc.		89454 8015 RC0001	3					
4.	Orangville Railway Development Cc		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

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Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	46,000		46,000	46,000	46,000
2	Employee Future Benefits	346,292		418,481	346,292	418,481
3						
	Reserves from Part 2 of Schedule 13					
	Totals	392,292		464,481	392,292	464,481

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)

2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation

3 – Non-CCPC that is a **third corporation**

4 – Associated non-CCPC

5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . . **025** Year Month Day

Enter the calendar year the agreement applies to . . . . . . **050** Year 2021

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . . **075** ☐ Yes ☒ No

	1 Name of associated corporations **100**	2 Business number of associated corporations **200**	3 Association code **300**	4 Business limit for the year before the allocation $	5 Percentage of the business limit % **350**	6 Business limit allocated* $ **400**	
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000	
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000			
3	Corporation of the Township of East Luther Grai	NR	1	500,000			
4	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	500,000			
5	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000			
				Total	100.0000	500,000	A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - $10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19)

Canada

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Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

	Line	Amount		
Reserves that have not been deducted in calculating income for the year under Part I	101	464,481		
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714		
Retained earnings	104	4,055,694		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	13,805,822		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		26,616,711 ▶	26,616,711	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
- a) those lines applied to partnerships in the same manner that they apply to corporations, and
- b) those amounts were computed without reference to amounts owing by the partnership
  - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
  - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Subtotal A (from page 1)		26,616,711	A
Deduct the following amounts:			
Deferred tax debit balance at the end of the year	121		
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122		
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123		
Deferred unrealized foreign exchange losses at the end of the year	124		
Subtotal (**add** lines 121 to 124)	►		B
Capital for the year (amount A **minus** amount B) (if negative, enter "0")	190	26,616,711	

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	135,504
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	135,504

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		26,616,711	C
Deduct: Investment allowance for the year (line 490)		135,504	D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	26,481,207	

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500) 26,481,207 x (Taxable income earned in Canada **610** 1,000 / Taxable income 1,000) = **Taxable capital employed in Canada** **690** 26,481,207

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

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

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

Deduct the following amounts:

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

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

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

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

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

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690) . . . . ______ F

Deduct: . . . . 10,000,000 G

Excess (amount F **minus** amount G) (if negative, enter "0") ______ H

Calculation for purposes of the small business deduction (amount H x 0.225%) . . . . ______ I

Enter this amount at line 415 of the T2 return.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Explanatory note
See "21 SFP" Tab "BS_IFRS-F"

Description	Operator (Note)	Amount
Current portion of long-term debt		5,140,633 00
Long-term debt	+	8,665,189 00
	+	
	Total	13,805,822 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Part 1 – Reserves that have not been deducted in calculating income for the year under Part I

Title Part 1 – Reserves that have not been deducted in calculating income for the

Explanatory note

See "21 SFP" Tab "BS_IFRS-F"

Description	Operator (Note)	Amount	
Allowance for Doubtful Accounts - Sch13S		46,000	00
Employee Future Benefits - Sch13S	+	418,481	00
	+		
	Total	464,481	00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

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Schedule 50

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- 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 (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "**NR**") 200	Social insurance number (9 digits) 300	Trust number (T followed by 8 digits) 350	Percentage common shares 400	Percentage preferred shares 500
1	The Corporation of the Town of Orangeville	106986151RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

Canada Revenue Agency / Agence du revenu du Canada

Schedule 53

General Rate Income Pool (GRIP) Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

On: 2021-12-31

- If you are a Canadian-controlled private corporation (CCPC) or a deposit insurance corporation (DIC), use this schedule to determine the general rate income pool (GRIP).
- Credit unions are **not** required to complete this schedule.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- When an eligible dividend was paid in the tax year or there was a change in the GRIP balance, file a completed copy of this schedule with your T2 Corporation Income Tax Return. Do not send your worksheets with your return, but keep them in your records in case we ask to see them later.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.

Eligibility for the various additions

Answer the following questions to determine the corporation's eligibility for the various additions:

2006 addition

1. Is this the corporation's first taxation year that includes January 1, 2006? ☐ Yes ☒ No
2. If not, what is the date of the taxation year end of the corporation's first year that includes January 1, 2006? Enter the date and go directly to question 4: 2006-12-31
3. During that first year, was the corporation a CCPC or would it have been a CCPC if not for the election of subsection 89(11) ITA? ☐ Yes ☐ No
   If the answer to question 3 is yes, complete Part "GRIP addition for 2006".

Change in the type of corporation

4. Was the corporation a CCPC during its preceding taxation year? ☒ Yes ☐ No
5. Corporations that become a CCPC or a DIC ☐ Yes ☒ No
   If the answer to question 5 is yes, complete Part 4.

Amalgamation (first year of filing after amalgamation)

6. Corporations that were formed as a result of an amalgamation ☐ Yes ☒ No
   If the answer to question 6 is yes, answer questions 7 and 8. If the answer is no, go to question 9.
7. Was one or more of the predecessor corporations neither a CCPC nor a DIC? ☐ Yes ☐ No
   If the answer to question 7 is yes, complete Part 4.
8. Was one or more of the predecessor corporation a CCPC or a DIC during the taxation year that ended immediately before amalgamation? ☐ Yes ☐ No
   If the answer to question 8 is yes, complete Part 3.

Winding-up

9. Has the corporation wound-up a subsidiary in the preceding taxation year? ☐ Yes ☒ No
   If the answer to question 9 is yes, answer questions 10 and 11. If the answer is no, go to Part 1.
10. Was the subsidiary neither a CCPC nor a DIC during its last taxation year? ☐ Yes ☐ No
    If the answer to question 10 is yes, complete Part 4.
11. Was the subsidiary a CCPC or a DIC during its last taxation year? ☐ Yes ☐ No
    If the answer to question 11 is yes, complete Part 3.

Part 1 – General rate income pool (GRIP)

GRIP at the end of the previous tax year			100	8,608,986
Taxable income for the year (DICs enter "0")*	110			
Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least*	130			
For a CCPC, the lesser of aggregate investment income (line 440 of the T2 return) and taxable income*	140			
Subtotal (line 130 **plus** line 140)		▶		A
Income taxable at the general corporate rate (line 110 **minus** amount A) (if negative enter "0")	150			
After-tax income (line 150 **multiplied** by 0.72 (the general rate factor for the tax year))			190	
Eligible dividends received in the tax year	200			
Dividends deductible under section 113 received in the tax year	210			
Subtotal (line 200 **plus** line 210)		▶		B
Becoming a CCPC (amount W5 in Part 4)	220			
Post-amalgamation (total of amount E4 in Part 3 and amount W5 in Part 4)	230			
Post-wind-up (total of amount E4 in Part 3 and amount W5 in Part 4)	240			
Subtotal (**add** lines 220, 230, and 240)	290	▶		
Subtotal (**add** lines 100, 190, 290, and amount B)				8,608,986 C
Eligible dividends paid in the previous tax year	300			
Excessive eligible dividend designations made in the previous tax year	310			
(If becoming a CCPC (subsection 89(4) applies), enter "0" on lines 300 and 310.)				
Subtotal (line 300 **minus** line 310)		▶		D
GRIP before adjustment for specified future tax consequences (amount C **minus** amount D) (amount can be negative)			490	8,608,986
Total GRIP adjustment for specified future tax consequences to previous tax years (amount L3 in Part 2)			560	
GRIP at the end of the tax year (line 490 **minus** line 560)			590	8,608,986

Enter this amount on line 160 of Schedule 55, Part III.1 Tax on Excessive Eligible Dividend Designations.

* For lines 110, 130, and 140, the income amount is the amount before considering specified future tax consequences. This phrase is defined in subsection 248(1). It includes the deduction of a loss carryback from subsequent tax years, a reduction of Canadian exploration expenses and Canadian development expenses that were renounced in subsequent tax years (e.g., flow-through share renunciations), reversals of income inclusions where an option is exercised in subsequent tax years, and the effect of certain foreign tax credit adjustments.

** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years

Complete this part if the corporation's taxable income of any of the previous three tax years took into account the specified future tax consequences defined in subsection 248(1) from the current tax year. Otherwise, enter "0" on line 560.

First previous tax year 2020-12-31

Taxable income before specified future tax consequences from the current tax year 701,228 A1

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ B1

Aggregate investment income (line 440 of the T2 return) 43,554 C1

Subtotal (amount B1 **plus** amount C1) 43,554 ▶ 43,554 D1

Subtotal (amount A1 **minus** amount D1) (if negative, enter "0") 657,674 ▶ 657,674 E1

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ______ F1

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ______ G1

Aggregate investment income (line 440 of the T2 return) . . . . ______ H1

Subtotal (amount G1 **plus** amount H1) ______ ▶ ______ I1

Subtotal (amount F1 **minus** amount I1) (if negative, enter "0") ______ ▶ ______ J1

Subtotal (amount E1 **minus** amount J1) (if negative, enter "0") ______ K1

GRIP adjustment for specified future tax consequences to the first previous tax year
(amount K1 **multiplied** by 0.72) . . . . **500** ______

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Second previous tax year 2019-12-31

Taxable income before specified future tax consequences from the current tax year 343,397 A2

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ________ B2

Aggregate investment income (line 440 of the T2 return) . . . . ________ C2

Subtotal (amount B2 **plus** amount C2) ________ ► ________ D2

Subtotal (amount A2 **minus** amount D2) (if negative, enter "0") 343,397 ► 343,397 E2

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences . . . . ________ F2

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least . . . . ________ G2

Aggregate investment income (line 440 of the T2 return) . . . . ________ H2

Subtotal (amount G2 **plus** amount H2) ________ ► ________ I2

Subtotal (amount F2 **minus** amount I2) (if negative, enter "0") ________ ► ________ J2

Subtotal (amount E2 **minus** amount J2) (if negative, enter "0") ________ K2

GRIP adjustment for specified future tax consequences to the second previous tax year
(amount K2 **multiplied** by 0.72) . . . . **520** ________

****** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 2 – GRIP adjustment for specified future tax consequences to previous tax years (continued)

Third previous tax year 2018-12-31

Taxable income before specified future tax consequences from the current tax year 722,320 A3

Enter the following amounts before specified future tax consequences from the current tax year:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least B3

Aggregate investment income (line 440 of the T2 return) C3

Subtotal (amount B3 **plus** amount C3) ▶ D3

Subtotal (amount A3 **minus** amount D3) (if negative, enter "0") 722,320 ▶ 722,320 E3

Future tax consequences that occur for the current year Amount carried back from the current year to a prior year					
Non-capital loss carry-back (paragraph 111 (1)(a) ITA)	**Capital loss carry-back**	**Restricted farm loss carry-back**	**Farm loss carry-back**	**Other**	**Total carrybacks**

Taxable income after specified future tax consequences F3

Enter the following amounts after specified future tax consequences:

Amount on line 400, 405, 410, and 427 or 428** of the T2 return, whichever is the least G3

Aggregate investment income (line 440 of the T2 return) H3

Subtotal (amount G3 **plus** amount H3) ▶ I3

Subtotal (amount F3 **minus** amount I3) (if negative, enter "0") ▶ J3

Subtotal (amount E3 **minus** amount J3) (if negative, enter "0") K3

GRIP adjustment for specified future tax consequences to the third previous tax year
(amount K3 **multiplied by** 0.72) **540**

Total GRIP adjustment for specified future tax consequences to previous tax years:
(**add** lines 500, 520, and 540) (if negative, enter "0") L3

Enter amount L3 on line 560 in Part 1.

** If your tax year starts before 2019, use line 427. If your tax year starts after 2018, use line 428.

Part 3 – Worksheet to calculate the GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year)

nb. 1 Post amalgamation . . . ☐ Post wind-up . . . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary corporation was a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was a CCPC or a DIC in its last tax year. Keep a copy of this calculation for your records, in case we ask to see it later.

Corporation's GRIP at the end of its last tax year				A4
Eligible dividends paid by the corporation in its last tax year		B4		
Excessive eligible dividend designations made by the corporation in its last tax year		C4		
Subtotal (amount B4 **minus** amount C4)			▶	D4
GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was a CCPC or a DIC in its last tax year) (amount A4 **minus** amount D4)				E4

After you complete this calculation for each predecessor and each subsidiary, calculate the total of all the E4 amounts. Enter this total amount on:

- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

Part 4 – Worksheet to calculate the GRIP addition post-amalgamation, post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC

nb. 1 Corporation becoming a CCPC . . . . . ☐ Post amalgamation . . . . ☐ Post wind-up . . . . ☐

Complete this part when there has been an amalgamation (within the meaning assigned by subsection 87(1)) or a wind-up (to which subsection 88(1) applies) and the predecessor or subsidiary was not a CCPC or a DIC in its last tax year. The last tax year for a predecessor corporation was its tax year that ended immediately before the amalgamation and for a subsidiary corporation was its tax year during which its assets were distributed to the parent on the wind-up.

Calculate the GRIP addition of a successor corporation following an amalgamation at the end of its first tax year.

Calculate the GRIP addition of a parent corporation upon wind-up at the end of the tax year that ends immediately after the tax year in which the parent has received the assets of the subsidiary.

In the calculation below, **corporation** means a predecessor or a subsidiary. Complete a separate worksheet for **each** predecessor and **each** subsidiary that was not a CCPC or a DIC in its last year. Keep a copy of this calculation for your records, in case we ask to see it later.

Cost amount to the corporation of all property immediately before the end of its previous/last tax year . . . . ______ A5

The corporation's money on hand immediately before the end of its previous/last tax year . . . . ______ B5

Total of subsection 111(1) losses that would have been deductible in calculating the corporation's taxable income for the previous/last tax year if the corporation had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for the previous/last tax year:

Non-capital losses . . . . ______ C5

Net capital losses . . . . ______ D5

Farm losses . . . . ______ E5

Restricted farm losses . . . . ______ F5

Limited partnership losses . . . . ______ G5

Subtotal (**add** amounts C5 to G5) ______ ► ______ H5

Total of all amounts deducted under subsection 111(1) in calculating the corporation's taxable income for the previous/last tax year:

Non-capital losses . . . . ______ I5

Net capital losses . . . . ______ J5

Farm losses . . . . ______ K5

Restricted farm losses . . . . ______ L5

Limited partnership losses . . . . ______ M5

Subtotal (**add** amounts I5 to M5) ______ ► ______ N5

Unused and unexpired losses at the end of the corporation's previous/last tax year (amount H5 **minus** amount N5) ______ ► ______ O5

Subtotal (**add** amounts A5, B5, and O5) ______ P5

All the corporation's debts and other obligations to pay that were outstanding immediately before the end of its previous/last tax year . . . . ______ Q5

Paid-up capital of all the corporation's issued and outstanding shares of capital stock immediately before the end of its previous/last tax year . . . . ______ R5

All the corporation's reserves deducted in its previous/last tax year . . . . ______ S5

The corporation's capital dividend account immediately before the end of its previous/last tax year . . . . ______ T5

The corporation's low rate income pool immediately before the end of its previous/last tax year . . . . ______ U5

Subtotal (**add** amounts Q5 to U5) ______ ► ______ V5

GRIP addition post-amalgamation or post-wind-up (predecessor or subsidiary was not a CCPC or a DIC in its last tax year), or the corporation is becoming a CCPC (amount P5 **minus** amount V5) (if negative, enter "0") . . . . ______ W5

After you complete this worksheet for each predecessor and each subsidiary, calculate the total of all the W5 amounts. Enter this total amount on:

- line 220 for a corporation becoming a CCPC;
- line 230 for post-amalgamation; or
- line 240 for post-wind-up.

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.
- File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year **not included** in Schedule 3				
Taxable dividends paid in the tax year **included** in Schedule 3		543,259		
Total taxable dividends paid in the tax year	100	543,259		
Total eligible dividends paid in the tax year			150	
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")			160	8,608,986
Excessive eligible dividend designation (line 150 **minus** line 160)				A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			180	
Subtotal (amount A **minus** line 180)				B
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B **multiplied** by 20 %)			190	

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year **not included** in Schedule 3				
Taxable dividends paid in the tax year **included** in Schedule 3				
Total taxable dividends paid in the tax year	200			
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)				C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			280	
Subtotal (amount C **minus** line 280)				D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D **multiplied** by 20 %)			290	

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

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Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  4) a congregation or business agency to which section 143 of the federal Act applies;
  5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	35,048,951
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	50,000,001
Total assets (total of lines 112 to 116)		85,048,952
Total revenue of the corporation for the tax year **	142	36,500,402
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	100,000,000
Total revenue (total of lines 142 to 146)		136,500,402

The corporation is subject to CMT if:
- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than \$5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than \$10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than \$50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than \$100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* **Rules for total assets**
- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** **Rules for total revenue**
- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were \$1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

Net income/loss per financial statements *				210	908,964	
Add (to the extent reflected in income/loss):						
Provision for current income taxes/cost of current income taxes	220	185,002				
Provision for deferred income taxes (debits)/cost of future income taxes	222	124,121				
Equity losses from corporations	224					
Financial statement loss from partnerships and joint ventures	226					
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230					
Other additions (see note below):						
Share of adjusted net income of partnerships and joint ventures **	228					
Total patronage dividends received, not already included in net income/loss	232					
281	282					
283	284					
Subtotal		309,123	▶		309,123	A
Deduct (to the extent reflected in income/loss):						
Provision for recovery of current income taxes/benefit of current income taxes	320					
Provision for deferred income taxes (credits)/benefit of future income taxes	322					
Equity income from corporations	324					
Financial statement income from partnerships and joint ventures	326					
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330					
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332					
Gain on donation of listed security or ecological gift	340					
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342					
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344					
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346					
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348					
Other deductions (see note below):						
Share of adjusted net loss of partnerships and joint ventures **	328					
Tax payable on dividends under subsection 191.1(1) of the federal Act **multiplied** by 3	334					
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336					
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338					
381 Tax Movement in regulatory account	382	124,121				
383 Tax Reclassification	384	37,177				
385 OCI	386	62,364				
387	388					
389	390					
Subtotal		223,662	▶		223,662	B
Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)				490	994,425	

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

– exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
– include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

* **Rules for net income/loss**

– Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

– Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.
– Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.
– Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.

** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.

*** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.

**** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.

***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)	515	994,425	
Deduct:			
CMT loss available (amount R from Part 7)			
Minus: Adjustment for an acquisition of control *	518		
Adjusted CMT loss available	►		C
Net income subject to CMT calculation (if negative, enter "0")	520	994,425	

Amount from line 520: 994,425 x (Number of days in the tax year before July 1, 2010 / Number of days in the tax year: 365) x 4 % = ______ 1

Amount from line 520: 994,425 x (Number of days in the tax year after June 30, 2010: 365 / Number of days in the tax year: 365) x 2.7 % = 26,849 2

Subtotal (amount 1 **plus** amount 2) 26,849 3

Gross CMT: amount on line 3 above x OAF **	540	26,849	
Deduct:			
Foreign tax credit for CMT purposes ***	550		
CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0")		26,849	D
Deduct:			
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)			
Net CMT payable (if negative, enter "0")			E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

** **Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.
If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

Ontario taxable income **** / Taxable income ***** ______ = ______

Ontario allocation factor 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were $1,000.

***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *			G		
Deduct:					
CMT credit expired *	600				
CMT credit carryforward at the beginning of the current tax year * (see note below)			▶	620	
Add:					
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)				650	
CMT credit available for the tax year (amount on line 620 **plus** amount on line 650)					H
Deduct:					
CMT credit deducted in the current tax year (amount P from Part 5)					I
Subtotal (amount H **minus** amount I)					J
Add:					
Net CMT payable (amount E from Part 3)					
SAT payable (amount O from Part 6 of Schedule 512)					
Subtotal			▶		K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)				670	L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:

– do not enter an amount on line G or line 600;

– for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)					M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)			1		
For a corporation that is not a life insurance corporation:					
CMT after foreign tax credit deduction (amount D from Part 3)	26,849	2			
For a life insurance corporation:					
Gross CMT (line 540 from Part 3)		3			
Gross SAT (line 460 from Part 6 of Schedule 512)		4			
The **greater** of amounts 3 and 4		5			
Deduct: line 2 or line 5, whichever applies:			26,849	6	
Subtotal (if negative, enter "0")			▶		N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)					
Deduct:					
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)					
Subtotal (if negative, enter "0")			▶		O
CMT credit deducted in the current tax year (least of amounts M, N, and O)					P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? **675** 1 Yes ☐ 2 No ☒

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year * . . . . ______ Q

Deduct:

CMT loss expired * . . . . 700 ______

CMT loss carryforward at the beginning of the tax year * (see note below) . . . . ______ ▶ 720 ______

Add:

CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below) . . . . 750 ______

CMT loss available (line 720 **plus** line 750) . . . . ______ R

Deduct:

CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3) . . . . ______

Subtotal (if negative, enter "0") ______ S

Add:

Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if **negative**) (enter as a positive amount) . . . . 760 ______

CMT loss carryforward balance at the end of the tax year (amount S **plus** line 760) . . . . 770 ______ T

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line Q or line 700;
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

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SCHEDULE 511

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2021-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return*.

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangeville Hydro Services Inc.	89454 8015 RC0001	1	0
4	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	450 50,000,001	550 100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.
Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter ¨NR¨ if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

*** Rules for total assets**

– Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
– Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

**** Rules for total revenue**

– Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
– If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
– Include the associated corporation's share of the total revenue of partnerships and joint ventures.
– If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.

T2 SCH 511 Canada

APPENDIX 6-G 2022 PILS TAX RETURN

KPMG LLP
120 Victoria Street South
Suite 600
Kitchener ON N2G 0E1
Canada
Telephone (519) 747-8800
Fax (519) 747-8811

PRIVATE AND CONFIDENTIAL

Amy Long
CFO
Orangeville Hydro Limited
400 C Line
Orangeville ON L9W 3Z8

May 31, 2023

Dear Long:

Subject: Orangeville Hydro Limited - Corporate Income Tax Returns

We have enclosed the corporate income tax return(s) (the "Returns") of Orangeville Hydro Limited (the “Company”) for the period ended December 31, 2022.

- ☑ T2 – *Corporation Income Tax Return* - EXEMPT
- ☑ T183 - *Information Return for Corporations Filing Electronically*
  (Federal - to be e-filed with CRA) - EXEMPT
- ☑ T2 – *Corporations Income Tax Return* (to be filed with Ministry of Finance) - PILS
- ☑ Instalment Schedule
- ☑ Client copy for your records

We have prepared these Returns based on our understanding of and reliance upon the facts, data, materials, assumptions and other information (collectively, the ”Information”) provided to us by the Company and/or its representatives, and we have not independently investigated or verified the accuracy or completeness of such Information. We accept no responsibility or liability for any errors attributable to our reliance upon inaccurate or incomplete Information. We recommend that you carefully review the Returns in their entirety to ensure that all of the relevant Information is correctly and completely disclosed.

When you are satisfied that the Returns are in order they must be filed (electronically or in paper format) with the respective taxing authorities by the due date (as set out in the following instructions) if late filing penalties are to be avoided or minimized, or if losses are carried back to a prior taxation year. One copy of each Return should be retained for your records (the "Client Copy") and the remaining copies should be completed by an authorized signing officer of the Company and filed as described below.

We would like to remind you that tax-deductible inter-corporate dividends that are received subsequent to April 20, 2015 and that are otherwise tax-free under Part I of the Income Tax Act may be re-characterized, under an expanded anti-avoidance rule in subsection 55(2) of the Income Tax Act, as capital gains that are subject to tax if, in general terms, there is insufficient safe income on hand.

You have advised us that either there is sufficient safe income on hand to support the position that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns, or that the anti-avoidance rule does not apply to the inter-corporate dividends reported in the Returns and that safe income on hand is not required to support the position that the anti-avoidance rule does not apply. If you wish to engage KPMG to prepare a safe income on hand calculation, please contact us and we would be pleased to discuss this with you.

FOREIGN PROPERTY

The information return, which reports the Company's specified foreign property, is Form T1135 - *Foreign Income Verification Statement*. Form T1135 should be completed if at any time during 2022 the total cost of all specified foreign property the Company owned or held a beneficial interest in was more than Cdn$100,000.

According to the information you have provided to us, the Company did not hold specified foreign property at any time in 2022 with a total cost of more than Cdn$100,000. As such, we have **not** marked an X in box 259 on page 3 of your return and **we have not completed the Form T1135**. If the information on specified foreign property is incorrect, please let us know immediately.

The Form T1135 is due by **June 30, 2023**. The implications of late filing and/or failure to properly report specified foreign property on the Form T1135 and failure to report income from a specified foreign property on your income tax return are substantial. They include significant penalties and an increase to the normal reassessment period by an additional 3 years. Further, the reassessment period extension would impact otherwise statute-barred tax years and would impact the entire income tax return, not just the foreign income and reporting sections.

DUE DATE OF RETURNS AND PAYMENTS

All returns must be filed with the respective taxing authorities by June 30, 2023 if late filing penalties are to be avoided. We recommend the returns be sent by registered mail and the mailing receipt be kept on file in order to have evidence of the date of filing.

Any balances owing must be remitted as soon as possible if interest charges are to be minimized.

T2 – T183 – INFORMATION RETURN FOR CORPORATIONS FILING ELECTRONICALLY (FEDERAL-EXEMPT)

In order for us to electronically file the Company's corporate exempt income tax return, a signed copy of Form T183CORP – *Information Return for Corporations Filing Electronically* must be returned to us. Please note that we will not electronically file the Company's corporate income tax return until we receive the signed Form T183 Corp.

The Form T183CORP – *Information Return for Corporations Filing Electronically* includes information from your Company's income tax return and all applicable schedules.

Signature

☞ Form T183CORP – *Information Return for Corporations Filing Electronically* should be completed and signed

No amount is payable for the **2022** taxation year.

Mailing

✉ One copy of the signed Form T183 Corp should be returned to KPMG by fax at (519) 747-8811, as soon as possible, no later than June 30, 2023, in order to have the Company's Return filed on or before the due date for filing. **We will not electronically file the Return until we receive a copy of the signed T183CORP**. The Form T183CORP must **not** be sent to the CRA.

T2 – *CORPORATION INCOME TAX RETURN* - MINISTRY OF FINANCE

Signature

☞ Form T2, the certification section on page 9 should be completed and signed.

Refund

A refund of $157,405 is claimed and therefore no amount is payable for the **2022** taxation year.

Mailing

✉ One copy of the Return and one copy of the Company's financial statements must be **received** by The Ministry of Finance, HYDRO PIL DIVISION, PO Box 620, 33 King Street West, Oshawa, ON, L1H 8E9 no later than **June 30, 2023.** For greater certainty, KPMG will not be mailing this Return.

NOTICES OF ASSESSMENT

If your Company receives a Notice of Assessment that does not agree with the returns prepared by us, please contact us so that we can determine whether any action should be taken. The Company has only 90 days (180 days in the case of Ontario) from the date of mailing of the Assessment in which to object. Failure to respond within the prescribed time limit will cause the Company to lose its right to object to the Assessment.

GENERAL RATE INCOME POOL ("GRIP")

Shareholders receiving eligible dividends as compared to non-eligible dividends, are subject to a reduced rate of income tax. Eligible dividends are paid out of the Company's GRIP balance, which at December 31, 2022 is estimated to be $9,231,306. The supporting calculation is summarized in Schedule 53 of the federal corporate tax return.

In addition, designation of eligible dividends is required, with each shareholder recipient being formally notified in writing <u>at time of payment</u>.

During the year, the Company paid eligible dividends of $485,664 which is outlined on Schedule 55 of the federal corporate tax return. This dividend reduces the GRIP balance indicated above.

INSTALMENTS

We have prepared and enclose an estimate of tax instalments as applicable for the Company for the taxation year ending on December 31, 2023. The amounts were computed with reference to the Company's taxable income and taxes payable for prior years.

If during the year it is evident that the taxable income or taxable capital for the current year will be substantially less than for the previous taxation year, your instalments may be recalculated. Overpaid instalments may, in certain circumstances, be transferred to other accounts or applied to other liabilities such as payroll withholdings. Please call your KPMG advisor in order that we may determine what course of action should be taken.

In order to avoid interest charges, the tax authorities must receive the instalment payments no later than the date indicated on the attached schedule.

If you have any questions concerning these returns, or if we may be of any further assistance, please feel free to contact us.

Yours truly,

Tony Italiano

Tony Italiano
Partner

Enclosure

Federal Tax Instalments

Federal tax instalments

For the taxation year ended 2023-12-31

Business number 86463 9562 RC0002

The following is a list of instalments payable for the current taxation year, and the last column indicates the instalments payable to the Canada Revenue Agency (CRA). The instalments must be paid on each of the dates indicated below, otherwise non-deductible interest might be charged.

You can pay using one of the methods listed at **canada.ca/payments**. However, when a remittance must mandatorily be made using electronic means, use one of the following electronic payment methods:

- a Canadian financial institution's services;
- the CRA's *My Payment* service, at **canada.ca/cra-my-payment**;
- a pre-authorized debit agreement set up in the CRA's *My Business Account* service, at **canada.ca/my-cra-business-account**;
- a wire transfer.

Do you want to calculate the tax instalments according to the extended payment date (COVID-19)?* ☐ Yes ☒ No

* The answer to this question is **Yes** when at least one of the dates entered in the **Monthly instalment workchart** or the **Quarterly instalment workchart** sections is after March 17, 2020, and before September 30, 2020.

Monthly instalment workchart

Date	Monthly tax instalments	Refund transferred to instalments	Instalments paid	Cumulative difference	Instalments payable
2023-01-31	2,415				2,415
2023-02-28	2,415				2,415
2023-03-31	2,415				2,415
2023-04-30	2,415				2,415
2023-05-31	2,415				2,415
2023-06-30	2,415				2,415
2023-07-31	2,415				2,415
2023-08-31	2,415				2,415
2023-09-30	2,415				2,415
2023-10-31	2,415				2,415
2023-11-30	2,415				2,415
2023-12-31	2,406				2,406
Instalment (COVID-19)					
Totals	28,971				28,971

Canada Revenue Agency / Agence 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 or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) 001 86463 9562 RC0002

Corporation's name
002 Orangeville Hydro Limited

Address of head office
Has this address changed since the last time the CRA was notified? . . . . 010 Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 400 C Line
012
City: 015 Orangeville
Province, territory, or state: 016 ON
Country (other than Canada): 017 CA
Postal or ZIP code: 018 L9W 3Z8

Mailing address (if different from head office address)
Has this address changed since the last time the CRA was notified? . . . . 020 Yes [ ] No [X]
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 or ZIP code: 028

Location of books and records (if different from head office address)
Has this address changed since the last time the CRA was notified? . . . . 030 Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031 400 C Line
032
City: 035 Orangeville
Province, territory, or state: 036 ON
Country (other than Canada): 037 CA
Postal or ZIP code: 038 L9W 3Z8

040 **Type of corporation at the end of the tax year** (tick one)
- [X] 1 Canadian-controlled private corporation (CCPC)
- [ ] 2 Other private corporation
- [ ] 3 Public corporation
- [ ] 4 Corporation controlled by a public corporation
- [ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change . . . . 043 Year Month Day

To which tax year does this return apply?
Tax year start (Year Month Day): 060 2022-01-01
Tax year-end (Year Month Day): 061 2022-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? . . . . 063 Yes [ ] No [X]
If **yes**, provide the date control was acquired . . . . 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? . . . . 066 Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? . . . . 067 Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? . . . . 070 Yes [ ] No [X]
Amalgamation? . . . . 071 Yes [ ] No [X]
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 Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . 076 Yes [ ] No [X]

Is this the final return up to dissolution? . . . . 078 Yes [ ] No [X]

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 Yes [X] 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 Yes [ ] No [X]
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)
- [ ] 4 Exempt under other paragraphs of section 149

Do not use this area
095 096 898

Attachments

Financial statement information: Use GIFI schedules 100, 125, and 141.

Schedules – Answer the following questions. For each **yes** response, **attach** the schedule to the T2 return, unless otherwise instructed.

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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	X	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206		6
i) Is the corporation a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	
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
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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	254		T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272		58
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)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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	X	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
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	273		63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	274		59
Is the corporation claiming an air quality improvement tax credit?	275		65
Is the corporation subject to the additional 1.5% tax on banks and life insurers?	276		68

Additional information

		Yes		No	
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	Yes	X	No	
Is the corporation inactive?	280	Yes		No	X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

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

284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

		Yes		No	
Did the corporation immigrate to Canada during the tax year?	291	Yes		No	X
Did the corporation emigrate from Canada during the tax year?	292	Yes		No	X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293	Yes		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 Year Month Day

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes ☐ No ☐

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	300		137,425	A
Deduct:				
Charitable donations from Schedule 2	311	3,180		
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine made before March 22, 2017, 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			
Employer deduction for non-qualified securities	352			
Subtotal		3,180 ►	3,180	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")			134,245	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355			D
Taxable income (amount C **plus** amount D)	360		134,245	
Taxable income for the year from a personal services business				Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	137,425	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax	405	134,245	B
Business limit (see notes 1 and 2 below)	410	500,000	C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction for tax years starting before April 7, 2022

Amount C 500,000 x 415 *** 70,833 D / 11,250 = 3,148,133 E1

Taxable capital business limit reduction for tax years starting after April 6, 2022

Amount C 500,000 x 415 *** 70,833 D / 90,000 = E2

Amount E1 or amount E2, whichever applies 3,148,133 ▶ 3,148,133 E3

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7 **** 417 15,000,000 – 50,000 = 14,950,000 F

Amount C 500,000 / 100,000 x Amount F 14,950,000 = 74,750,000 G

The greater of amount E3 and amount G 422 74,750,000 H

Reduced business limit (amount C **minus** amount H) (if negative, enter "0")	426		I
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)			J
Reduced business limit after assignment (amount I **minus** amount J)	428		K
Small business deduction – Amount A, B, C, or K, whichever is the least ______ x 19 % =	430		

Enter amount from line 430 at amount K on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

Small business deduction (continued)

Specified corporate income and assignment under subsection 125(3.2)

	L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount 490	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L [3] 500	N Business limit assigned to corporation identified in column L [4] 505
1.				
		Total 510		Total 515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
   (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
   (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
   (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
   (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3		134,245	A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		B	
Amount 13K from Part 13 of Schedule 27		C	
Personal services business income 432		D	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least		E	
Aggregate investment income from line 440 on page 6*		F	
Subtotal (**add** amounts B to F)	►		G
Amount A **minus** amount G (if negative, enter "0")		134,245	H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %		17,452	I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 on page 3			J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		K	
Amount 13K from Part 13 of Schedule 27		L	
Personal services business income 434		M	
Subtotal (**add** amounts K to M)	►		N
Amount J **minus** amount N (if negative, enter "0")			O
General tax reduction – Amount O **multiplied** by 13 %			P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 . . . . **440** _______ x 30 2 / 3 % =				A
Foreign non-business income tax credit from line 632 on page 8		B		
Foreign investment income from Schedule 7 . . . . **445** _______ x 8 % =		C		
Subtotal (amount B **minus** amount C) (if negative, enter "0")		▶		D
Amount A **minus** amount D (if negative, enter "0")				E
Taxable income from line 360 on page 3	134,245	F		
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least	G			
Foreign non-business income tax credit from line 632 on page 8 . . . . _______ x 75 / 29 =	H			
Foreign business income tax credit from line 636 on page 8 . . _______ x 4 =	I			
Subtotal (**add** amounts G to I)	▶	J		
Subtotal (amount F **minus** amount J)	134,245	K	x 30 2 / 3 % = 41,168	L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)			20,136	M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450**				N

Refundable dividend tax on hand

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460			
Dividend refund for the previous tax year	465			
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480			
Subtotal (line 460 **minus** line 465 **plus** line 480)				A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)				B
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)			C	
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)			D	
Subtotal (amount C **minus** amount D) (if negative, enter "0")		▶		E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")			F	
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)			G	
Subtotal (amount F **plus** amount G)		▶		H
Amount H **multiplied** by 38 1 / 3 %				I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 ________ of the preceding tax year)	520			J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 ________ of the preceding tax year) (if negative, enter "0")	535			K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)			L	
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)			M	
Subtotal (amount L **plus** amount M)		▶		N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary	525			O
ERDTOH dividend refund for the previous tax year	570			P
Refundable portion of Part I tax (from line 450 on page 6)				Q
Part IV tax before deductions (amount 2A from Schedule 3)			R	
Part IV tax allocated to ERDTOH (amount N)			S	
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)			T	
Subtotal (amount R **minus** total of amounts S and T)		▶		U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary	540			V
NERDTOH dividend refund for the previous tax year	575			W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)				X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")				Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")	545			
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")				Z
ERDTOH at the end of the tax year (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")	530			

Dividend refund

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)	186,171	AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)		DD
NERDTOH balance at the end of the tax year (line 545)		EE
Non-eligible dividend refund (amount DD or EE, whichever is less)		FF
Amount DD **minus** amount EE (if negative, enter "0")		GG
Amount BB **minus** amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund – Amount CC **plus** amount FF **plus** amount II		JJ

Enter amount JJ on line 784 on page 9.

Part I tax

Base amount Part I tax – Taxable income (from line 360 on page 3) **multiplied** by 38 %			550	51,013 A
Additional tax on personal services business income (section 123.5)				
Taxable income from a personal services business	555	x 5 % =	560	B
Additional tax on banks and life insurers from Schedule 68			565	C
Recapture of investment tax credit from Schedule 31			602	D

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 on page 6		E	
Taxable income from line 360 on page 3	134,245 F		
Deduct:			
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least	G		
Net amount (amount F **minus** amount G)	134,245 ▶	134,245 H	
Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount E or amount H		604	I
Subtotal (**add** amounts A, B, C, D, and I)			51,013 J

Deduct:

Small business deduction from line 430 on page 4		K	
Federal tax abatement	608	13,425	
Manufacturing and processing profits deduction and zero-emission technology manufacturing deduction from Schedule 27	616		
Investment corporation deduction	620		
Taxed capital gains 624			
Federal foreign non-business income tax credit from Schedule 21	632		
Federal foreign business income tax credit from Schedule 21	636		
General tax reduction for CCPCs from amount I on page 5	638	17,452	
General tax reduction from amount P on page 5	639		
Federal logging tax credit from Schedule 21	640		
Eligible Canadian bank deduction under section 125.21	641		
Federal qualifying environmental trust tax credit	648		
Investment tax credit from Schedule 31	652		
Subtotal		30,877 ▶	30,877 L

Part I tax payable – Amount J **minus** amount L .... 20,136 M

Enter amount M on line 700 on page 9.

Privacy notice

Personal information (including the SIN) is collected to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

Summary of tax and credits

Federal tax

Part I tax payable from amount M on page 8	700	20,136
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 VI.2 tax payable from Schedule 67	725	
Part XIII.1 tax payable from Schedule 92	727	
Part XIV tax payable from Schedule 20	728	
Total federal tax		20,136

Add provincial or territorial tax:

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

Net provincial or territorial tax payable (except Quebec and Alberta)	760	8,835
Total tax payable	770	28,971 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780		
Dividend refund from amount JJ on page 7	784		
Federal capital gains refund from Schedule 18	788		
Federal qualifying environmental trust tax credit refund	792		
Return of fuel charge proceeds to farmers tax credit from Schedule 63	795		
Canadian film or video production tax credit (Form T1131)	796		
Film or video production services tax credit (Form T1177)	797		
Canadian journalism labour tax credit from Schedule 58	798		
Air quality improvement tax credit from Schedule 65	799		
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	186,376	
Total credits	890	186,376 ▶	186,376 B
Balance (amount A **minus** amount B)			-157,405

If the result is negative, you have **a refund**. If the result is positive, you have a **balance owing**.
Enter the amount below on whichever line applies.

Generally, the CRA does not charge or refund a difference of $2 or less.

Refund code 894 1 Refund 157,405 Balance owing

For information on how to enrol for direct deposit, go to **canada.ca/cra-direct-deposit**.

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No ☒

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 G1829

Certification

I, 950 Long (Last name) 951 Amy (First name) 954 CFO (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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2023-05-31 — Date (yyyy/mm/dd)
Signature of the authorized signing officer of the corporation
956 (519) 942-8000 — Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☒ No ☐

958 Name of other authorized person 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

Financial Statements of

ORANGEVILLE HYDRO LIMITED

And Independent Auditor's Report thereon

Year ended December 31, 2022

KPMG LLP
120 Victoria Street South
Suite 600
Kitchener ON N2G 0E1
Canada
Tel 519-747-8800
Fax 519-747-8811

INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Orangeville Hydro Limited

Opinion

We have audited the financial statements of Orangeville Hydro Limited (the Entity), which comprise:

- the statement of financial position as at December 31, 2022
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2022 and its financial performance and its cash flows for the year then ended in accordance with International financial reporting standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***"Auditor's Responsibilities for the Audit of the Financial Statements"*** section of our auditor's report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International financial reporting standards (IFRS), and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

  The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants, Licensed Public Accountants

Kitchener, Canada

April 21, 2023

ORANGEVILLE HYDRO LIMITED

Statement of Financial Position

December 31, 2022, with comparative information for 2021

	2022	2021
Assets		
Current assets:		
Cash	$ 1,595,236	$ 302,534
Accounts receivable (note 3)	4,436,206	4,563,544
Income taxes receivable	172,933	-
Unbilled revenue	3,241,571	2,804,229
Inventory	450,531	357,927
Prepaid expenses	168,244	135,504
Total current assets	10,064,721	8,163,738
Non-current assets:		
Property, plant and equipment (note 4)	24,592,614	22,743,104
Intangible assets (note 5)	205,626	209,422
Total non-current assets	24,798,240	22,952,526
Total assets	34,862,961	31,116,264
Regulatory debit balances (note 7)	4,505,500	3,932,687
Total assets and regulatory balances	$ 39,368,461	$ 35,048,951

See accompanying notes to financial statements.

ORANGEVILLE HYDRO LIMITED

Statement of Financial Position (continued)

December 31, 2022, with comparative information for 2021

	2022	2021
Liabilities		
Current liabilities:		
Accounts payable and accrued liabilities (note 8)	$ 6,334,443	$ 4,916,405
Income taxes payable	-	11,288
Long-term debt due within one year (note 9)	590,827	5,140,633
Customer deposits	200,000	200,000
Other payables	184,341	171,832
Total current liabilities	7,309,611	10,440,158
Non-current liabilities:		
Long-term debt (note 9)	15,540,781	8,665,189
Employee future benefits (note 10)	434,474	418,481
Customer deposits	299,914	314,847
Contributions in aid of construction (note 11)	2,317,945	2,322,027
Deferred tax liability (note 6)	412,695	241,921
Total non current liabilities	19,005,809	11,962,465
Total liabilities	26,315,420	22,402,623
Equity:		
Share capital (note 12)	8,290,714	8,290,714
Accumulated other comprehensive income (loss)	(14,964)	(14,964)
Retained earnings	4,317,609	4,055,694
	12,593,359	12,331,444
Regulatory credit balances (note 7)	459,682	314,884
Total liabilities, equity and regulatory balances	$ 39,368,461	$ 35,048,951

See accompanying notes to financial statements.

On behalf of the Board:

______________________________ Director ______________________________ Director

ORANGEVILLE HYDRO LIMITED

Statement of Comprehensive Income

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Revenue:		
Sale of energy (note 13)	$ 31,873,671	$ 30,406,079
Distribution revenue (note 13)	5,640,664	5,796,532
Other (note 13)	312,396	377,300
	5,953,060	6,173,832
	37,826,731	36,579,911
Operating expenses:		
Cost of power purchased	32,063,987	30,596,804
Operating and maintenance	1,164,462	1,034,443
Billing and collection	1,003,017	1,000,099
General and administrative	1,523,517	1,352,259
Depreciation and amortization	981,573	930,022
Loss on sale of property, plant and equipment and intangible assets	45,768	86,337
	4,718,337	4,403,160
	36,782,324	34,999,964
Income from operating activities	1,044,407	1,579,947
Finance costs (note 15)	(553,390)	(487,681)
Finance income (note 15)	21,878	6,828
Income before income taxes and undernoted items	512,895	1,099,094
Income tax expense (note 6)	(128,874)	(309,123)
Income before the undernoted items	384,021	789,971
Other income (expense):		
Net movement in regulatory balances (other)	427,688	218,534
Tax on net movement in regulatory balances	(64,130)	(37,177)
	363,558	181,357
Net income for the year and net movement in regulatory balances	747,579	971,328
Other comprehensive loss		
Remeasurement of post-employment benefits, net of tax	-	(62,364)
Other comprehensive loss for the year	-	(62,364)
Total comprehensive income for the year	$ 747,579	$ 908,964

See accompanying notes to financial statements.

ORANGEVILLE HYDRO LIMITED

Statement of Changes in Equity

Year ended December 31, 2022, with comparative information for 2021

	Share capital	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balance at January 1, 2021	$ 8,290,714	$ 3,627,624	$ 47,400	$ 11,965,738
Net income and net movement in regulatory balances	-	971,328	-	971,328
Other comprehensive loss	-	-	(62,364)	(62,364)
Dividends	-	(543,258)	-	(543,258)
Balance at December 31, 2021	$ 8,290,714	$ 4,055,694	$ (14,964)	$ 12,331,444

	Share capital	Retained earnings	Accumulated other comprehensive income (loss)	Total
Balance at January 1, 2022	$ 8,290,714	$ 4,055,694	$ (14,964)	$ 12,331,444
Net income and net movement in regulatory balances	-	747,579	-	747,579
Dividends	-	(485,664)	-	(485,664)
Balance at December 31, 2022	$ 8,290,714	$ 4,317,609	$ (14,964)	$ 12,593,359

See accompanying notes to financial statements.

ORANGEVILLE HYDRO LIMITED

Statement of Cash Flows

Year ended December 31, 2022, with comparative information for 2021

	2022	2021
Cash provided by (used in):		
Operating activities:		
Net Income and net movement in regulatory balances	$ 747,579	$ 971,328
Items not involving cash:		
Depreciation and amortization	1,084,978	1,032,581
Loss on sale of property, plant and equipment and intangible assets	45,768	86,337
Net finance costs	531,512	480,853
Income tax expense	128,874	309,123
Tax on net movement in regulatory	64,130	37,177
Employee future benefits	15,993	(12,660)
Contributions received from customers revenue recognized	(66,847)	(67,211)
	2,551,987	2,837,528
Changes in non-cash operating working capital:		
Accounts receivable	127,338	131,975
Unbilled revenue	(437,342)	(59,015)
Inventory	(92,604)	5,141
Prepaid expenses	(32,740)	2,149
Accounts payable and accrued liabilities	1,418,038	(74,205)
Other payables	12,509	3,325
Customer deposits	(14,933)	(114,872)
	980,266	(105,502)
Interest paid	(553,390)	(487,681)
Interest received	21,878	6,828
Income tax paid	(206,451)	(330,872)
Regulatory balances	(428,015)	(218,535)
	2,366,275	1,701,766
Financing activities:		
Repayment of long-term debt	(674,214)	(612,959)
Proceeds of long-term debt	3,000,000	1,000,000
Dividends paid	(485,664)	(543,258)
	1,840,122	(156,217)
Investing activities:		
Purchase of property, plant and equipment	(2,954,194)	(2,264,237)
Proceeds on disposal of property, plant and equipment	3,469	1,839
Purchase of intangible assets	(25,735)	(22,675)
Contributions received from customers	62,765	349,139
	(2,913,695)	(1,935,934)
Increase (decrease) in cash	1,292,702	(390,385)
Cash, beginning of year	302,534	692,919
Cash, end of year	$ 1,595,236	$ 302,534

See accompanying notes to financial statements.

Reporting entity:

Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro distribution company incorporated under the laws of Ontario, Canada. The address of the Corporation's registered office is 400 C Line, Orangeville, Ontario.

The Corporation delivers electricity and related energy services to residential and commercial customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by the Town of Orangeville and Town of Grand Valley.

The financial statements are for the Corporation as at and for the year ended December 31, 2022.

1. Basis of presentation:

(a) Statement of compliance:

The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").

The financial statements were approved by the Board of Directors on April 20, 2023.

(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis, unless otherwise stated.

(c) Functional and presentation currency:

These financial statements are presented in Canadian dollars, which is the Corporation's functional currency.

(d) Use of estimates and judgments:

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and disclosure of contingent assets and liabilities. Actual results may differ from those estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future years affected.

1. Basis of presentation (continued):

(d) Use of estimates and judgments (continued):

Information about assumptions and estimation uncertainties that have a significant risk of resulting in material adjustment is included in the following notes:

(i) Note 2(b) - measurement of unbilled revenue
(ii) Notes 4, 5 - estimation of useful lives of its property, plant and equipment and intangible assets
(iii) Note 7 - recognition and measurement of regulatory balances
(iv) Note 10 - measurement of defined benefit obligations: key actuarial assumptions
(v) Note 16 - recognition and measurement of provisions and contingencies

(e) Rate regulation:

The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the power and responsibility to approve or set rates for the transmission and distribution of electricity, providing continued rate protection for electricity consumers in Ontario, and ensuring that transmission and distribution companies fulfill obligations to connect and service customers. The OEB may also prescribe license requirements and conditions of service to local distribution companies ("LDCs"), such as the Corporation, which may include, among other things, record keeping, regulatory accounting principles, separation of accounts for distinct businesses, and filing and process requirements for rate setting purposes.

Rate setting

Distribution revenue

For the distribution revenue included in sale of energy, the Corporation files a "Cost of Service" ("COS") rate application with the OEB every five years where rates are determined through a review of the forecasted annual amount of operating and capital expenditures, debt and shareholder's equity required to support the Corporation's business. The Corporation estimates electricity usage and the costs to service each customer class to determine the appropriate rates to be charged to each customer class. The COS application is reviewed by the OEB and interveners and rates are approved based upon this review, including any revisions resulting from that review.

The application is based on the Annual IR Index option to set rates for 2021. The Corporation was required by the OEB to apply the Annual IR Index method after deferring its COS rate application for three consecutive years. The Annual IR Index is based on inflation less the OEB's highest stretch factor assessment of a distributor's efficiency.

1. Basis of presentation (continued):

(e) Rate regulation (continued):

As a licensed distributor, the Corporation is responsible for billing customers for electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties. The Corporation is required, pursuant to regulation, to remit such amounts to these third parties, irrespective of whether the Corporation ultimately collects these amounts from customers.

The Corporation last filed a COS application in October 2013 for rates effective May 1, 2014 to April 30, 2019. The Corporation received approval for a deferral of a COS application for 2021 rates. The GDP IPI-FDD for 2022 is 3.7%, the Corporation's productivity factor is nil% and the stretch factor is 0.60%, resulting in a net adjustment of 3.7% to the previous year's rates.

Electricity rates
The OEB sets electricity prices for low-volume consumers once each year based on an estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at cost without a mark-up.

2. Significant accounting policies:

The accounting policies set out below have been applied consistently in all years presented in these financial statements.

(a) Financial instruments:

At initial recognition, the Corporation measures its financial assets at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of the financial asset depends on the classification determined on initial recognition. Financial assets are classified as either amortized cost, fair value through other comprehensive income or fair value through profit or loss, depending on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are not reclassified subsequent to their initial recognition, unless the Corporation changes its business model for managing financial assets.

2. Significant accounting policies (continued):

(a) Financial instruments (continued):

Financial liabilities are initially measured at fair value, net of transaction costs incurred. They are subsequently carried at amortized cost using the effective interest rate method; any difference between the proceeds (net of transaction costs) and the redemption value is recognized as an adjustment to interest expense over the period of the borrowings.

The Corporation has not entered into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

Cash equivalents include short-term investments with maturities of three months or less when purchased.

(b) Revenue recognition:

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation. The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill. Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.

Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 Revenue from Contracts with Customers. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on a straight-line basis over the useful life of the related asset.

2. Significant accounting policies (continued):

(b) Revenue recognition (continued):

Certain customers are also required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions are received to obtain a connection to the distribution system in order receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on a straight-line basis over the useful life of the related asset.

Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are recognized as revenue in the year when there is reasonable assurance that the program conditions have been satisfied and the payment will be received.

(c) Inventory:

Inventory, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location and condition.

(d) Property, plant and equipment:

Items of property, plant and equipment (“PP&E”) used in rate-regulated activities and acquired prior to January 1, 2015 are measured at the deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated depreciation. All other items of PP&E are measured at cost, or, where the item is contributed by customers, its fair value, less accumulated depreciation.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes contracted services, materials and transportation costs, direct labour, overhead costs, borrowing costs and any other costs directly attributable to bringing the asset to a working condition for its intended use.

Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based upon the weighted average cost of debt incurred on the Corporation’s borrowings. Qualifying assets are considered to be those that take in excess of 12 months to construct.

2. Significant accounting policies (continued):

(d) Property, plant and equipment (continued):

When parts of an item of PP&E have different useful lives, they are accounted for as separate items (major components) of PP&E.

When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is determined by comparing the proceeds from disposal, if any, with the carrying amount of the item and is included in profit or loss.

Major spare parts and standby equipment are recognized as items of PP&E.

The cost of replacing a part of an item of PP&E is recognized in the net book value of the item if it is probable that the future economic benefits embodied within the part will flow to the Corporation and its cost can be measured reliably. In this event, the replaced part of PP&E is written off, and the related gain or loss is included in profit or loss. The costs of the day-to-day servicing of PP&E are recognized in profit or loss as incurred.

The need to estimate the decommissioning costs at the end of the useful lives of certain assets is reviewed periodically. The Corporation has concluded it does not have any legal or constructive obligation to remove PP&E.

Depreciation is calculated to write off the cost of items of PP&E using the straight-line method over their estimated useful lives, and is generally recognized in profit or loss. Depreciation methods, useful lives, and residual values are reviewed at each reporting date and adjusted prospectively if appropriate. Land is not depreciated. Construction-in-progress assets are not depreciated until the project is complete and the asset is available for use.

The estimated useful lives are as follows:

Asset	Rate
Buildings	20-60 years
Distribution equipment	15-60 years
Vehicles	8-15 years
Other tools and equipment	10-60 years
Computer equipment	5 years

2. Significant accounting policies (continued):

(e) Intangible assets:

Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015 are measured at deemed cost (carrying value as elected under IFRS 1) established on the transition date, less accumulated amortization. All other intangible assets are measured at cost.

Computer software that is acquired or developed by the Corporation after January 1, 2015, including software that is not integral to the functionality of equipment purchased which has finite useful lives, is measured at cost less accumulated amortization.

Payments to obtain rights to access land ("land rights") are classified as intangible assets. These include payments made for easements, right of access and right of use over land for which the Corporation does not hold title. Land rights are measured at cost. Management has determined that land rights have an indefinite life. Land rights are tested for impairment when events or circumstances indicate their carrying amount exceeds their fair value. As at December 31, 2022, management has not identified any events or circumstances indicating that land rights are impaired.

Amortization is recognized in profit or loss on a straight-line basis over the estimated useful lives of intangible assets from the date that they are available for use. Amortization methods and useful lives of all intangible assets are reviewed at each reporting date and adjusted prospectively if appropriate. The estimated useful lives are:

Asset	Rate
Computer software	5 years

2. Significant accounting policies (continued):

(f) Impairment:

(i) Financial assets measured at amortized cost:

A loss allowance for expected credit losses on financial assets measured at amortized cost is recognized at the reporting date. The loss allowance is measured at an amount equal to the lifetime expected credit losses for the asset.

(ii) Non-financial assets:

The carrying amounts of the Corporation's non-financial assets, other than materials and supplies and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or “CGU”). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

(g) Customer deposits:

Customer deposits represent cash deposits from electricity distribution customers and retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.

Deposits are refundable to customers who demonstrate an acceptable level of credit risk as determined by the Corporation in accordance with policies set out by the OEB or upon termination of their electricity distribution service.

2. Significant accounting policies (continued):

(h) Provisions:

A provision is recognized if, as a result of a past event, the Corporation has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Regulatory balances:

Regulatory deferral account debit balances represent costs incurred in excess of amounts billed to the customer at OEB approved rates. Regulatory deferral account credit balances represent amounts billed to the customer at OEB approved rates in excess of costs incurred by the Corporation.

Regulatory deferral account debit balances are recognized if it is probable that future billings in an amount at least equal to the deferred cost will result from inclusion of that cost in allowable costs for rate-making purposes. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. When the customer is billed at rates approved by the OEB for the recovery of the deferred costs, the customer billings are recognized in revenue. The regulatory deferral debit balance is reduced by the amount of these customer billings with the offset to net movement in regulatory balances in profit or loss or OCI.

The probability of recovery of the regulatory deferral debit account balances is assessed annually based upon the likelihood that the OEB will approve the change in rates to recover the balance. The assessment of likelihood of recovery is based upon previous decisions made by the OEB for similar circumstances, policies or guidelines issued by the OEB, etc. Any resulting impairment loss is recognized in profit or loss in the year incurred.
When the Corporation is required to refund amounts to ratepayers in the future, the Corporation recognizes a regulatory deferral account credit balance. The offsetting amount is recognized in net movement in regulatory balances in profit or loss or OCI. The amounts returned to the customers are recognized as a reduction of revenue. The regulatory deferral credit balance is reduced by the amount of these customer repayments with the offset to net movement in regulatory balances in profit or loss or OCI.

2. Significant accounting policies (continued):

(j) Post-employment benefits:

(i) Pension plan

The Corporation provides a pension plan for all its full-time employees through Ontario Municipal Employees Retirement System (“OMERS”). OMERS is a multi-employer pension plan which operates as the Ontario Municipal Employees Retirement Fund (“the Fund”), and provides pensions for employees of Ontario municipalities, local boards and public utilities. The Fund is a contributory defined benefit pension plan, which is financed by equal contributions from participating employers and employees, and by the investment earnings of the Fund. To the extent that the Fund finds itself in an under-funded position, additional contribution rates may be assessed to participating employers and members.

OMERS is a defined benefit plan. However, as OMERS does not segregate its pension asset and liability information by individual employers, there is insufficient information available to enable the Corporation to directly account for the plan. Consequently, the plan has been accounted for as a defined contribution plan. The Corporation is not responsible for any other contractual obligations other than the contributions. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when they are due.

(ii) Post-employment benefits, other than pension

The Corporation provides some of its retired employees with life insurance and medical benefits beyond those provided by government sponsored plans.

The obligations for these post-employment benefit plans are actuarially determined by applying the projected unit credit method and reflect management’s best estimate of certain underlying assumptions. Remeasurements of the net defined benefit obligations, including actuarial gains and losses and the return on plan assets (excluding interest), are recognized immediately in other comprehensive income. When the benefits of a plan are improved, the portion of the increased benefit relating to past service by employees is recognized immediately in profit or loss.

(k) Leased assets:

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For leases and contracts that contain a lease, the Corporation recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted

2. Significant accounting policies (continued):

(k) Leased assets (continued):

for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Subsequent to initial recognition, the right-of-use asset is recognized at cost less any accumulated depreciation and any accumulated impairment losses, adjusted for certain remeasurements of the corresponding lease liability.

The lease liability is initially measured at the present value of lease payments plus the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Corporation’s incremental borrowing rate.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation’s estimate of the amount expected to be payable under a residual value guarantee, or if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and low value assets

The Corporation has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Corporation recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

(l) Finance income and finance costs:

Finance income is recognized as it accrues in profit or loss, using the effective interest method. Finance income comprises interest earned on cash.

Finance costs comprise interest expense on borrowings and net interest expense on post-employment benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.

2. Significant accounting policies (continued):

(m) Income taxes:

The income tax expense comprises current and deferred tax. Income tax expense is recognized in profit or loss except to the extent that it relates to items recognized directly in equity, in which case, it is recognized in equity.

The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and the Ontario Corporations Tax Act (collectively the “Tax Acts”). Under the Electricity Act, 1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity Financial Corporation (“OEFC”). These payments are calculated in accordance with the rules for computing taxable income and taxable capital and other relevant amounts contained in the Tax Acts as modified by the Electricity Act, 1998, and related regulations. Prior to October 1, 2001, the Corporation was not subject to income or capital taxes. Payments in lieu of taxes are referred to as income taxes.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between the tax basis of assets and liabilities and their carrying amounts for accounting purposes. Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted, at the reporting date.

3. Accounts receivable:

	2022	2021
Trade customer accounts receivable	$ 4,024,710	$ 4,131,648
Other receivables	446,496	477,896
Provision uncollectible accounts	(35,000)	(46,000)
	$ 4,436,206	$ 4,563,544

4. Property, plant and equipment:

		Land and buildings		Distribution equipment		Other fixed assets		Construction-in-progress		Total
Cost of deemed cost										
Balance at January 1, 2022	$	2,118,927	$	25,626,322	$	1,644,441	$	38,149	$	29,427,839
Additions		38,033		2,845,006		71,155		-		2,954,194
Transfers		-		3,084		-		(3,084)		-
Disposals/ retirements		-		(60,141)		(18,593)		-		(78,734)
Balance at December 31, 2022	$	2,156,960	$	28,414,271	$	1,697,003	$	35,065	$	32,303,299
Balance at January 1, 2021	$	2,113,293	$	23,572,246	$	1,667,931	$	16,472	$	27,369,942
Additions		5,634		2,213,609		44,994		-		2,264,237
Transfers		-		(21,677)		-		21,677		-
Disposals/ retirements		-		(137,856)		(68,484)		-		(206,340)
Balance at December 31, 2021	$	2,118,927	$	25,626,322	$	1,644,441	$	38,149	$	29,427,839
Accumulated depreciation										
Balance at January 1, 2022	$	643,009	$	5,195,681	$	846,045	$	-	$	6,684,735
Depreciation		78,196		836,099		141,889		-		1,056,184
Disposals		-		(19,446)		(10,788)		-		(30,234)
Balance at December 31, 2022	$	721,205	$	6,012,334	$	977,146	$	-	$	7,710,685
Balance at January 1, 2021	$	558,816	$	4,469,818	$	772,129	$	-	$	5,800,763
Depreciation		84,193		777,222		141,375		-		1,002,790
Disposals		-		(51,359)		(67,459)		-		(118,818)
Balance at December 31, 2021	$	643,009	$	5,195,681	$	846,045	$	-	$	6,684,735
Carrying amounts										
At December 31, 2022	$	1,435,755	$	22,401,937	$	719,857	$	35,065	$	24,592,614
At December 31, 2021		1,475,918		20,430,641		798,396		38,149		22,743,104

5. Intangible assets:

		Computer software		Land rights		Total
Cost of deemed cost						
Balance at January 1, 2022	$	289,164	$	139,807	$	428,971
Additions		25,735		-		25,735
Disposals		(43,526)		-		(43,526)
Balance at December 31, 2022	$	271,373	$	139,807	$	411,180
Balance at January 1, 2021	$	404,085	$	139,807	$	543,892
Additions		22,675		-		22,675
Disposals		(137,596)		-		(137,596)
Balance at December 31, 2021	$	289,164	$	139,807	$	428,971
Accumulated amortization						
Balance at January 1, 2022	$	219,549	$	-	$	219,549
Amortization		28,794		-		28,794
Disposals		(42,789)		-		(42,789)
Balance at December 31, 2022	$	205,554	$	-	$	205,554
Balance at January 1, 2021	$	326,700	$	-	$	326,700
Amortization		29,791		-		29,791
Disposals		(136,942)		-		(136,942)
Balance at December 31, 2021	$	219,549	$	-	$	219,549
Carrying amounts						
At December 31, 2022	$	65,819	$	139,807	$	205,626
At December 31, 2021		69,615		139,807		209,422

6. Income tax expense:

Current tax expense (recovery):

	2022	2021
Current tax expense (recovery)	$ (41,900)	$ 185,002
Deferred tax expense	170,774	124,121
Income tax expense	$ 128,874	$ 309,123

Reconciliation of effective tax rate:

	2022	2021
Income before taxes	$ 512,895	$ 1,099,094
Statutory income tax rates	26.5 %	26.5 %
Expected tax provision on income at statutory rates	$ 135,917	$ 291,260
Increase (decrease) in income taxes resulting from:		
Permanent differences	627	938
Other	-	7,139
Adjustment for prior years	(7,670)	9,786
Income tax expense	$ 128,874	$ 309,123

Significant components of the Corporation's deferred tax balances:

	2022	2021
Deferred tax assets (liabilities):		
Property, plant and equipment	$ (536,545)	$ (365,074)
Post-employment benefits	115,136	110,897
Other	8,714	12,256
	$ (412,695)	$ (241,921)

7. Regulatory account balances:

Reconciliation of the carrying amount for each class of regulatory balances:

Regulatory deferral account debit balances	January 1, 2022	Additions	Recovery/ reversal	December 31, 2022	Remaining recovery/ reversal years
Retail settlement variances	$ 3,149,419	$ 1,606,387	$ (1,142,650)	$ 3,613,156	-
Regulatory transition to IFRS	165,840	2,811	-	168,651	-
Regulatory variances disposition	373,502	-	(66,557)	306,945	-
Deferred income tax	241,987	172,463	-	414,450	-
Other	1,939	359	-	2,298	-
	$ 3,932,687	$ 1,782,020	$ (1,209,207)	$ 4,505,500	

Regulatory deferral account debit balances	January 1, 2021	Additions	Recovery/ reversal	December 31, 2021	Remaining recovery/ reversal years
Retail settlement variances	$ 3,230,412	$ 1,078,548	$ (1,159,541)	$ 3,149,419	1
Regulatory transition to IFRS	165,003	837	-	165,840	-
Regulatory variances disposition	257,249	116,253	-	373,502	-
Deferred income tax	140,285	101,702	-	241,987	-
Other	88,993	(87,054)	-	1,939	1
	$ 3,881,942	$ 1,210,286	$ (1,159,541)	$ 3,932,687	

7. Regulatory account balances (continued):

Regulatory deferral account credit balances	January 1, 2022	Additions	Recovery/ reversal	December 31, 2022	Remaining recovery/ reversal years
Retail settlement variances	$ (55,560)	$ -	$ 55,560	$ -	-
Change in asset useful lives	20,093	-	-	20,093	-
Other	350,351	89,238	-	439,589	-
	$ 314,884	$ 89,238	$ 55,560	$ 459,682	

Regulatory deferral account credit balances	January 1, 2021	Additions	Recovery/ reversal	December 31, 2021	Remaining recovery/ reversal years
Retail settlement variances	$ 202,469	$ (189,856)	$ (68,173)	$ (55,560)	1
Change in asset useful lives	20,093	-	-	20,093	-
Other	260,112	90,239	-	350,351	1
	$ 482,674	$ (99,617)	$ (68,173)	$ 314,884	

The regulatory balances are recovered or settled through rates approved by the OEB which are determined using estimates of future consumption of electricity by its customers. Future consumption is impacted by various factors including the economy and weather. The Corporation has received approval from the OEB to establish its regulatory balances.

Settlement of the Group 1 deferral accounts is done on an annual basis through application to the OEB. An application has been approved on an interim basis by the OEB to recover $1,231,694 for the Group 1 deferral accounts for the 2022 rate application. The Corporation received approval for deferral of a COS application for 2022 rates and is completing an Annual IR Index application for 2023 rates. The OEB requires the Corporation to estimate its income taxes when it files a COS application to set its rates. As a result, the Corporation has recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be recovered from/paid back to its customers. This balance will fluctuate as the Corporation's deferred tax balance fluctuates.

Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers' Acceptances three-month rate plus a spread of 25 basis points. In 2022, the rate ranged from 0.57% to 3.87%.

8. Accounts payable and accrued liabilities:

	2022	2021
Accounts payable – energy purchases	$ 2,545,485	$ 2,344,531
Water and sewer charges payable	992,598	984,737
Other	2,796,360	1,587,137
	$ 6,334,443	$ 4,916,405

9. Long-term debt:

	2022	2021
TD Bank term loan payable, interest at 4.87%, payable in monthly instalments of $16,642, due 2027	$ 2,080,483	$ 2,372,434
TD Bank term loan payable, interest at 5.07%, payable in monthly instalments of $13,889, due 2027	2,402,778	2,500,000
TD Bank term loan payable, interest at 3.54%, payable in monthly instalments of $18,366, due 2024	3,289,652	3,391,640
TD Bank term loan payable, interest at 3.60%, payable in monthly instalments of $10,118, due 2027	1,679,654	1,739,436
TD Bank term loan payable, interest at 4.20%, payable in monthly instalments of $10,780, due 2029	1,803,027	1,855,465
TD Bank term loan payable, interest at 2.58%, payable in monthly instalments of $4,409, due 2025	916,809	946,847
TD Bank term loan payable, interest at 3.62%, payable in monthly instalments of $5,071, due 2031	972,961	1,000,000
TD Bank term loan payable, interest at 4.92%, payable in monthly instalments, due 2027	2,986,244	-
	16,131,608	13,805,822
Less current portion of long-term debt	590,827	5,140,633
	$ 15,540,781	$ 8,665,189

The TD Bank term loans holds as security a general security agreement representing a first charge on all assets and undertakings of the Corporation and assignment of general liability insurance for the Corporation.

The agreement with respect to the TD Bank term loans contain certain covenants regarding (i) leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v) limitations on additional debt and encumbrance of assets.

9. Long-term debt (continued):

The agreement with TD Bank also contains financial covenants that require the Corporation to maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage ratio of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliance with these covenants as at December 31, 2021.

Principal repayments are due as follows:

2023	$ 590,827
2024	3,681,316
2025	512,742
2026	1,321,376
2027	7,687,164
Thereafter	2,338,183
	$ 16,131,608

10. Post-employment benefits:

(a) OMERS pension plan:

The Corporation provides a pension plan for its employees through OMERS. The plan is a multi-employer, contributory defined pension plan with equal contributions by the employer and its employees. In 2022, the Corporation made employer contributions of $196,157 to OMERS (2021 - $188,253), of which has been recognized in profit or loss. The Corporation estimates that a contribution of $180,599 to OMERS will be made during the next fiscal year.

As at December 31, 2022, OMERS had approximately 541,000 members, of whom 18 are current employees of the Corporation. The most recently available OMERS annual report is for the year ended December 31, 2022, which reported that the plan was 95% funded, with an unfunded liability of $6.7 billion. This unfunded liability is likely to result in future payments by participating employers and members.

10. Post-employment benefits (continued):

(b) Post-employment benefits other than pension:

The Corporation pays certain medical and life insurance benefits on behalf of some of its retired employees. The Corporation recognizes these post-employment benefits in the year in which employees' services were rendered. The Corporation is recovering its post-employment benefits in rates based on the expense and remeasurements recognized for post-employment benefit plans.

Reconciliation of the obligation		2022		2021
Defined benefit obligation, beginning of year	$	418,481	$	346,292
Included in profit or loss:				
Current service cost		18,704		13,459
Interest cost		12,265		13,655
		30,969		27,114
Included in OCI				
Actuarial losses arising from:				
Changes in financial assumptions		-		84,849
		449,450		458,255
Benefits paid		(14,976)		(39,774)
	$	434,474	$	418,481

Actuarial assumptions	2022	2021
Discount (interest) rate	3.00 %	3.00 %
Medical costs	4.40 %	4.40 %
Dental costs	4.70 %	4.70 %

A 1% increase in the assumed discount rate would result in the defined benefit obligation decreasing by $65,200. A 1% decrease in the assumed discount rate would result in the defined benefit obligation increasing by $88,900.

11. Contributions in aid of construction:

	2022	2021
Contributions in aid of construction, beginning of year	$ 2,322,027	$ 2,040,099
Contributions in aid of construction received	62,765	349,139
Contributions in aid of construction recognized as other revenue	(66,847)	(67,211)
	$ 2,317,945	$ 2,322,027

12. Share capital:

	2022	2021
Authorized:		
Unlimited number of common shares		
Issued:		
1,000 common shares	$ 8,290,714	$ 8,290,714

13. Revenues:

	2022	2021
Collection and other service charges	$ 109,846	$ 104,914
Water and sewer billing services	23,856	40,566
Rent	95,173	103,918
Other	83,521	127,902
Total other revenue	$ 312,396	$ 377,300

13. Revenues (continued):

In the following table, sale of energy and distribution revenue is disaggregated by type of customer.

	2022	2021
Residential	$ 16,093,291	$ 16,115,251
Commercial	21,107,675	19,762,951
Other	313,368	324,409
	$ 37,514,334	$ 36,202,611

14. Employee salaries and benefits:

	2022	2021
Salaries, wages and benefits	$ 2,031,014	$ 1,974,400
CPP and EI remittances	81,677	75,356
Contributions to OMERS	196,157	188,253
	$ 2,308,848	$ 2,238,009

15. Finance income and costs:

	2022	2021
Finance income:		
Interest income on bank deposits	$ 21,878	$ 6,828
Finance costs:		
Interest expense on long-term debt	(540,321)	(464,823)
Interest expense on customer deposits	(13,069)	(22,858)
	(553,390)	(487,681)
Net finance costs recognized in profit or loss	$ (531,512)	$ (480,853)

16. Commitments and contingencies:

Cornerstone Hydro Electric Concepts ("CHEC"):

CHEC is an association of fifteen LDCs modelled after a co-operative to share resources and proficiencies (note 17).

The Corporation may terminate its membership at any time upon the following terms:

(a) giving written notice 60 days in advance of termination; and

(b) by making a prepayment in full of the balance of its contract service costs to CHEC. The amount of prepayment cost shall be the total cost which the Corporation would have paid over the three year term of the agreement less amounts already paid by it to the date of the termination. The current three year term for CHEC commitment goes to December 31, 2023. The prepayment cost of termination is a settlement of the Corporation's obligation under the agreement by reason of termination of its membership before the expiry of the term. The amount is liquidated damages and not a penalty for early termination and is intended to leave the remaining members in the same position as if the Corporation had not terminated the agreement. As at December 31, 2022, the obligation to CHEC includes the 2023 to 2025 membership dues of approximately $48,000 per year, $144,000 total.

Utility Collaborative Services Inc. ("UCS"):

The Corporation has the right to redeem its shares in UCS (note 17) by retraction upon the following terms:

(a) notice of such retraction shall be given 120 days prior to the effective date; and

(b) a redemption fee shall be paid equal to the previous three years' worth of average purchases from UCS for services or products; or in alternative to paying such fees, the Corporation may elect in writing to provide three years' written notice of the retraction, provided that the Corporation continues to receive services at the same or greater average volume as those received at the time the notice was given.

General Liability Insurance:

The Corporation is a member of the Municipal Electric Association Reciprocal Insurance Exchange ("MEARIE"). MEARIE is a pooling of public liability insurance risks of many of the LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced by the pool for the years in which they were members, on a pro-rata basis based on the total of their respective service revenues. As at December 31, 2022, no assessments have been made.

17. Related party transactions:

(a) Parents and ultimate controlling party:

The common shares of Orangeville Hydro Limited are owned by the Town of Orangeville and Town of Grand Valley, the ultimate parents.

(b) Outstanding balances with related parties:

		2022		2021
Town of Orangeville - receivable	$	98,507	$	130,294
Town of Grand Valley - receivable		-		12,562
Town of Orangeville - payable		-		(955,148)
Town of Grand Valley - payable		-		(29,589)
	$	98,507	$	(841,881)

(c) Transactions with ultimate parents:

The Corporation provides water and sewage billing and collection services to the customers of the Town of Orangeville and Town of Grand Valley, as well as supplying street light energy and street lighting maintenance services to the Town of Orangeville and Town of Grand Valley. Revenue includes $437,854 (2021 - $481,855) from the Town of Orangeville and $34,172 (2021 - $29,494) from the Town of Grand Valley for these services.

The Corporation also delivers electricity to the Town of Orangeville and Town of Grand Valley throughout the year for the electricity needs of the Towns and its related organizations. Electricity delivery charges are at prices and under terms approved by the OEB. The Corporation also provides additional services to the Towns, including streetlight maintenance services, sentinel lights and water and waste water billing and customer care services.

(d) Transactions with related parties:

The Corporation paid $58,306 (2021 - $53,140) in fees to Cornerstone Hydro Electric Concepts Association Inc. (CHEC). CHEC is an association of fifteen electricity distribution utilities modeled after a cooperative to share resources and proficiencies.

The Corporation owns 100 common shares, at a cost of $100, in Utility Collaborative Services Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the immaterial amount, the investment was expensed. The Corporation paid $260,772 (2021 - $210,168) in fees to UCS. UCS offers standards-based back office services and the collaboration allows leverage in the reduction of costs for items such as information technology hosting and software licensing.

17. Related party transactions (continued):

(e) Key management personnel:

The key management personnel of the Corporation have been defined as members of its board of directors and executive management team members. The compensation paid during the year is $491,943 (2021 - $485,615).

18. Financial instruments and risk management:

Fair value disclosure:

The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties and accounts payable and accrued liabilities approximate fair value because of the short maturity of these instruments. The carrying value of the customer deposits approximates fair value because the amounts are payable on demand.

The fair value of the TD Bank long-term debt at December 31, 2022 is $16,013,927. The fair value is calculated based on the present value of future principal and interest cash flows, discounted at the current rate of interest at the reporting date. The interest rate used to calculate fair value at December 31, 2022 was 4.34%.

Financial risks:

The Corporation understands the risks inherent in its business and defines them broadly as anything that could impact its ability to achieve its strategic objectives. The Corporation's exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well as related mitigation strategies are discussed below.

18. Financial instruments and risk management (continued):

(a) Credit risk:

Financial assets carry credit risk that a counterparty will fail to discharge an obligation which could result in a financial loss. Financial assets held by the Corporation, such as accounts receivable, expose it to credit risk. The Corporation earns its revenue from a broad base of customers located in the Town of Orangeville and Town of Grand Valley.

The carrying amount of accounts receivable is reduced through the use of an allowance for impairment and the amount of the related impairment loss is recognized in profit or loss. Subsequent recoveries of receivables previously provisioned are credited to profit or loss. The balance of the allowance for impairment at December 31, 2022 is $35,000 (2021 - $46,000). An impairment loss of $15,821 (2021 - $35,839) was recognized during the year.

The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2022, approximately $156,611 (2021 - $63,286) is considered 60 days past due. The Corporation has over 12,000 customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB and through credit insurance. As at December 31, 2022, the Corporation holds security deposits in the amount of $499,914 (2021 - $514,847) which also includes deposits received from developers.

(b) Market risk:

Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long term Government of Canada bond yields. This rate of return is approved by the OEB as part of the approval of distribution rates.

A 1% increase in the interest rate at December 31, 2022 would have increased interest expense on the long-term debt by $149,687 (2021 - $141,133), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal but opposite effect.

18. Financial instruments and risk management (continued):

(c) Liquidity risk:

The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a $3,500,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2022, the Corporation has $2,170,709 available on this credit facility.

The Corporation also has a facility for $1,329,291 (the "LC" facility) for the purpose of issuing letters of credit mainly to support the prudential requirements of the IESO, of which $nil has been drawn and posted with the IESO (2021 - $nil).

The majority of accounts payable, as reported on the statement of financial position, are due within 30 days.

(d) Capital disclosures:

The main objectives of the Corporation, when managing capital, are to ensure ongoing access to funding to maintain and improve the electricity distribution system, compliance with covenants related to its credit facilities, prudent management of its capital structure with regard for recoveries of financing charges permitted by the OEB on its regulated electricity distribution business, and to deliver the appropriate financial returns.

The Corporation's definition of capital includes equity and long-term debt. As at December 31, 2022, equity amounts to $12,593,359 (2021 - $12,331,446) and long-term debt amounts to $16,131,608 (2021 - $13,805,822).

Schedule of Instalment Remittances

Name of corporation contact

Telephone number

Effective interest date	Description (instalment remittance, split payment, assessed credit)	Amount of credit
	2022 installments	186,376

Total amount of instalments claimed (carry the result to line 840 of the T2 Return) 186,376 **A**

Total instalments credited to the taxation year per T9 186,376 **B**

Transfer

	Account number	Taxation year end	Amount	Effective interest date	Description
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					
From:					
To:					

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule to reconcile 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.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 .... 747,579 A

Add:

	Line	Amount	
Provision for income taxes – current	101	-41,900	
Provision for income taxes – deferred	102	170,774	
Interest and penalties on taxes	103	478	
Amortization of tangible assets	104	1,084,978	
Loss on disposal of assets	111	45,768	
Charitable donations and gifts from Schedule 2	112	3,180	
Non-deductible meals and entertainment expenses	121	1,887	
Reserves from financial statements – balance at the end of the year	126	469,474	
Subtotal of additions		1,734,639	1,734,639

Add:

Other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	6,000
2	Paragraph 12(1)(x) - Contributed capital	62,765
3	Paragraph 12(1)(a) - Customer Deposits	499,914
4	Tax grouped with change in regulatory	64,130
	Total of column 2	632,809

	Line	Amount		
Total of column 2	296	632,809		
Subtotal of other additions	199	632,809	632,809	D
Total additions	500	2,367,448	2,367,448	

Amount A **plus** line 500 .... 3,115,027 B

Deduct:

	Line	Amount	
Capital cost allowance from Schedule 8	403	1,711,132	
Reserves from financial statements – balance at the beginning of the year	414	464,481	
Subtotal of deductions		2,175,613	2,175,613

Deduct:

Other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	66,847
2	Subsection 13(7.4) election	62,765
3	Paragraph 20(1)(m) - Customer Deposits	499,914
4	Tax movement in reg account	172,463
	Total of column 2	801,989

Total of column 2 ► 396 801,989

Subtotal of other deductions	499	801,989 ▶	801,989 E
Total deductions	510	2,977,602 ▶	2,977,602
Net income (loss) for income tax purposes (amount B **minus** line 510)			137,425 C

Enter amount C on line 300 of the T2 return.

Attached Schedule with Total

Line 295 – Amount

Title Line 295 – Amount

Description	Operator (Note)	Amount
Short term customer deposit		200,000 00
Long-term Portion of Customer Deposit	+	299,914 00
	+	
	Total	499,914 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Description	Operator (Note)	Amount	
Short term customer deposit		200,000	00
Long-term Portion of Customer Deposit	+	299,914	00
	+		
	Total	499,914	00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 103 – Interest and penalties on taxes

Title Line 103 – Interest and penalties on taxes

Description	Operator (Note)	Amount
2021 Notice of Assessment - Hydro Payment in Lieu - Net Interest		477 55
	+	
	Total	477 55

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Ontario

A		
	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	
	Ontario computer animation and special effects tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario film and television tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario interactive digital media tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
	Ontario business-research institute tax credit	
	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency / Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Family Transition Place	250
Good Friends Fellowship	450
Headwaters	400
Toronto Humane Society	100
Ontario SPCA	250
Ontario SPCA	250
Orangeville Foodbank	750
Youth Unlimited	250
Knights of Columbus	250
The Salvation Arm	230
Subtotal	3,180
Add: Total donations of less than $100 each	
Total donations in current tax year	3,180

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			1A		
Charitable donations expired after five tax years*	239				
Charitable donations at the beginning of the current tax year (amount 1A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1, Net Income (Loss) for Income Tax Purposes)	210	3,180		3,180	3,180
Subtotal (line 250 **plus** line 210)		3,180	1B	3,180	3,180
Subtotal (line 240 **plus** amount 1B)		3,180	1C	3,180	3,180
Adjustment for an acquisition of control	255				
Total charitable donations available (amount 1C **minus** line 255)		3,180	1D	3,180	3,180
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2) (enter this amount on line 311 of the T2 return)	260	3,180		3,180	3,180
Charitable donations closing balance (amount 1D **minus** line 260)	280				

The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013) . . . . . 262 ______

Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %) . . . . . ______ 1

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015) . . . . . 263 ______

Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %) . . . . . ______ 2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024) . . . . . 265 ______

British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %) . . . . . ______ 3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2021-12-31			
2nd prior year	2020-12-31			
3rd prior year	2019-12-31			
4th prior year	2018-12-31			
5th prior year	2017-12-31			
6th prior year*	2016-12-31			
7th prior year	2015-12-31			
8th prior year	2014-12-31			
9th prior year	2013-12-31			
10th prior year	2012-12-31			
11th prior year	2011-12-31			
12th prior year	2010-12-31			
13th prior year	2009-12-31			
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes Note 1 **multiplied** by 75 % 103,069 2A

Taxable capital gains arising in respect of gifts of capital property included in Part 1 Note 2 ..... **225**

Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01) **227**

The amount of the recapture of capital cost allowance in respect of charitable donations **230**

Proceeds of disposition, **less** outlays and expenses Note 2 .... 2B

Capital cost Note 2 .... 2C

Amount 2B or 2C, whichever is less **235**

Amount on line 230 or 235, whichever is less 2D

Subtotal (**add** lines 225, 227, and amount 2D) 2E

Amount 2E **multiplied** by 25 % 2F

Subtotal (amount 2A **plus** amount 2F) 103,069 2G

Maximum allowable deduction for charitable donations
(enter amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is the least) 3,180 2H

Note 1: For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift **divided** by the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

		Federal		Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year			3A		
Gifts of certified cultural property expired after five tax years*	439				
Gifts of certified cultural property at the beginning of the current tax year (amount 3A **minus** line 439)	440				
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450				
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410				
Subtotal (line 450 **plus** line 410)			3B		
Subtotal (line 440 **plus** amount 3B)			3C		
Adjustment for an acquisition of control	455				
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460				
Subtotal (line 455 **plus** line 460)			3D		
Gifts of certified cultural property closing balance (amount 3C **minus** amount 3D)	480				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2021-12-31			
2nd prior year	2020-12-31			
3rd prior year	2019-12-31			
4th prior year	2018-12-31			
5th prior year	2017-12-31			
6th prior year*	2016-12-31			
7th prior year	2015-12-31			
8th prior year	2014-12-31			
9th prior year	2013-12-31			
10th prior year	2012-12-31			
11th prior year	2011-12-31			
12th prior year	2010-12-31			
13th prior year	2009-12-31			
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal	Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year		4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539			
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A **minus** line 539)	540			
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550			
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520			
Subtotal (line 550 **plus** line 520)		4B		
Subtotal (line 540 **plus** amount 4B)		4C		
Adjustment for an acquisition of control	555			
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560			
Subtotal (line 555 **plus** line 560)		4D		
Gifts of certified ecologically sensitive land closing balance (amount 4C **minus** amount 4D)	580			

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2021-12-31			
2nd prior year	2020-12-31			
3rd prior year	2019-12-31			
4th prior year	2018-12-31			
5th prior year	2017-12-31			
6th prior year*	2016-12-31			
7th prior year	2015-12-31			
8th prior year	2014-12-31			
9th prior year	2013-12-31			
10th prior year	2012-12-31			
11th prior year*	2011-12-31			
12th prior year	2010-12-31			
13th prior year	2009-12-31			
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

		Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year			5A		
Additional deduction for gifts of medicine expired after five tax years*	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				

Additional deduction for gifts of medicine made before March 22, 2017:

		Federal		Québec	Alberta
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			5B		
Amount 5B **multiplied** by 50 %			5C		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

where:

a is the **lesser** of line 601 and amount 5C

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

		Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			5D		
Subtotal (line 640 **plus** amount 5D)			5E		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			5F		
Additional deduction for gifts of medicine closing balance (amount 5E **minus** amount 5F)	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2021-12-31			
2nd prior year	2020-12-31			
3rd prior year	2019-12-31			
4th prior year	2018-12-31			
5th prior year	2017-12-31			
6th prior year*	2016-12-31			
7th prior year	2015-12-31			
8th prior year	2014-12-31			
9th prior year	2013-12-31			
10th prior year	2012-12-31			
11th prior year	2011-12-31			
12th prior year	2010-12-31			
13th prior year	2009-12-31			
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2021-12-31	
2nd prior year	2020-12-31	
3rd prior year	2019-12-31	
4th prior year	2018-12-31	
5th prior year	2017-12-31	
6th prior year*	2016-12-31	
7th prior year	2015-12-31	
8th prior year	2014-12-31	
9th prior year	2013-12-31	
10th prior year	2012-12-31	
11th prior year	2011-12-31	
12th prior year	2010-12-31	
13th prior year	2009-12-31	
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

T2 SCH 2 E (20)

Canada

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is **connected** with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.
  Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, H.1, I, I.1, I.2 and L **only if** the payer corporation is **connected**.

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			
2			2			
					Total of column E (enter amount on line 402 of Schedule 1)	

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1), (b), or (d) [1] 240	F1	G Eligible dividends included in column F 242	H Total taxable dividends paid by the **connected** payer corporation (line 460 in Schedule 3 for the tax year in column D) 250	H.1 Total eligible dividends paid by the **connected** payer corporation (line 465 in Schedule 3 for the tax year in column D)	I Dividend refund of the **connected** payer corporation (for tax year in column D) [2] 260
1						
2						

	I.1 Eligible dividend refund of the **connected** payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (amount CC from T2 return for the tax year in column D)	I.2 Additional non-eligible dividend refund of the **connected** payer corporation from its ERDTOH (amount II from T2 return for the tax year in column D)	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3% [3] 265	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3% [4] 275	L Part IV tax before deductions on taxable dividends received from **connected** corporations [5] 280
1					
2					

Total of column L (enter amount on line 2E in Part 2)

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) 1A
Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) 1B
Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 return) 1C
Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) 1D
Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) 1F
Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) 1G
Subtotal (amount 1F **plus** amount 1G) ▶ 1H
Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) 1I
Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) 1J
Subtotal (amount 1I **plus** amount 1J) ▶ 1K
Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) 1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column K (and column J, if applicable). Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the **connected** payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to column I **divided** by column H **multiplied** by column F.

5 For the purpose of calculating your eligible refundable dividend tax on hand (ERDTOH), Part IV tax on taxable dividends received from **connected** corporations (with a tax year starting after 2018) is equal to the sum of Part IV tax on eligible dividends and non-eligible dividends received from **connected** corporations to the extent that such dividends caused a dividend refund to those corporations from their ERDTOH.

Part IV tax before deductions on taxable dividends received from **connected** corporations for purposes of column L is the sum of (i) and (ii), where

(i) Part IV tax on eligible dividends received from **connected** corporations is equal to amount CC of the **connected** payer corporation (on page 7 of the T2 return) **divided** by line 465 of the **connected** payer corporation, **multiplied** by column G; and

(ii) Part IV tax on non-eligible dividends received from **connected** corporations is equal to amount II of the **connected** payer corporation (on page 7 of the T2 return) **divided** by line 470 of the **connected** payer corporation, **multiplied** by the difference between columns F and G.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)		2A		
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320			
Subtotal (amount 2A **minus** line 320)		▶		2B
Current-year non-capital loss claimed to reduce Part IV tax	330			
Non-capital losses from previous years claimed to reduce Part IV tax	335			
Current-year farm loss claimed to reduce Part IV tax	340			
Farm losses from previous years claimed to reduce Part IV tax	345			
Total losses applied against Part IV tax (total of lines 330 to 345)		2C		
Amount 2C **multiplied** by 38 1 / 3 %				2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0") (enter amount on line 712 of the T2 return)			360	

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations (total of column L in part 1)		2E
Amount 4A from Schedule 43		2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E **minus** amount 2F, if negative enter "0") (enter at amount L on page 7 of the T2 return)		2G
Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)		2H
Amount 4C from Schedule 43		2I
Part IV tax payable on taxable dividends received from non-connected corporations (amount 2H **minus** amount 2I, if negative enter "0") (enter at amount M on page 7 of the T2 return)		2J

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the recipient corporation with which you are connected, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of recipient corporation with which you are connected 400	M Business number 410	N Tax year-end of recipient corporation in which the dividends in column O were received YYYYMMDD 420	O Taxable dividends paid to recipient corporations with which you are connected 430	P Eligible dividends included in column O 440
1	Corporation of the town of Orangeville	10698 6151 RC0001	2022-12-31	458,952	458,952
2					
				458,952 (Total of column O)	458,952 (Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations			450	26,712
Eligible dividends included in line 450	455	26,712		
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)			460	485,664
Total eligible dividends paid in the tax year (total of column P **plus** line 455)			465	485,664
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)			470	

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)	186,171	3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)		3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)				485,664	
Other dividends paid in the tax year (total of 510 to 540)					
Total dividends paid in the tax year			500	485,664	
Dividends paid out of capital dividend account	510				
Capital gains dividends	520				
Dividends paid on shares described in subsection 129(1.2)	530				
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540				
Subtotal (total of lines 510 to 540)			►		4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)				485,664	4B

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Schedule 5

Tax Calculation Supplementary – Corporations

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the federal Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation – Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Allocation of taxable income

100 ______ Enter the regulation that applies (402 to 413)

A Jurisdiction. Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year Note 1		B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2 Note 2 (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes ☐	103		143		
Newfoundland and Labrador Offshore	004 Yes ☐	104		144		
Prince Edward Island	005 Yes ☐	105		145		
Nova Scotia	007 Yes ☐	107		147		
Nova Scotia Offshore	008 Yes ☐	108		148		
New Brunswick	009 Yes ☐	109		149		
Quebec	011 Yes ☐	111		151		
Ontario	013 Yes ☐	113		153		
Manitoba	015 Yes ☐	115		155		
Saskatchewan	017 Yes ☐	117		157		
Alberta	019 Yes ☐	119		159		
British Columbia	021 Yes ☐	121		161		
Yukon	023 Yes ☐	123		163		
Northwest Territories	025 Yes ☐	125		165		
Nunavut	026 Yes ☐	126		166		
Outside Canada	027 Yes ☐	127		167		
Total		129 G		169 H		

Note 1: **Permanent establishment** is defined in subsection 400(2).
Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:
1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation – Income Tax Guide.
2. If your corporation has provincial or territorial tax payable, complete Part 2.
3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits
134,245		134,245	15,438

	Line	Amount		Total	
Ontario basic income tax (from Schedule 500)	270	15,438			
Ontario small business deduction (from Schedule 500)	402				
Subtotal (line 270 **minus** line 402)		15,438	►	15,438	5A
Ontario transitional tax debits (from Schedule 506)	276				
Recapture of Ontario research and development tax credit (from Schedule 508)	277				
Subtotal (line 276 **plus** line 277)			►		5B
Gross Ontario tax (amount 5A **plus** amount 5B)				15,438	5C
Ontario resource tax credit (from Schedule 504)	404				
Ontario tax credit for manufacturing and processing (from Schedule 502)	406				
Ontario foreign tax credit (from Schedule 21)	408				
Ontario credit union tax reduction (from Schedule 500)	410				
Ontario political contributions tax credit (from Schedule 525)	415				
Ontario non-refundable tax credits (total of lines 404 to 415)			►		5D
Subtotal (amount 5C **minus** amount 5D) (if negative, enter "0")				15,438	5E
Ontario research and development tax credit (from Schedule 508)			416		
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E **minus** line 416) (if negative, enter "0")				15,438	5F
Ontario corporate minimum tax credit (from Schedule 510)			418		
Ontario community food program donation tax credit for farmers (from Schedule 2)			420		
Ontario corporate income tax payable (amount 5F **minus** the total of lines 418 and 420) (if negative, enter "0")				15,438	5G
Ontario corporate minimum tax (from Schedule 510)	278	1,884			
Ontario special additional tax on life insurance corporations (from Schedule 512)	280				
Subtotal (line 278 **plus** line 280)		1,884	►	1,884	5H
Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H)				17,322	5I
Ontario qualifying environmental trust tax credit	450				
Ontario co-operative education tax credit (from Schedule 550)	452	8,487			
Ontario apprenticeship training tax credit (from Schedule 552)	454				
Ontario computer animation and special effects tax credit (from Schedule 554)	456				
Ontario film and television tax credit (from Schedule 556)	458				
Ontario production services tax credit (from Schedule 558)	460				
Ontario interactive digital media tax credit (from Schedule 560)	462				
Ontario book publishing tax credit (from Schedule 564)	466				
Ontario innovation tax credit (from Schedule 566)	468				
Ontario business-research institute tax credit (from Schedule 568)	470				
Ontario regional opportunities investment tax credit (from Schedule 570)	472				
Ontario refundable tax credits (total of lines 450 to 472)		8,487	►	8,487	5J
Net Ontario tax payable or refundable tax credit (amount 5I **minus** amount 5J) (if a credit, enter amount in brackets) Include this amount on line 255.			290	8,835	

Summary

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable tax credits 255 8,835

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

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** Yes [ ] No [X]

Part 1 – Agreement between associated eligible persons or partnerships (EPOPs)

Are you associated in the tax year with one or more EPOPs with which you have entered into an agreement under subsection 1104(3.3) of the Regulations? . . . . **105** Yes [X] No [ ]

If you answered **yes**, complete Part 1. Otherwise, go to Part 2.

Enter a percentage assigned to each associated EPOP (including your corporation) as determined in the agreement.

This percentage will be used to allocate the immediate expensing limit. The total of all the percentages assigned under the agreement should not exceed 100%. If the total is more than 100%, then the associated group has an immediate expensing limit of nil. For more information about the immediate expensing limit, see note 12 in Part 2.

	1 Name of EPOP **110**	2 Identification number See **note 1** **115**	3 Percentage assigned under the agreement **120**
1.	Orangeville Hydro Limited	864639562RC0002	100.000
2.	Corporation of the Town of Orangeville	106986151RC0001	
3.	Corporation of the Township of East Luther Grand	NR	
4.	Orangville Railway Development Corporation	864333166RC0001	
		Total	100.000

Immediate expensing limit allocated to the corporation (see **note 2**) **125** 1,500,000

Note 1: The identification number is the social insurance number, business number, or partnership account number of the EPOP.

Note 2: If the total of column 3 is more than 100%, enter 0.

Part 2 – CCA calculation

	1 Class number See **note 3** 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) See **note 4** 203	4 Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP) See **note 5** 232	5 Adjustments and transfers See **note 6** 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See **note 7** 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See **note 8** 222	8 Proceeds of dispositions See **note 9** 207
1.	1	Buildings	7,363,055						0
2.	8	Equipment	89,734	29,996	29,996				0
3.	10	Trucks	199,626						0
4.	45	Computer equipment	4						0
5.	47	Electric Distribution Equipment	11,058,706	2,785,323					3,469
6.	50	Computer equipment	10,973	41,159	41,159				0
7.	43.2	Solar Generation	54						0
8.	14.1		99,626						0
9.	1b		5,028						0
10.	1b	2018 Addition	110,389	38,033					0
11.	95	CIP	38,149			-3,084			0
12.	12			25,735	25,735				0
		Totals	18,975,344	2,920,246	96,890	-3,084			3,469

	1 Class number	Description	9 Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4) 234	10 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See **note 10**	11 UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) See **note 11** 236	12 Immediate expensing See **note 12** 238	13 Cost of acquisitions on remainder of Class (column 3 **minus** column 4 **plus** column 11 **minus** column 12)	14 Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 See **note 13** 225	15 Remaining UCC (column 10 **minus** column 12) (if negative, enter "0")	16 Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 **minus** column 9 **plus** column 6 **minus** column 13 **plus** column 14 **minus** column 7) (if negative, enter "0") See **note 14**
1.	1	Buildings		7,363,055					7,363,055	
2.	8	Equipment		119,730	29,996	29,996			89,734	
3.	10	Trucks		199,626					199,626	
4.	45	Computer equipment		4					4	
5.	47	Electric Distribution Equipment		13,840,560			2,785,323	2,785,323	13,840,560	3,469
6.	50	Computer equipment		52,132	41,159	41,159			10,973	

	1 Class number	Description	9 Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4) **234**	10 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See **note 10**	11 UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) See **note 11** **236**	12 Immediate expensing See **note 12** **238**	13 Cost of acquisitions on remainder of Class (column 3 **minus** column 4 **plus** column 11 **minus** column 12)	14 Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 See **note 13** **225**	15 Remaining UCC (column 10 **minus** column 12) (if negative, enter "0")	16 Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 **minus** column 9 **plus** column 6 **minus** column 13 **plus** column 14 **minus** column 7) (if negative, enter "0") See **note 14**
7.	43.2	Solar Generation		54					54	
8.	14.1			99,626					99,626	
9.	1b			5,028					5,028	
10.	1b	2018 Addition		148,422			38,033	38,033	148,422	
11.	95	CIP		35,065					35,065	
12.	12			25,735	25,735	25,735				
		Totals		21,889,037	96,890	96,890	2,823,356	2,823,356	21,792,147	3,469

Part 2 – CCA calculation (continued)

	1 Class number	Description	17 Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 **minus** column 16) (if negative, enter "0")	18 UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 **multiplied** by the relevant factor) See **note 15**	19 UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 **multiplied** by the result of column 13 **minus** column 14 **minus** column 6 **plus** column 7 **minus** column 8 **plus** column 9) (if negative, enter "0") See **note 16** 224	20 CCA rate % See **note 17** 212	21 Recapture of CCA See **note 18** 213	22 Terminal loss See **note 19** 215	23 CCA (for declining balance method, the result of column 15 **plus** column 18 **minus** column 19, **multiplied** by column 20, or a lower amount, **plus** column 12) See **note 20** 217	24 UCC at the end of the year (column 10 **minus** column 23) 220
1.	1	Buildings				4	0	0	294,522	7,068,533
2.	8	Equipment				20	0	0	47,943	71,787
3.	10	Trucks				30	0	0	59,888	139,738
4.	45	Computer equipment				45	0	0	2	2
5.	47	Electric Distribution Equipment	2,781,854	1,390,927		8	0	0	1,218,519	12,622,041
6.	50	Computer equipment				55	0	0	47,194	4,938
7.	43.2	Solar Generation				50	0	0	27	27
8.	14.1					5	0	0	6,954	92,672
9.	1b					6	0	0	302	4,726
10.	1b	2018 Addition	38,033	19,017		6	0	0	10,046	138,376
11.	95	CIP				0	0	0		35,065
12.	12					100	0	0	25,735	
		Totals	2,819,887	1,409,944					1,711,132	20,177,905

Enter the total of column 21 on line 107 of Schedule 1.
Enter the total of column 22 on line 404 of Schedule 1.
Enter the total of column 23 on line 403 of Schedule 1.

Note 3: If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.

Note 4: Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 5: A DIEP reported in column 4 is a property acquired after April 18, 2021, by a corporation that was a Canadian-controlled private corporation (CCPC) throughout the year, which became available for use in the tax year (before 2024) and was designated as such on or before the day that is 12 months after the filing-due date for the tax year to which the designation relates. It includes all capital property subject to the CCA rules, if certain conditions are met, other than property included in Classes 1 to 6, 14.1, 17, 47, 49, and 51. A property can only qualify as DIEP in the year in which it becomes available for use. See subsection 1104(3.1) of the Regulations for more information.

Note 6: Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 10). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor at least 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 7: Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Part 2 – CCA calculation (continued)

Note 8: Include all amounts you have repaid during the year for any legally required repayment, made after the disposition of a corresponding property, of:

- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
- an inducement, assistance, or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)

Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 9: For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
If the cost of a zero-emission passenger vehicle (or a passenger vehicle that was, at any time, a DIEP) exceeds the prescribed amount, the proceeds of disposition will be adjusted based on a factor equal to the prescribed amount as a proportion of the actual cost of the vehicle.

Note 10: If the amount in column 5 (as shown in brackets) reduces the undepreciated capital cost, you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 11: The only amounts incurred before April 19, 2021, to be included in this column are certain inventory purchases from arm's length persons or partnerships where the conditions in paragraphs 1100(0.3)(a) to (c) are met.

Note 12: Immediate expensing applies to a DIEP included in column 11. The total immediate expensing for the tax year (total of column 12) should not exceed the lesser of:

1. Immediate expensing limit: it is equal to one of the following five amounts, whichever is applicable:

- $1.5 million, if you are not associated with any other EPOP in the tax year
- amount from line 125, if you are associated in the tax year with one or more EPOPs
- nil, if the total of the percentages assigned in Part 1 is more than 100% or you are associated in the tax year with one or more EPOPs and have not filed an agreement in prescribed form as required under subsection 1104(3.3) of the Regulations
- the amount determined under subsection 1104(3.5) of the Regulations for any second or subsequent tax years ending in a calendar year, if you have two or more tax years ending in the calendar year in which you are associated with another EPOP that has a tax year ending in that calendar year
- any amount allocated by the minister under subsection 1104(3.4) of the Regulations

The immediate expensing limit has to be prorated if your tax year is less than 365 days. You cannot carry forward any unused amount of the immediate expensing limit.

2. UCC of the DIEP: total of column 11

You have to maintain the CCPC status throughout the relevant tax year in order to claim the immediate expensing.

Note 13: An AIIP is a property (other than property included in Classes 54 to 56) that you acquired after November 20, 2018, and that became available for use before 2028.
Classes 54 and 55 include zero-emission vehicles that you acquired after March 18, 2019, and that became available for use before 2028.
Class 56 applies to eligible zero-emission automotive equipment and vehicles (other than motor vehicles) that are acquired after March 1, 2020, and that became available for use before 2028.
See the T2 Corporation Income Tax Guide for more information.

Note 14: Include only elements from columns 6 and 7 that are not related to the DIEP.

Note 15: The relevant factors for property of a class in Schedule II, that is an AIIP or included in Classes 54 to 56, available for use before 2024 are:

- 2 1/3 for property in Classes 43.1, 54, and 56
- 1 1/2 for property in Class 55
- 1 for property in Classes 43.2 and 53
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 20 for additional information) and
- 0.5 for all other property that is an AIIP

Part 2 – CCA calculation (continued)

Note 16: The UCC adjustment for property acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP, property included in Classes 54 to 56, and property to which the immediate expensing was applied). Include only elements from columns 6 and 7 that are not related to the DIEP.
For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 17: Enter a rate only if you are using the declining balance method. For any other method (for example, the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 23.

Note 18: If the amount in column 10 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 10 in column 21 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1. However, they do apply to a passenger vehicle that was, at any time, a DIEP.

Note 19: If no property is left in the class at the end of the tax year and there is still a positive amount in the column 10, you have a terminal loss. If applicable, enter the positive amount from column 10 in column 22. The terminal loss rules do not apply to:

- passenger vehicles in Class 10.1
- property in Class 14.1, unless you have ceased carrying on the business to which it relates
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met

Note 20: 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:

- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot, or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraphs 1100(1)(y.2) (for single mine properties) and 1100(1)(ya.2) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangville Railway Development Cc		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	46,000			11,000	35,000
2	Employee Future Benefits	418,481		15,993		434,474
3						
	Reserves from Part 2 of Schedule 13					
	Totals	464,481		15,993	11,000	469,474

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)
2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
3 – Non-CCPC that is a **third corporation**
4 – Associated non-CCPC
5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . . **025** Year Month Day

Enter the calendar year the agreement applies to . . . . . . **050** Year 2022

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . . **075** ☐ Yes ☒ No

	1 Name of associated corporations **100**	2 Business number of associated corporations **200**	3 Asso-ciation code **300**	4 Business limit for the year before the allocation $	5 Percentage of the business limit % **350**	6 Business limit allocated* $ **400**
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000		
3	Corporation of the Township of East Luther Grai	NR	1	500,000		
4	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000		
				Total	100.0000	500,000 A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - $10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19)

Canada

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Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

	Line	Amount		
Reserves that have not been deducted in calculating income for the year under Part I	101	469,474		
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714		
Retained earnings	104	4,317,609		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	16,131,608		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		29,209,405	29,209,405	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
  a) those lines applied to partnerships in the same manner that they apply to corporations, and
  b) those amounts were computed without reference to amounts owing by the partnership
    (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
    (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Subtotal A (from page 1)			29,209,405	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121			
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122			
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123			
Deferred unrealized foreign exchange losses at the end of the year	124			
Subtotal (**add** lines 121 to 124)		►		B
Capital for the year (amount A **minus** amount B) (if negative, enter "0")		190	29,209,405	

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	168,244
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	168,244

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		29,209,405	C
Deduct: Investment allowance for the year (line 490)		168,244	D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	29,041,161	

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500) 29,041,161 x Taxable income earned in Canada **610** 134,245 / Taxable income 134,245 = **Taxable capital employed in Canada** **690** 29,041,161

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

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

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

Deduct the following amounts:

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

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

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

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

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

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690) . . . . ______ F

Deduct: . . . . 10,000,000 G

Excess (amount F **minus** amount G) (if negative, enter "0") ______ H

Calculation for purposes of the small business deduction (amount H x 0.225%) . . . . ______ I

Enter this amount at line 415 of the T2 return.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Description	Operator (Note)	Amount
Current portion of long-term debt - FS		590,827 00
Long-term debt	+	15,540,781 00
	+	
	Total	16,131,608 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Part 1 – Reserves that have not been deducted in calculating income for the year under Part I

Title Part 1 – Reserves that have not been deducted in calculating income for the

Explanatory note

See Sch13S - Ending Balance

Description	Operator (Note)	Amount
Allowance for Doubtful Accounts - Sch13S		35,000 00
Employee Future Benefits - Sch13S	+	434,474 00
	+	
	Total	469,474 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

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Schedule 50

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- 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 (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) **100**	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "**NR**") **200**	Social insurance number (9 digits) **300**	Trust number (T followed by 8 digits) **350**	Percentage common shares **400**	Percentage preferred shares **500**
1	The Corporation of the Town of Orangeville	106986151RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.
- File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3		485,664			
Total taxable dividends paid in the tax year	100	485,664			
Total eligible dividends paid in the tax year			150	485,664	
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")			160	9,231,306	
Excessive eligible dividend designation (line 150 **minus** line 160)					A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			180		
Subtotal (amount A **minus** line 180)					B
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B **multiplied** by 20 %)			190		

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year **not included** in Schedule 3					
Taxable dividends paid in the tax year **included** in Schedule 3					
Total taxable dividends paid in the tax year	200				
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)					C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *			280		
Subtotal (amount C **minus** line 280)					D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D **multiplied** by 20 %)			290		

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

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Schedule 500

Ontario Corporation Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule if your corporation had a **permanent establishment** (as defined in section 400 of the federal Income Tax Regulations) in Ontario at any time in the tax year and had Ontario taxable income in the year.
- Legislative references are to the federal Income Tax Act and Income Tax Regulations.
- This schedule is a worksheet only and is not required to be filed with your T2 Corporation Income Tax Return.

Part 1 – Ontario basic income tax

Ontario taxable income Note 1	134,245	1A
Ontario basic rate of tax for the year	**11.5** %	1B
Ontario basic income tax (amount 1A **multiplied** by amount 1B) Note 2	15,438	1C

Note 1 If your corporation had a permanent establishment only in Ontario, enter the amount from line 360, from page 3 of the T2 return. Otherwise, enter the taxable income allocated to Ontario from column F in Part 1 of Schedule 5.

Note 2 If your corporation had a permanent establishment in more than one jurisdiction or is claiming an Ontario tax credit in addition to Ontario basic income tax, or Ontario corporate minimum tax or Ontario special additional tax on life insurance corporations payable, enter amount 1C on line 270 of Schedule 5, Tax Calculation Supplementary – Corporations. Otherwise, enter it on line 760 of the T2 return.

Part 2 – Ontario small business deduction (OSBD)

Complete this part if your corporation claimed the federal small business deduction under subsection 125(1).

Line 400 of the T2 return			137,425	2A
Line 405 of the T2 return			134,245	2B
Line 410 of the T2 return	500,000	2C		
Line 415 of the T2 return	70,833	2D		

Amount 2C 500,000 x Amount 2D 70,833 / 11,250 = 3,148,133 2E

Line 515 of the T2 return		2F				
Subtotal (amount 2C **minus** amount 2E **minus** amount 2F)		▶		2G		
Amount 2A, 2B or 2G whichever is the least				▶		2H

Ontario domestic factor (ODF): Taxable income for Ontario Note 3 / Taxable income for all provinces Note 4 = 134,245.00 / 134,245 = 1.00000 2I

Amount 2H **multiplied** by amount 2I		2J		
Ontario taxable income (amount 1A)	134,245	2K		
Ontario small business income (amount 2J or 2K, whichever is less)		▶		2L

Ontario small business deduction for the year

Amount 2L ____ x Number of days in the tax year before January 1, 2020 ____ / Number of days in the tax year 365 x 8 % = ____ 2M

Amount 2L ____ x Number of days in the tax year after December 31, 2019 365 / Number of days in the tax year 365 x 8.3 % = ____ 2N

Ontario small business deduction for the year (amount 2M **plus** amount 2N) ▶ ____ 2O

Enter amount 2O on line 402 of Schedule 5.

Note 3 Enter amount 1A.

Note 4 Includes the territories and the offshore jurisdictions for Nova Scotia and Newfoundland and Labrador.

Part 3 – Ontario adjusted small business income

Complete this part if your corporation was a Canadian-controlled private corporation throughout the tax year and is claiming the Ontario tax credit for manufacturing and processing or the Ontario credit union tax reduction.

Ontario adjusted small business income (amount 1A or 2H, whichever is the least) . . . . ______ 3A

Enter amount 3A at amount 4B in Part 4 of this schedule or at amount 2E in Part 2 of Schedule 502, Ontario Tax Credit for Manufacturing and Processing, whichever applies.

Part 4 – Credit union tax reduction

Complete this part and Schedule 17, Credit Union Deductions, if the corporation was a credit union throughout the tax year.

Amount 2C of Schedule 17 . . . . ______ 4A

Ontario adjusted small business income (amount 3A) . . . . ______ 4B

Subtotal (amount 4A **minus** amount 4B, if negative, enter "0") ______ ► ______ 4C

Amount 4C ______ x $\frac{\text{Number of days in the tax year before January 1, 2020}}{\text{Number of days in the tax year}}$ $\frac{}{365}$ x 8 % = ______ 4D

Amount 4C ______ x $\frac{\text{Number of days in the tax year after December 31, 2019}}{\text{Number of days in the tax year}}$ $\frac{365}{365}$ x 8.3 % = ______ 4E

Total (amount 4D **plus** amount 4E) ______ ► ______ 4F

Ontario domestic factor (amount 2I) 1.00000 4G

Ontario credit union tax reduction (amount 4F **multiplied** by amount 4G) . . . . ______ 4H
Enter amount 4H on line 410 of Schedule 5.

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Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  4) a congregation or business agency to which section 143 of the federal Act applies;
  5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	39,368,461
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	50,000,000
Total assets (total of lines 112 to 116)		89,368,461
Total revenue of the corporation for the tax year **	142	37,802,841
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	100,000,000
Total revenue (total of lines 142 to 146)		137,802,841

The corporation is subject to CMT if:
- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than $5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than $10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than $50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than $100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* **Rules for total assets**
- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** **Rules for total revenue**
- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

Net income/loss per financial statements *			210	747,579
Add (to the extent reflected in income/loss):				
Provision for current income taxes/cost of current income taxes	220			
Provision for deferred income taxes (debits)/cost of future income taxes	222	170,774		
Equity losses from corporations	224			
Financial statement loss from partnerships and joint ventures	226			
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230			
Other additions (see note below):				
Share of adjusted net income of partnerships and joint ventures **	228			
Total patronage dividends received, not already included in net income/loss	232			
281	282			
283	284			
Subtotal		170,774	▶	170,774 A
Deduct (to the extent reflected in income/loss):				
Provision for recovery of current income taxes/benefit of current income taxes	320	41,900		
Provision for deferred income taxes (credits)/benefit of future income taxes	322			
Equity income from corporations	324			
Financial statement income from partnerships and joint ventures	326			
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330			
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332			
Gain on donation of listed security or ecological gift	340			
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342			
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344			
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346			
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348			
Other deductions (see note below):				
Share of adjusted net loss of partnerships and joint ventures **	328			
Tax payable on dividends under subsection 191.1(1) of the federal Act **multiplied** by 3	334			
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336			
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338			
381 Tax movement in regulatory account	382	170,774		
383 Tax reclassification	384	64,130		
385	386			
387	388			
389	390			
Subtotal		276,804	▶	276,804 B
Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)			490	641,549

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

- exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
- include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

* **Rules for net income/loss**

- Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

– Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.

– Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.

– Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.

** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.

*** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.

**** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.

***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)		515	641,549	
Deduct:				
CMT loss available (amount R from Part 7)				
Minus: Adjustment for an acquisition of control *	518			
Adjusted CMT loss available		▶		C
Net income subject to CMT calculation (if negative, enter "0")		520	641,549	

Amount from line 520		Number of days in the tax year before July 1, 2010 / Number of days in the tax year					
641,549	x	/ 365	x	4 % =		1
641,549	x	365 / 365	x	2.7 % =	17,322	2

Subtotal (amount 1 **plus** amount 2) 17,322 3

Gross CMT: amount on line 3 above x OAF **	540	17,322	
Deduct:			
Foreign tax credit for CMT purposes ***	550		
CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0")		17,322	D
Deduct:			
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		15,438	
Net CMT payable (if negative, enter "0")		1,884	E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

** **Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

Ontario taxable income **** / Taxable income ***** =

Ontario allocation factor .... 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were $1,000.

***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *			G		
Deduct:					
CMT credit expired *	600				
CMT credit carryforward at the beginning of the current tax year * (see note below)			▶	620	
Add:					
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)				650	
CMT credit available for the tax year (amount on line 620 **plus** amount on line 650)					H
Deduct:					
CMT credit deducted in the current tax year (amount P from Part 5)					I
Subtotal (amount H **minus** amount I)					J
Add:					
Net CMT payable (amount E from Part 3)		1,884			
SAT payable (amount O from Part 6 of Schedule 512)					
Subtotal		1,884	▶	1,884	K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)				670	1,884 L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)				M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		15,438 1		
For a corporation that is not a life insurance corporation:				
CMT after foreign tax credit deduction (amount D from Part 3)	17,322 2			
For a life insurance corporation:				
Gross CMT (line 540 from Part 3)	3			
Gross SAT (line 460 from Part 6 of Schedule 512)	4			
The **greater** of amounts 3 and 4	5			
Deduct: line 2 or line 5, whichever applies:		17,322 6		
Subtotal (if negative, enter "0")			▶	N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		15,438		
Deduct:				
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)		8,487		
Subtotal (if negative, enter "0")		6,951	▶ 6,951	O
CMT credit deducted in the current tax year (least of amounts M, N, and O)				P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? **675** 1 Yes ☐ 2 No ☒

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year * .... Q

Deduct:

CMT loss expired * 700

CMT loss carryforward at the beginning of the tax year * (see note below) .... ▶ 720

Add:

CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below) 750

CMT loss available (line 720 **plus** line 750) .... R

Deduct:

CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3) ....

Subtotal (if negative, enter "0") S

Add:

Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if **negative**) (enter as a positive amount) 760

CMT loss carryforward balance at the end of the tax year (amount S **plus** line 760) .... 770 T

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line Q or line 700;
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

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SCHEDULE 511

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return*.

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	450 50,000,000	550 100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.
Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter ¨NR¨ if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

* **Rules for total assets**

– Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
– Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

** **Rules for total revenue**

– Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
– If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
– Include the associated corporation's share of the total revenue of partnerships and joint ventures.
– If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.

T2 SCH 511

Canada

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SCHEDULE 550

ONTARIO CO-OPERATIVE EDUCATION TAX CREDIT

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule to claim an Ontario co-operative education tax credit (CETC) under section 88 of the *Taxation Act, 2007* (Ontario).
- The CETC is a refundable tax credit that is equal to an eligible percentage (10% to 30%) of the eligible expenditures incurred by a corporation for a qualifying work placement. The maximum credit amount is $1,000 for each qualifying work placement ending before March 27, 2009, and $3,000 for each qualifying work placement beginning after March 26, 2009. For a qualifying work placement that straddles March 26, 2009, the maximum credit amount is prorated.
- Eligible expenditures are salaries and wages (including taxable benefits) paid or payable to a student in a qualifying work placement, or fees paid or payable to an employment agency for services performed by the student in a qualifying work placement. These expenditures must be paid on account of employment or services, as applicable, at a permanent establishment of the corporation in Ontario. Expenditures for a work placement (WP) are not eligible expenditures if they are greater than the amounts that would be paid to an arm's length employee.
- A WP must meet all of the following conditions to be a qualifying work placement:
  - the student performs employment duties for a corporation under a qualifying co-operative education program (QCEP);
  - the WP has been developed or approved by an eligible educational institution as a suitable learning situation;
  - the terms of the WP require the student to engage in productive work;
  - the WP is for a period of at least 10 consecutive weeks or, in the case of an internship program, not less than 8 consecutive months and not more than 16 consecutive months;
  - the student is paid for the work performed in the WP;
  - the corporation is required to supervise and evaluate the job performance of the student in the WP;
  - the institution monitors the student's performance in the WP; and
  - the institution has certified the WP as a qualifying work placement.
- Make sure you keep a copy of the letter of certification from the Ontario eligible educational institution containing the name of the student, the employer, the institution, the term of the WP, and the name/discipline of the QCEP to support the claim. Do not submit the letter of certification with the *T2 Corporation Income Tax Return*.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Corporate information

110 Name of person to contact for more information: Amy Long

120 Telephone number including area code: (519) 942-8000

Is the claim filed for a CETC earned through a partnership?* . . . . . **150** 1 Yes [ ] 2 No [X]

If you answered **yes** to the question at line 150, what is the name of the partnership? . . . . . **160** ____________

Enter the percentage of the partnership's CETC allocated to the corporation . . . . . **170** ______ %

* When a corporate member of a partnership is claiming an amount for eligible expenditures incurred by a partnership, complete a Schedule 550 for the partnership as if the partnership were a corporation. Each corporate partner, other than a limited partner, should file a separate Schedule 550 to claim the partner's share of the partnership's CETC. The allocated amounts can not exceed the amount of the partnership's CETC.

Part 2 – Eligibility

1. Did the corporation have a permanent establishment in Ontario in the tax year? . . . . . **200** 1 Yes [X] 2 No [ ]
2. Was the corporation exempt from tax under Part III of the *Taxation Act*, 2007 (Ontario)? . . . . . **210** 1 Yes [ ] 2 No [X]

If you answered **no** to question 1 or **yes** to question 2, then the corporation is **not eligible** for the CETC.

Part 3 – Eligible percentage for determining the eligible amount

Corporation's salaries and wages paid in the previous tax year * **300** 2,238,009

For eligible expenditures incurred before March 27, 2009:

– If line 300 is $400,000 or less, enter 15% on line 310.
– If line 300 is $600,000 or more, enter 10% on line 310.
– If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 310 using the following formula:

$$\text{Eligible percentage} = 15\,\% - \left[5\,\% \times \left(\frac{\text{amount on line 300} \quad \textbf{minus} \quad \$ \quad 400{,}000}{\$ \quad 200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . **310** 10.000 %

For eligible expenditures incurred after March 26, 2009:

– If line 300 is $400,000 or less, enter 30% on line 312.
– If line 300 is $600,000 or more, enter 25% on line 312.
– If line 300 is more than $400,000 and less than $600,000, enter the percentage on line 312 using the following formula:

$$\text{Eligible percentage} = 30\,\% - \left[5\,\% \times \left(\frac{\text{amount on line 300} \quad \textbf{minus} \quad \$ \quad 400{,}000}{\$ \quad 200{,}000} \right) \right]$$

Eligible percentage for determining the eligible amount . . . . **312** 25.000 %

* If this is the first tax year of an amalgamated corporation and subsection 88(9) of the *Taxation Act, 2007* (Ontario) applies, enter the salaries and wages paid in the previous tax year by the predecessor corporations.

Part 4 – Calculation of the Ontario co-operative education tax credit

Complete a separate entry for each student for each qualifying work placement that ended in the corporation's tax year. If a qualifying work placement would otherwise exceed four consecutive months, divide the WP into periods of four consecutive months and enter each full period of four consecutive months as a separate WP. If the WP does not divide equally into four-month periods and if the period that is less than 4 months is 10 or more consecutive weeks, then enter that period as a separate WP. If that period is less than 10 consecutive weeks, then include it with the WP for the last period of 4 consecutive months. Consecutive WPs with two or more associated corporations are deemed to be with only one corporation, as designated by the corporations.

	A Name of university, college, or other eligible educational institution **400**	B Name of qualifying co-operative education program **405**
1.	Conestoga College	Powerline Technician (0736C) program
2.	Conestoga College	Powerline Technician (0736C) program
3.	The University of Guelph	Management Economics & Finance
4.		

	C Name of student **410**	D Start date of WP (see note 1 below) **430**	E End date of WP (see note 2 below) **435**
1.	Curtis Green	2022-05-01	2022-08-31
2.	Mitchell Rahn	2022-01-01	2022-04-30
3.	Mathias Nixon	2022-05-01	2022-08-08
4.			

Note 1: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the start date for the separate WP.

Note 2: When the WP has been divided into separate periods because it exceeds four consecutive months, enter the end date for the separate WP.

Part 4 – Calculation of the Ontario co-operative education tax credit (continued)

	F1 Eligible expenditures before March 27, 2009 (see note 1 below) 450	Eligible percentage before March 27, 2009 (from line 310 in Part 3)	F2 Eligible expenditures after March 26, 2009 (see note 1 below) 452	Eligible percentage after March 26, 2009 (from line 310a in Part 3)	X Number of consecutive weeks of the WP completed by the student before March 27, 2009 (see note 3 below)	Y Total number of consecutive weeks of the student's WP (see note 3 below)
1.		10.000 %	12,944	25.000 %		17
2.		10.000 %	11,981	25.000 %		17
3.		10.000 %	9,968	25.000 %		14
4.		10.000 %		25.000 %		

	G Eligible amount (eligible expenditures **multiplied** by eligible percentage) (see note 2 below) 460	H Maximum CETC per WP (see note 3 below) 462	I CETC on eligible expenditures (column G or H, whichever is less) 470	J CETC on repayment of government assistance (see note 4 below) 480	K CETC for each WP (column I or column J) 490
1.	3,236	3,000	3,000		3,000
2.	2,995	3,000	2,995		2,995
3.	2,492	3,000	2,492		2,492
4.					

Ontario co-operative education tax credit (total of amounts in column K) 500 8,487 L

or, if the corporation answered **yes** at line 150 in Part 1, determine the partner's share of amount L:

Amount L ________ x percentage on line 170 in Part 1 ________ % = ... M

Enter amount L or M, whichever applies, on line 452 of Schedule 5, *Tax Calculation Supplementary – Corporations*. If you are filing more than one Schedule 550, add the amounts from line L or M, whichever applies, on all the schedules and enter the total amount on line 452 of Schedule 5.

Note 1: Reduce eligible expenditures by all government assistance, as defined under subsection 88(21) of the *Taxation Act, 2007* (Ontario), that the corporation has received, is entitled to receive, or may reasonably expect to receive, for the eligible expenditures, on or before the filing due date of the *T2 Corporation Income Tax Return* for the tax year.

Note 2: Calculate the eligible amount (Column G) using the following formula:

Column G = (column F1 x percentage on line 310) + (column F2 x percentage on line 312)

Note 3: If the WP ends before March 27, 2009, the maximum credit amount for the WP is $1,000.
If the WP begins after March 26, 2009, the maximum credit amount for the WP is $3,000.
If the WP begins before March 27, 2009, and ends after March 26, 2009, calculate the maximum credit amount using the following formula:

($1,000 x X/Y) + [$3,000 x (Y – X)/Y]

where "X" is the number of consecutive weeks of the WP completed by the student before March 27, 2009, and "Y" is the total number of consecutive weeks of the student's WP.

Note 4: When claiming a CETC for repayment of government assistance, complete a **separate entry** for each repayment and complete columns A to E and J and K with the details for the previous year WP in which the government assistance was received.
Include the amount of government assistance repaid in the tax year multiplied by the eligible percentage for the tax year in which the government assistance was received, to the extent that the government assistance reduced the CETC in that tax year.

Canada Revenue Agency Agence du revenu du Canada

Information Return for Corporations Filing Electronically

- **Do not send this form to the Canada Revenue Agency (CRA) unless we ask for it. We will not keep or return this form.**
- Complete this return for every initial and amended T2 Corporation Income Tax Return electronically filed with the CRA on your behalf.
- By completing Part 2 and signing Part 3, you acknowledge that, under the federal Income Tax Act, you have to keep all records used to prepare your T2 Corporation Income Tax Return, and provide this information to us on request.
- Part 4 must be completed by either you or the electronic transmitter of your T2 Corporation Income Tax Return.
- Give the signed original of this return to the transmitter and keep a copy in your own records for six years.
- We are responsible for ensuring the confidentiality of your electronically filed tax information only after we have accepted your return.

Part 1 – Identification

Corporation's name	Business number
Orangeville Hydro Limited	86463 9562 RC0002

Tax year start (Year Month Day): 2022-01-01

Tax year-end (Year Month Day): 2022-12-31

Is this an amended return? ☐ Yes ☒ No

Get your CRA mail electronically delivered in My Business Account at **canada.ca/my-cra-business-account** (optional)

Email address: ______________________

I understand that by providing an email address, I am **registering** the corporation to receive email notifications from the CRA. I understand and agree that all notices and other correspondence eligible for electronic delivery will no longer be printed and mailed. The CRA will notify the corporation at this email address when they are available in My Business Account and requiring immediate attention. They will be presumed to have been received on the date that the email is sent. For more information, see **canada.ca/cra-business-email-notifications**.

Part 2 – Declaration

Enter the following amounts, if applicable, from the T2 return for the tax year noted above:

Net income or loss for income tax purposes from Schedule 1, financial statements, or General Index of Financial Information (GIFI) (line 300)	137,425
Part I tax payable (line 700)	
Part III.1 tax payable (line 710)	
Part IV tax payable (line 712)	
Part IV.1 tax payable (line 716)	
Part VI tax payable (line 720)	
Part VI.1 tax payable (line 724)	
Part XIV tax payable (line 728)	
Net provincial and territorial tax payable (line 760)	

Part 3 – Certification and authorization

I, Long (Last name), Amy (First name), CFO (Position, office, or rank),

am an authorized signing officer of the corporation. I certify that I have examined the T2 Corporation Income Tax Return, including accompanying schedules and statements, and that the information given on the T2 return and this T183 Corp information return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

I authorize the transmitter identified in Part 4 to electronically file the T2 Corporation Income Tax Return identified in Part 1. The transmitter can also modify the information originally filed in response to any errors Canada Revenue Agency identifies. This authorization expires when the Minister of National Revenue accepts the electronic return as filed.

Date (yyyy/mm/dd)	Signature of an authorized signing officer of the corporation	Telephone number
		(519) 942-8000

The CRA will accept an electronic signature if it is applied in accordance with the guidance specified by the CRA.

Part 4 – Transmitter identification

The following transmitter has electronically filed the tax return of the corporation identified in Part 1.

Name of person or firm	Electronic filer number
KPMG LLP	G1829

Privacy notice

Personal information is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 and CRA PPU 211 on Info Source at **canada.ca/cra-info-source**.

200

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 or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal Income Tax Act and Income Tax Regulations. This return may contain changes that had not yet become law at the time of publication.

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 **canada.ca/taxes** or Guide T4012, T2 Corporation – Income Tax Guide.

Identification

Business number (BN) 001 86463 9562 RC0002

Corporation's name
002 Orangeville Hydro Limited

Address of head office
Has this address changed since the last time the CRA was notified? . . . . 010 Yes [ ] No [X]
If **yes**, complete lines 011 to 018.
011 400 C Line
012
City: 015 Orangeville
Province, territory, or state: 016 ON
Country (other than Canada): 017 CA
Postal or ZIP code: 018 L9W 3Z8

Mailing address (if different from head office address)
Has this address changed since the last time the CRA was notified? . . . . 020 Yes [ ] No [X]
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 or ZIP code: 028

Location of books and records (if different from head office address)
Has this address changed since the last time the CRA was notified? . . . . 030 Yes [ ] No [X]
If **yes**, complete lines 031 to 038.
031 400 C Line
032
City: 035 Orangeville
Province, territory, or state: 036 ON
Country (other than Canada): 037 CA
Postal or ZIP code: 038 L9W 3Z8

040 **Type of corporation at the end of the tax year** (tick one)
[X] 1 Canadian-controlled private corporation (CCPC)
[ ] 2 Other private corporation
[ ] 3 Public corporation
[ ] 4 Corporation controlled by a public corporation
[ ] 5 Other corporation (specify)

If the type of corporation changed during the tax year, provide the effective date of the change . . . . 043 Year Month Day

To which tax year does this return apply?
Tax year start (Year Month Day): 060 2022-01-01
Tax year-end (Year Month Day): 061 2022-12-31

Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? . . . . 063 Yes [ ] No [X]
If **yes**, provide the date control was acquired . . . . 065 Year Month Day

Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? . . . . 066 Yes [ ] No [X]

Is the corporation a professional corporation that is a member of a partnership? . . . . 067 Yes [ ] No [X]

Is this the first year of filing after:
Incorporation? . . . . 070 Yes [ ] No [X]
Amalgamation? . . . . 071 Yes [ ] No [X]
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 Yes [ ] No [X]
If **yes**, complete and attach Schedule 24.

Is this the final tax year before amalgamation? . . . . 076 Yes [ ] No [X]

Is this the final return up to dissolution? . . . . 078 Yes [ ] No [X]

If an election was made under section 261, state the functional currency used 079

Is the corporation a resident of Canada? 080 Yes [X] 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 Yes [ ] No [X]
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)
[X] 4 Exempt under other paragraphs of section 149

Do not use this area
095 096 898

Attachments

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

		Yes	Schedule
Is the corporation related to any other corporations?	150	X	9
Is the corporation an associated CCPC?	160	X	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	161		49
Does the corporation have any non-resident shareholders who own voting shares?	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?	166		T5004
Is the corporation a member of a partnership for which a partnership account 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 (without reference to section 94)?	168		22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	169		25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the Income Tax Regulations?	170		29
Did the corporation have a total amount over CAN$1 million of reportable transactions with non-arm's length non-residents?	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		
Does the corporation earn income from one or more Internet web pages or websites?	180		88
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 of cultural or ecological property; or gifts of medicine?	202	X	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	203	X	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 a CCPC and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), f) aggregate investment income as defined in subsection 129(4), or g) an amount assigned to it under subsection 125(3.2) or 125(8); or ii) Is the corporation a member of a partnership and assigning its specified partnership business limit to a designated member under subsection 125(8)?	207		7
Does the corporation have any property that is eligible for capital cost allowance?	208	X	8
Does the corporation have any resource-related deductions?	212		12
Is the corporation claiming deductible reserves?	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 a provincial credit union tax reduction?	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, provincial, or territorial foreign tax credits, or any federal 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	X	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over $10,000,000?	234	X	
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
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?	253		T1131
Is the corporation claiming a film or video production services tax credit?	254		T1177
Is the corporation claiming a Canadian journalism labour tax credit?	272		58
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)

		Yes	Schedule
Did the corporation have any foreign affiliates in the tax year?	271		T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN$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	X	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
Is the corporation claiming a return of fuel charge proceeds to farmers tax credit?	273		63
Are you an employer reporting a non-qualified security agreement under subsection 110(1.9)?	274		59
Is the corporation claiming an air quality improvement tax credit?	275		65
Is the corporation subject to the additional 1.5% tax on banks and life insurers?	276		68

Additional information

		Yes	No
Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements?	270	X	
Is the corporation inactive?	280		X

What is the corporation's main revenue-generating business activity? 221122 Electric Power Distribution

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

284	Hydro distribution	285	100.000 %
286		287	%
288		289	%

		Yes	No
Did the corporation immigrate to Canada during the tax year?	291		X
Did the corporation emigrate from Canada during the tax year?	292		X
Do you want to be considered as a quarterly instalment remitter if you are eligible?	293		

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 Year Month Day

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? 295 Yes ☐ No ☐

Taxable income

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFI	300		137,425	A
Deduct:				
Charitable donations from Schedule 2	311	3,180		
Cultural gifts from Schedule 2	313			
Ecological gifts from Schedule 2	314			
Gifts of medicine made before March 22, 2017, 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			
Employer deduction for non-qualified securities	352			
Subtotal		3,180	3,180	B
Subtotal (amount A **minus** amount B) (if negative, enter "0")			134,245	C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions	355			D
Taxable income (amount C **plus** amount D)	360		134,245	
Taxable income for the year from a personal services business				Z.1

* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

Small business deduction

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

Income eligible for the small business deduction from Schedule 7	400	137,425	A
Taxable income from line 360 on page 3, **minus** 100/28 (3.57143) of the amount on line 632* on page 8, **minus** 4 times the amount on line 636** on page 8, and **minus** any amount that, because of federal law, is exempt from Part I tax	405		B
Business limit (see notes 1 and 2 below)	410	500,000	C

Notes:

1. For CCPCs that are not associated, enter $ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount 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

Taxable capital business limit reduction for tax years starting before April 7, 2022

Amount C 500,000 x **415** *** 70,833 D / 11,250 = 3,148,133 E1

Taxable capital business limit reduction for tax years starting after April 6, 2022

Amount C 500,000 x **415** *** 70,833 D / 90,000 = E2

Amount E1 or amount E2, whichever applies 3,148,133 ► 3,148,133 E3

Passive income business limit reduction

Adjusted aggregate investment income from Schedule 7 **** **417** 15,000,000 – 50,000 = 14,950,000 F

Amount C 500,000 / 100,000 x Amount F 14,950,000 = 74,750,000 G

The greater of amount E3 and amount G **422** 74,750,000 H

Reduced business limit (amount C **minus** amount H) (if negative, enter "0")	426		I
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)			J
Reduced business limit after assignment (amount I **minus** amount J)	428		K
Small business deduction – Amount A, B, C, or K, whichever is the least ____ x 19 % =	430		

Enter amount from line 430 at amount K on page 8.

* 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 corporation tax reductions under section 123.4.

*** **Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on 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 on 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.

**** Enter the total adjusted aggregate investment income of the corporation and all associated corporations for each tax year that ended in the preceding calendar year. Each corporation with such income has to file a Schedule 7. For a corporation's first tax year that starts after 2018, this amount is reported at line 744 of the corresponding Schedule 7. Otherwise, this amount is the total of all amounts reported at line 745 of the corresponding Schedule 7 of the corporation for each tax year that ended in the preceding calendar year.

Small business deduction (continued)

Specified corporate income and assignment under subsection 125(3.2)

	L1 Name of corporation receiving the income and assigned amount	L Business number of the corporation receiving the assigned amount 490	M Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column L [3] 500	N Business limit assigned to corporation identified in column L [4] 505
1.				
			Total 510	Total 515

Notes:

3. This amount is [as defined in subsection 125(7) **specified corporate income** (a)(i)] the total of all amounts each of which is income (other than specified farming or fishing income of the corporation for the year) from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if
   (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and
   (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to
   (I) persons (other than the private corporation) with which the corporation deals at arm's length, or
   (II) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.
4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column M in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 426.

General tax reduction for Canadian-controlled private corporations

Canadian-controlled private corporations throughout the tax year

Taxable income from line 360 on page 3			A
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		B	
Amount 13K from Part 13 of Schedule 27		C	
Personal services business income	432	D	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least		E	
Aggregate investment income from line 440 on page 6*		F	
Subtotal (**add** amounts B to F)		▶	G
Amount A **minus** amount G (if negative, enter "0")			H
General tax reduction for Canadian-controlled private corporations – Amount H **multiplied** by 13 %			I

Enter amount I on line 638 on page 8.

* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.

General tax reduction

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from line 360 on page 3			J
Lesser of amounts 9B and 9H from Part 9 of Schedule 27		K	
Amount 13K from Part 13 of Schedule 27		L	
Personal services business income	434	M	
Subtotal (**add** amounts K to M)		▶	N
Amount J **minus** amount N (if negative, enter "0")			O
General tax reduction – Amount O **multiplied** by 13 %			P

Enter amount P on line 639 on page 8.

Refundable portion of Part I tax

Canadian-controlled private corporations throughout the tax year

Aggregate investment income from Schedule 7 . . . . **440**		x 30 2 / 3 % =			A
Foreign non-business income tax credit from line 632 on page 8				B	
Foreign investment income from Schedule 7 . . . . **445**		x 8 % =		C	
Subtotal (amount B **minus** amount C) (if negative, enter "0")				▶	D
Amount A **minus** amount D (if negative, enter "0")					E
Taxable income from line 360 on page 3			134,245	F	
Amount from line 400, 405, 410, or 428 on page 4, whichever is the least		G			
Foreign non-business income tax credit from line 632 on page 8	x 75 / 29 =	H			
Foreign business income tax credit from line 636 on page 8 . .	x 4 =	I			
Subtotal (**add** amounts G to I)		▶		J	
Subtotal (amount F **minus** amount J)			134,245	K x 30 2 / 3 % =	41,168 L
Part I tax payable minus investment tax credit refund (line 700 **minus** line 780 from page 9)					M
Refundable portion of Part I tax – Amount E, L, or M, whichever is the least **450**					N

Refundable dividend tax on hand

Refundable dividend tax on hand (RDTOH) at the end of the previous tax year	460				
Dividend refund for the previous tax year	465				
Net RDTOH transferred on an amalgamation or the wind-up of a subsidiary	480				
Subtotal (line 460 **minus** line 465 **plus** line 480)					A
General rate income pool (GRIP) at the end of the previous tax year (from line 100 of Schedule 53)					B
Total eligible dividends paid in the previous tax year (from line 300 of Schedule 53)			C		
Total excessive eligible dividend designation in the previous tax year (from line 310 of Schedule 53)			D		
Subtotal (amount C **minus** amount D) (if negative, enter "0")			▶		E
Net GRIP at the end of the previous tax year (amount B **minus** amount E) (if negative, enter "0")			F		
GRIP transferred on an amalgamation or the wind-up of a subsidiary (total of lines 230 and 240 of Schedule 53)			G		
Subtotal (amount F **plus** amount G)			▶		H
Amount H **multiplied** by 38 1 / 3 %					I
Eligible refundable dividend tax on hand (ERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A or I, whichever is less, otherwise, use line 530 of the preceding tax year)			520		J
Non-eligible refundable dividend tax on hand (NERDTOH) at the end of the previous tax year (for the first tax year starting after 2018, amount A **minus** amount I, otherwise, use line 545 of the preceding tax year) (if negative, enter "0")			535		K
Part IV tax payable on taxable dividends from connected corporations (amount 2G from Schedule 3)			L		
Part IV tax payable on eligible dividends from non-connected corporations (amount 2J from Schedule 3)			M		
Subtotal (amount L **plus** amount M)			▶		N
Net ERDTOH transferred on an amalgamation or the wind-up of a subsidiary			525		O
ERDTOH dividend refund for the previous tax year			570		P
Refundable portion of Part I tax (from line 450 on page 6)					Q
Part IV tax before deductions (amount 2A from Schedule 3)			R		
Part IV tax allocated to ERDTOH (amount N)			S		
Part IV tax reduction due to Part IV.1 tax payable (amount 4D of Schedule 43)			T		
Subtotal (amount R **minus** total of amounts S and T)			▶		U
Net NERDTOH transferred on an amalgamation or the wind-up of a subsidiary			540		V
NERDTOH dividend refund for the previous tax year			575		W
38 1/3% of the total losses applied against Part IV tax (amount 2D from Schedule 3)					X
Part IV tax payable allocated to NERDTOH, net of losses claimed (amount U **minus** amount X) (if negative enter "0")					Y
NERDTOH at the end of the tax year (total of amounts K, Q, V, and Y **minus** amount W) (if negative, enter "0")			545		
Part IV tax payable allocated to ERDTOH, net of losses claimed (amount N **minus** the amount, if any, by which amount X exceeds amount U) (if negative, enter "0")					Z
ERDTOH at the end of the tax year (total of amounts J, O, and Z **minus** amount P) (if negative, enter "0")			530		

Dividend refund

38 1/3% of total eligible dividends paid in the tax year (amount 3A from Schedule 3)		AA
ERDTOH balance at the end of the tax year (line 530)		BB
Eligible dividend refund (amount AA or BB, whichever is less)		CC
38 1/3% of total non-eligible taxable dividends paid in the tax year (amount 3B from Schedule 3)	186,171	DD
NERDTOH balance at the end of the tax year (line 545)		EE
Non-eligible dividend refund (amount DD or EE, whichever is less)		FF
Amount DD **minus** amount EE (if negative, enter "0")	186,171	GG
Amount BB **minus** amount CC (if negative, enter "0")		HH
Additional non-eligible dividend refund (amount GG or HH, whichever is less)		II
Dividend refund – Amount CC **plus** amount FF **plus** amount II		JJ

Enter amount JJ on line 784 on page 9.

Part I tax

Base amount Part I tax – Taxable income (from line 360 on page 3) **multiplied** by 38 % . . . . 550 ________ A

Additional tax on personal services business income (section 123.5)

Taxable income from a personal services business . . . . 555 ________ x 5 % = 560 ________ B

Additional tax on banks and life insurers from Schedule 68 . . . . 565 ________ C

Recapture of investment tax credit from Schedule 31 . . . . 602 ________ D

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 on page 6 . . . . ________ E

Taxable income from line 360 on page 3 . . . . ________ F

Deduct:

Amount from line 400, 405, 410, or 428 on page 4, whichever is the least . . . . ________ G

Net amount (amount F **minus** amount G) ________ ▶ ________ H

Refundable tax on CCPC's investment income – 10 2 / 3 % of whichever is less: amount E or amount H . . . . 604 ________ I

Subtotal (**add** amounts A, B, C, D, and I) ________ J

Deduct:

Small business deduction from line 430 on page 4 . . . . ________ K

Federal tax abatement . . . . 608 ________

Manufacturing and processing profits deduction and zero-emission technology manufacturing deduction from Schedule 27 . . . . 616 ________

Investment corporation deduction . . . . 620 ________

Taxed capital gains 624 ________

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

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

General tax reduction for CCPCs from amount I on page 5 . . . . 638 ________

General tax reduction from amount P on page 5 . . . . 639 ________

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

Eligible Canadian bank deduction under section 125.21 . . . . 641 ________

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

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

Subtotal ________ ▶ ________ L

Part I tax payable – Amount J **minus** amount L . . . . ________ M

Enter amount M on line 700 on page 9.

Privacy notice

Personal information (including the SIN) is collected to administer or enforce the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for the purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in paying interest or penalties, or in other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Information about Programs and Information Holdings at canada.ca/cra-information-about-programs.

Summary of tax and credits

Federal tax

Part I tax payable from amount M on page 8	700	
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 VI.2 tax payable from Schedule 67	725	
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 ON
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)

Net provincial or territorial tax payable (except Quebec and Alberta) 760

Total tax payable 770 A

Deduct other credits:

Investment tax credit refund from Schedule 31	780	
Dividend refund from amount JJ on page 7	784	
Federal capital gains refund from Schedule 18	788	
Federal qualifying environmental trust tax credit refund	792	
Return of fuel charge proceeds to farmers tax credit from Schedule 63	795	
Canadian film or video production tax credit (Form T1131)	796	
Film or video production services tax credit (Form T1177)	797	
Canadian journalism labour tax credit from Schedule 58	798	
Air quality improvement tax credit from Schedule 65	799	
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

Balance (amount A **minus** amount B)

If the result is negative, you have **a refund**. If the result is positive, you have a **balance owing**.
Enter the amount below on whichever line applies.

Generally, the CRA does not charge or refund a difference of $2 or less.

Refund code 894 1 Refund Balance owing

For information on how to enrol for direct deposit, go to **canada.ca/cra-direct-deposit**.

For information on how to make your payment, go to **canada.ca/payments**.

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 Yes ☐ No ☒

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 G1829

Certification

I, 950 Long (Last name) 951 Amy (First name) 954 CFO (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 also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2023-05-31 Date (yyyy/mm/dd) ______ Signature of the authorized signing officer of the corporation 956 (519) 942-8000 Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below 957 Yes ☒ No ☐

958 ______ Name of other authorized person 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

SCHEDULE 100

Form identifier 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

Balance sheet information

Account	Description	GIFI		Current year	Prior year
	Assets				
	Total current assets	1599	+	10,064,721	8,163,738
	Total tangible capital assets	2008	+	32,303,299	29,427,839
	Total accumulated amortization of tangible capital assets	2009	–	7,710,685	6,684,735
	Total intangible capital assets	2178	+	411,180	428,971
	Total accumulated amortization of intangible capital assets	2179	–	205,554	219,549
	Total long-term assets	2589	+	4,505,500	3,932,687
	* Assets held in trust	2590	+		
	Total assets (mandatory field)	2599	=	39,368,461	35,048,951
	Liabilities				
	Total current liabilities	3139	+	7,309,611	10,440,158
	Total long-term liabilities	3450	+	19,465,491	12,277,349
	* Subordinated debt	3460	+		
	* Amounts held in trust	3470	+		
	Total liabilities (mandatory field)	3499	=	26,775,102	22,717,507
	Shareholder equity				
	Total shareholder equity (mandatory field)	3620	+	12,593,359	12,331,444
	Total liabilities and shareholder equity	3640	=	39,368,461	35,048,951
	Retained earnings				
	Retained earnings/deficit – end (mandatory field)	3849	=	4,317,609	4,055,694

* Generic item

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 125

Form identifier 125

GENERAL INDEX OF FINANCIAL INFORMATION – GIFI

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

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	+	37,514,335	36,202,611
	Cost of sales	8518	–	32,063,987	30,596,804
	Gross profit/loss	8519	=	5,450,348	5,605,807
	Cost of sales	8518	+	32,063,987	30,596,804
	Total operating expenses	9367	+	5,225,959	4,804,504
	Total expenses (mandatory field)	9368	=	37,289,946	35,401,308
	Total revenue (mandatory field)	8299	+	37,802,841	36,500,402
	Total expenses (mandatory field)	9368	–	37,289,946	35,401,308
	Net non-farming income	9369	=	512,895	1,099,094
	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	=	512,895	1,099,094
	Total – other comprehensive income	9998	=		-62,364
	Extraordinary items and income (linked to Schedule 140)				
	Extraordinary item(s)	9975	–		
	Legal settlements	9976	–		
	Unrealized gains/losses	9980	+		
	Unusual items	9985	–	-363,558	-181,357
	Current income taxes	9990	–	-41,900	185,002
	Future (deferred) income tax provision	9995	–	170,774	124,121
	Total – Other comprehensive income	9998	+		-62,364
	Net income/loss after taxes and extraordinary items (mandatory field)	9999	=	747,579	908,964

Canada Revenue Agency / Agence du revenu du Canada

Schedule 141

Notes Checklist

Corporation's name	Business number	Tax Year End Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Fill out this schedule to identify who prepared or reported on the financial statements, the extent of their involvement and to identify the type of information contained in the notes to the financial statements. If the person preparing the tax return is not the person referred to above, they must still complete Parts 1, 2, 3, 4 and 5, as applicable.
- For more information, see Guide RC4088, General Index of Financial Information (GIFI) and T4012, T2 Corporation – Income Tax Guide.
- Complete this schedule and include it with your T2 return along with the other GIFI schedules.

Part 1 – Information on the person who prepared or reported on the financial statements

Were financial statements prepared? . . . . . **111** Yes [X] No [ ]

If you answered **no**, go to part 5.

Does the person who prepared or reported on the financial statements have an accounting professional designation? . . . . . **095** Yes [X] No [ ]

Is that person connected* with the corporation? . . . . . **097** Yes [ ] No [X]

Note: If that person does not have an accounting professional designation or is connected with the corporation, go to part 4.

* 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.

Part 2 – Type of involvement with the financial statements

Choose the option that represents the highest level of involvement of the person referred to in part 1: **198**

- Completed an auditor's report . . . . . [X] 1
- Completed a review engagement report . . . . . [ ] 2
- Conducted a compilation engagement . . . . . [ ] 3
- Other . . . . . [ ] 4

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 person referred to in part 1 expressed a reservation? . . . . . **099** Yes [ ] No [X]

Part 4 – Other information

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

If **yes**, complete lines 104 to 107 below:

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

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

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

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

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

Part 4 – Other information (continued)

Impairment and fair value changes

In any of the following assets, was an amount recognized in net income or other comprehensive income (OCI) as a result of an impairment loss in the tax year, a reversal of an impairment loss recognized in a previous tax year, or a change in fair value during the tax year? . . . . . 200 Yes [ ] No [X]

If **yes**, enter the amount recognized:

		In net income Increase (decrease)		In OCI Increase (decrease)
Property, plant, and equipment	210		211	
Intangible assets	215		216	
Investment property	220			
Biological assets	225			
Financial instruments	230		231	
Other	235		236	

Financial instruments

Did the corporation derecognize any financial instrument(s) during the tax year (other than trade receivables)? . . . . . 250 Yes [ ] No [X]

Did the corporation apply hedge accounting during the tax year? . . . . . 255 Yes [ ] No [X]

Did the corporation discontinue hedge accounting during the tax year? . . . . . 260 Yes [ ] No [X]

Adjustments to opening equity

Was an amount included in the opening balance of retained earnings or equity, in order to correct an error, to recognize a change in accounting policy, or to adopt a new accounting standard in the current tax year? . . . . . 265 Yes [ ] No [X]

If **yes**, you have to maintain a separate reconciliation.

Part 5 – Information on the person who prepared the information return

If the person that prepared the information return has an accounting professional designation but is not the person associated with the financial statements in part 1 above, choose one of the following options, if applicable: 110

Financial statements provided by client . . . . . [X] 1

Prepared the information return and the financial information contained therein . . . . . [ ] 2

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

General Index of Financial Information

Notes to the financial statements

Election Under section 1101(5b.1)
Pursuant to Regulation 1101(5b.1) the taxpayer elects to include in a separate class the cost of building additions in accordance with Regulation 1100(a.2) which at least 90% of the space is used for non-residential use.
ORANGEVILLE HYDRO LIMITED
Notes to Financial Statements
Year ended December 31, 2022
Reporting entity:
Orangeville Hydro Limited (the "Corporation") is a rate regulated, municipally owned hydro
distribution company incorporated under the laws of Ontario, Canada. The address of the
Corporation's registered office is 400 C Line, Orangeville, Ontario.
The Corporation delivers electricity and related energy services to residential and commercial
customers in the Town of Orangeville and Town of Grand Valley. The Corporation is owned by theTown of Orangeville and Town of Grand Valley.
The financial statements are for the Corporation as at and for the year ended December 31, 2022.1. Basis of presentation:
(a) Statement of compliance:
The Corporation's financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS").
The financial statements were approved by the Board of Directors on April 20, 2023.(b) Basis of measurement:
These financial statements have been prepared on the historical cost basis, unlessotherwise stated.
(c) Functional and presentation currency:
These financial statements are presented in Canadian dollars, which is the Corporation'sfunctional currency.
(d) Use of estimates and judgments:
The preparation of financial statements in conformity with IFRS requires management to
make judgments, estimates and assumptions that affect the application of accounting
policies and the reported amounts of assets, liabilities, income and expenses anddisclosure of contingent assets and liabilities. Actual results may differ from thoseestimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to
accounting estimates are recognized in the year in which the estimates are revised and inany future years affected.
Information about assumptions and estimation uncertainties that have a significant risk of
resulting in material adjustment is included in the following notes:
(i) Note 2(b) - measurement of unbilled revenue
(ii) Notes 4, 5 - estimation of useful lives of its property, plant and equipment andintangible assets
(iii) Note 7 - recognition and measurement of regulatory balances
(iv) Note 10 - measurement of defined benefit obligations: key actuarial assumptions
(v) Note 16 - recognition and measurement of provisions and contingencies
(e) Rate regulation:
The Corporation is regulated by the Ontario Energy Board ("OEB"), under the authority
granted by the Ontario Energy Board Act, 1998. Among other things, the OEB has the

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Notes to the financial statements

power and responsibility to approve or set rates for the transmission and distribution of
electricity, providing continued rate protection for electricity consumers in Ontario, and
ensuring that transmission and distribution companies fulfill obligations to connect and
service customers. The OEB may also prescribe license requirements and conditions of
service to local distribution companies ("LDCs"), such as the Corporation,
which mayinclude, among other things, record keeping, regulatory accounting principles, separation
of accounts for distinct businesses, and filing and process requirements for rate settingpurposes.
Rate setting
Distribution revenue
For the distribution revenue included in sale of energy, the Corporation files a "Cost of
Service" ("COS") rate application with the OEB every five years where rates are
determined through a review of the forecasted annual amount of operating and
capitalexpenditures, debt and shareholder's equity required to support the Corporation's
business. The Corporation estimates electricity usage and the costs to service each
customer class to determine the appropriate rates to be charged to each customer class.
The COS application is reviewed by the OEB and interveners and rates are approved
based upon this review, including any revisions resulting from that review.
The application is based on the Annual IR Index option to set rates for 2021. The
Corporation was required by the OEB to apply the Annual IR Index method after deferring
its COS rate application for three consecutive years. The Annual IR Index is based on
inflation less the OEB's highest stretch factor assessment of a distributor's efficiency.
As a licensed distributor, the Corporation is responsible for billing customers for electricity
generated by third parties and the related costs of providing electricity service, such as
transmission services and other services provided by third parties. The Corporation is
required, pursuant to regulation, to remit such amounts to these third parties, irrespective
of whether the Corporation ultimately collects these amounts from customers.
The Corporation last filed a COS application in October 2013 for rates effective May 1,
2014 to April 30, 2019. The Corporation received approval for a deferral of a
COSapplication for 2021 rates. The GDP IPI-FDD for 2022 is 3.7%, the Corporation's
productivity factor is nil% and the stretch factor is 0.60%, resulting in a
net adjustment of3.7% to the previous year's rates.
Electricity rates
The OEB sets electricity prices for low-volume consumers once each year based on an

General Index of Financial Information

Notes to the financial statements

estimate of how much it will cost to supply the province with electricity for the next year. All remaining consumers pay the market price for electricity. The Corporation is billed for the cost of the electricity that its customers use and passes this cost on to the customer at costwithout a mark-up.

2. Significant accounting policies:

The accounting policies set out below have been applied consistently in all years presented inthese financial statements.

(a) Financial instruments:

At initial recognition, the Corporation measures its financial assets at fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Subsequent measurement of the financial asset depends on the classification determined on initial recognition. Financial assets are classified as either amortized cost, fair value through other comprehensive income or fair value through profit or loss, depending on its business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. Financial assets are not reclassified subsequent to their initial recognition, unless the Corporation changes its business model for managingfinancial assets.

Financial liabilities are initially measured at fair value, net of transaction costs incurred.

They are subsequently carried at amortized cost using the effective interest rate method; any difference between the proceeds (net of transaction costs) and the redemption value is recognized as an adjustment to interest expense over the period of the borrowings.The Corporation has not entered into derivative instruments.

Hedge accounting has not been used in the preparation of these financial statements.

Cash equivalents include short-term investments with maturities of three months or lesswhen purchased.

(b) Revenue recognition:

Sale and distribution of electricity

The performance obligations for the sale and distribution of electricity are recognized over time using an output method to measure the satisfaction of the performance obligation.

The value of the electricity services transferred to the customer is determined on the basis of cyclical meter readings plus estimated customer usage since the last meter reading date to the end of the year and represents the amount that the Corporation has the right to bill.

Revenue includes the cost of electricity supplied, distribution, and any other regulatory charges. The related cost of power is recorded on the basis of power used.

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

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Notes to the financial statements

For customer billings related to electricity generated by third parties and the related costs of providing electricity service, such as transmission services and other services provided by third parties, the Corporation has determined that it is acting as a principal for these electricity charges and, therefore, has presented electricity revenue on a gross basis.Capital contributions

Developers are required to contribute towards the capital cost of construction of distribution assets in order to provide ongoing service. The developer is not a customer and therefore the contributions are scoped out of IFRS 15 Revenue from Contracts with Customers. Cash contributions, received from developers are recorded as deferred revenue. When an asset other than cash is received as a capital contribution, the asset is initially recognized at its fair value, with a corresponding amount recognized as deferred revenue. The deferred revenue, which represents the Corporation's obligation to continue to provide the customers access to the supply of electricity, is amortized to income on astraight-line basis over the useful life of the related asset.

Certain customers are also required to contribute towards the capital cost of constructionof distribution assets in order to provide ongoing service. These contributions fall within the scope of IFRS 15 Revenue from Contracts with Customers. The contributions arereceived to obtain a connection to the distribution system in order receive ongoing access to electricity. The Corporation has concluded that the performance obligation is the supply of electricity over the life of the relationship with the customer which is satisfied over time as the customer receives and consumes the electricity. Revenue is recognized on astraight-line basis over the useful life of the related asset.

Other revenue

Revenue earned from the provision of services is recognized as the service is rendered.

Government grants and the related performance incentive payments under CDM programs are recognized as revenue in the year when there is reasonable assurance that theprogram conditions have been satisfied and the payment will be received.

(c) Inventory:

Inventory, the majority of which is consumed by the Corporation in the provision of its services, is valued at the lower of cost and net realizable value, with cost being determined on an average cost basis, and includes expenditures incurred in acquiring the materials and supplies and other costs incurred in bringing them to their existing location andcondition.

(d) Property, plant and equipment:

Items of property, plant and equipment ("PP&E") used in rate-regulated activities and

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

General Index of Financial Information

Notes to the financial statements

acquired prior to January 1, 2015 are measured at the deemed cost (carrying value as
elected under IFRS 1) established on the transition date, less accumulated depreciation.
All other items of PP&E are measured at cost, or, where the item is contributed bycustomers, its fair value, less accumulated depreciation.
Cost includes expenditures that are directly attributable to the acquisition of the asset. The
cost of self-constructed assets includes contracted services, materials and transportation
costs, direct labour, overhead costs, borrowing costs and any other costs directly
attributable to bringing the asset to a working condition for its intended use.
Borrowing costs on qualifying assets are capitalized as part of the cost of the asset based
upon the weighted average cost of debt incurred on the Corporation's borrowings.
Qualifying assets are considered to be those that take in excess of 12 months to construct.
When parts of an item of PP&E have different useful lives, they are accounted for asseparate items (major components) of PP&E.
When items of PP&E are retired or otherwise disposed of, a gain or loss on disposal is
determined by comparing the proceeds from disposal, if any, with the carrying amount ofthe item and is included in profit or loss.
Major spare parts and standby equipment are recognized as items of PP&E.
The cost of replacing a part of an item of PP&E is recognized in the net book value of the
item if it is probable that the future economic benefits embodied within the part will flow to
the Corporation and its cost can be measured reliably. In this event, the replaced part of
PP&E is written off, and the related gain or loss is included in profit or loss. The costs of
the day-to-day servicing of PP&E are recognized in profit or loss as incurred.
The need to estimate the decommissioning costs at the end of the useful lives of certain
assets is reviewed periodically. The Corporation has concluded it does not have any legalor constructive obligation to remove PP&E.
Depreciation is calculated to write off the cost of items of PP&E using the straight-line
method over their estimated useful lives, and is generally recognized in profit or loss.
Depreciation methods, useful lives, and residual values are reviewed at each reporting
date and adjusted prospectively if appropriate. Land is not depreciated. Construction-inprogress
assets are not depreciated until the project is complete and the asset is availablefor use.
The estimated useful lives are as follows:
Asset Rate
Buildings 20-60 years
Distribution equipment 15-60 years
Vehicles 8-15 years
Other tools and equipment 10-60 years

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Computer equipment 5 years
(e) Intangible assets:
Intangible assets used in rate-regulated activities and acquired prior to January 1, 2015
are measured at deemed cost (carrying value as elected under IFRS 1) established on the
transition date, less accumulated amortization. All other intangible assets are measured atcost.
Computer software that is acquired or developed by the Corporation after January 1, 2015,
including software that is not integral to the functionality of equipment purchased which has
finite useful lives, is measured at cost less accumulated amortization.
Payments to obtain rights to access land ("land rights") are classified as intangible assets.
These include payments made for easements, right of access and right of use over land
for which the Corporation does not hold title. Land rights are measured at cost.Management has determined that land rights have an indefinite life. Land rights are tested
for impairment when events or circumstances indicate their carrying amount exceeds their
fair value. As at December 31, 2022, management has not identified any events orcircumstances indicating that land rights are impaired.
Amortization is recognized in profit or loss on a straight-line basis over the estimated
useful lives of intangible assets from the date that they are available for use. Amortization
methods and useful lives of all intangible assets are reviewed at each reporting date and
adjusted prospectively if appropriate. The estimated useful lives are:
Asset Rate
Computer software 5 years
(f) Impairment:
(i) Financial assets measured at amortized cost:
A loss allowance for expected credit losses on financial assets measured at amortized
cost is recognized at the reporting date. The loss allowance is measured at an amountequal to the lifetime expected credit losses for the asset.
(ii) Non-financial assets:
The carrying amounts of the Corporation's non-financial assets, other than materials
and supplies and deferred tax assets, are reviewed at each reporting date to determine
whether there is any indication of impairment. If any such indication exists, then theasset's recoverable amount is estimated.
For the purpose of impairment testing, assets are grouped together into the smallest
group of assets that generates cash inflows from continuing use that are largely
independent of the cash inflows of other assets or groups of assets (the "cashgenerating
unit" or "CGU"). The recoverable amount of an asset or CGU is the greater
of its value in use and its fair value less costs to sell. In assessing value in use, the
estimated future cash flows are discounted to their present value using a

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pre-tax
discount rate that reflects current market assessments of the time value of money andthe risks specific to the asset.
An impairment loss is recognized if the carrying amount of an asset or its CGU exceeds
its estimated recoverable amount. Impairment losses are recognized in profit or loss.
An impairment loss is reversed only to the extent that the asset's carrying amount does
not exceed the carrying amount that would have been determined, net of depreciationor amortization, if no impairment loss had been recognized.
(g) Customer deposits:
Customer deposits represent cash deposits from electricity distribution customers and
retailers to guarantee the payment of energy bills. Interest is paid on customer deposits.
Deposits are refundable to customers who demonstrate an acceptable level of credit risk
as determined by the Corporation in accordance with policies set out by the OEB or upontermination of their electricity distribution service.
(h) Provisions:
A provision is recognized if, as a result of a past event, the Corporation has a present legal
or constructive obligation that can be estimated reliably, and it is probable that an outflow
of economic benefits will be required to settle the obligation. Provisions are determined by
discounting the expected future cash flows at a pre-tax rate that reflects current market
assessments of the time value of money and the risks specific to the liability.(i) Regulatory balances:
Regulatory deferral account debit balances represent costs incurred in excess of amounts
billed to the customer at OEB approved rates. Regulatory deferral account credit balances
represent amounts billed to the customer at OEB approved rates in excess of costsincurred by the Corporation.
Regulatory deferral account debit balances are recognized if it is probable that future
billings in an amount at least equal to the deferred cost will result from inclusion of that cost
in allowable costs for rate-making purposes. The offsetting amount is recognized in net
movement in regulatory balances in profit or loss or OCI. When the customer is billed at
rates approved by the OEB for the recovery of the deferred costs, the customer billings are
recognized in revenue. The regulatory deferral debit balance is reduced by the amount of
these customer billings with the offset to net movement in regulatory balances in profit orloss or OCI.
The probability of recovery of the regulatory deferral debit account balances is assessed
annually based upon the likelihood that the OEB will approve the change in rates to
recover the balance. The assessment of likelihood of recovery is based upon

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previous
decisions made by the OEB for similar circumstances, policies or guidelines
issued by the
OEB, etc. Any resulting impairment loss is recognized in profit or loss in
the year incurred.
When the Corporation is required to refund amounts to ratepayers in the
future, the
Corporation recognizes a regulatory deferral account credit balance. The
offsetting amount
is recognized in net movement in regulatory balances in profit or loss or
OCI. The
amounts returned to the customers are recognized as a reduction of revenue.
The
regulatory deferral credit balance is reduced by the amount of these customer
repayments
with the offset to net movement in regulatory balances in profit or loss or
OCI.
(j) Post-employment benefits:
(i) Pension plan
The Corporation provides a pension plan for all its full-time employees
through Ontario
Municipal Employees Retirement System ("OMERS"). OMERS is a multi-employer
pension plan which operates as the Ontario Municipal Employees Retirement Fund
("the Fund"), and provides pensions for employees of Ontario municipalities,
localboards and public utilities. The Fund is a contributory defined benefit
pension plan,
which is financed by equal contributions from participating employers and
employees,
and by the investment earnings of the Fund. To the extent that the Fund finds
itself in
an under-funded position, additional contribution rates may be assessed to
participatingemployers and members.
OMERS is a defined benefit plan. However, as OMERS does not segregate its
pensionasset and liability information by individual employers, there is
insufficient information
available to enable the Corporation to directly account for the plan.
Consequently, the
plan has been accounted for as a defined contribution plan. The Corporation
is notresponsible for any other contractual obligations other than the
contributions.
Obligations for contributions to defined contribution pension plans are
recognized as anemployee benefit expense in profit or loss when they are due.
(ii) Post-employment benefits, other than pension
The Corporation provides some of its retired employees with life insurance
and medicalbenefits beyond those provided by government sponsored plans.
The obligations for these post-employment benefit plans are actuarially
determined by
applying the projected unit credit method and reflect management's best
estimate of
certain underlying assumptions. Remeasurements of the net defined benefit
obligations, including actuarial gains and losses and the return on plan
assets(excluding interest), are recognized immediately in other comprehensive
income.When the benefits of a plan are improved, the portion of the increased
benefit relating
to past service by employees is recognized immediately in profit or loss.
(k) Leased assets:

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At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

For leases and contracts that contain a lease, the Corporation recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentivesreceived.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. Subsequent to initialrecognition, the right-of-use asset is recognized at cost less any accumulated depreciation and any accumulated impairment losses, adjusted for certain remeasurements of thecorresponding lease liability.

The lease liability is initially measured at the present value of lease payments plus the present value of lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, theCorporation's incremental borrowing rate.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Corporation's estimate of the amount expected to be payable under a residual value guarantee, or if the Corporation changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carryingamount of the right-of-use asset has been reduced to zero.

Short-term leases and low value assets

The Corporation has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Corporation recognizes the lease payments associated with these leases asan expense on a straight-line basis over the lease term.

(l) Finance income and finance costs:

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Finance income is recognized as it accrues in profit or loss, using the effective interestmethod. Finance income comprises interest earned on cash.
Finance costs comprise interest expense on borrowings and net interest expense on postemployment
benefits. Finance costs are recognized in profit or loss unless they are capitalized as part of the cost of qualifying assets.
(m) Income taxes:
The income tax expense comprises current and deferred tax. Income tax expense isrecognized in profit or loss except to the extent that it relates to items recognized directly inequity, in which case, it is recognized in equity.
The Corporation is currently exempt from taxes under the Income Tax Act (Canada) and
the Ontario Corporations Tax Act (collectively the "Tax Acts"). Under the Electricity Act,
1998, the Corporation makes payments in lieu of corporate taxes to the Ontario Electricity
Financial Corporation ("OEFC"). These payments are calculated in accordance with the
rules for computing taxable income and taxable capital and other relevant amountscontained in the Tax Acts as modified by the Electricity Act, 1998, and
related regulations.
Prior to October 1, 2001, the Corporation was not subject to income or capital taxes.Payments in lieu of taxes are referred to as income taxes.
Current tax comprises the expected tax payable or receivable on the taxable income or
loss for the year, using tax rates enacted or substantively enacted at the reporting date,and any adjustment to tax payable in respect of previous years.
Deferred tax is recognized in respect of temporary differences between the tax basis of
assets and liabilities and their carrying amounts for accounting purposes. Deferred tax
assets are recognized for unused tax losses, unused tax credits and deductible temporary
differences to the extent that it is probable that future taxable profits will be available
against which they can be used. Deferred tax is measured at the tax rates that are
expected to be applied to temporary differences when they reverse, using tax ratesenacted or substantively enacted, at the reporting date.
3. Accounts receivable:
2022 2021
Trade customer accounts receivable $ 4,024,710 $ 4,131,648
Other receivables 446,496 477,896
Provision uncollectible accounts (35,000) (46,000)
$ 4,436,206 $ 4,563,544
4. Property, plant and equipment:
Land and
buildings
Distribution
equipment
Other fixed
assets
Constructionin-
progress Total
Cost of deemed cost

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Balance at January 1, 2022 $ 2,118,927 $ 25,626,322 $ 1,644,441 $ 38,149 $
29,427,839Additions 38,033 2,845,006 71,155 - 2,954,194
Transfers - 3,084 - (3,084) -
Disposals/ retirements - (60,141) (18,593) - (78,734)
Balance at December 31, 2022 $ 2,156,960 $ 28,414,271 $ 1,697,003 $ 35,065 $
32,303,299
Balance at January 1, 2021 $ 2,113,293 $ 23,572,246 $ 1,667,931 $ 16,472 $
27,369,942Additions 5,634 2,213,609 44,994 - 2,264,237
Transfers - (21,677) - 21,677 -
Disposals/ retirements - (137,856) (68,484) - (206,340)
Balance at December 31, 2021 $ 2,118,927 $ 25,626,322 $ 1,644,441 $ 38,149 $
29,427,839Accumulated depreciation
Balance at January 1, 2022 $ 643,009 $ 5,195,681 $ 846,045 $ - $ 6,684,735
Depreciation 78,196 836,099 141,889 - 1,056,184
Disposals - (19,446) (10,788) - (30,234)
Balance at December 31, 2022 $ 721,205 $ 6,012,334 $ 977,146 $ - $ 7,710,685
Balance at January 1, 2021 $ 558,816 $ 4,469,818 $ 772,129 $ - $ 5,800,763
Depreciation 84,193 777,222 141,375 - 1,002,790
Disposals - (51,359) (67,459) - (118,818)
Balance at December 31, 2021 $ 643,009 $ 5,195,681 $ 846,045 $ - $ 6,684,735
Carrying amounts
At December 31, 2022 $ 1,435,755 $ 22,401,937 $ 719,857 $ 35,065 $ 24,592,614
At December 31, 2021 1,475,918 20,430,641 798,396 38,149 22,743,104
5. Intangible assets:
Computer
software Land rights Total
Cost of deemed cost
Balance at January 1, 2022 $ 289,164 $ 139,807 $ 428,971
Additions 25,735 - 25,735
Disposals (43,526) - (43,526)
Balance at December 31, 2022 $ 271,373 $ 139,807 $ 411,180
Balance at January 1, 2021 $ 404,085 $ 139,807 $ 543,892
Additions 22,675 - 22,675
Disposals (137,596) - (137,596)
Balance at December 31, 2021 $ 289,164 $ 139,807 $ 428,971
Accumulated amortization
Balance at January 1, 2022 $ 219,549 $ - $ 219,549
Amortization 28,794 - 28,794
Disposals (42,789) - (42,789)
Balance at December 31, 2022 $ 205,554 $ - $ 205,554
Balance at January 1, 2021 $ 326,700 $ - $ 326,700
Amortization 29,791 - 29,791
Disposals (136,942) - (136,942)
Balance at December 31, 2021 $ 219,549 $ - $ 219,549
Carrying amounts
At December 31, 2022 $ 65,819 $ 139,807 $ 205,626
At December 31, 2021 69,615 139,807 209,422
6. Income tax expense:
Current tax expense (recovery):
2022 2021
Current tax expense (recovery) $ (41,900) $ 185,002
Deferred tax expense 170,774 124,121
Income tax expense $ 128,874 $ 309,123
Reconciliation of effective tax rate:
2022 2021
Income before taxes $ 512,895 $ 1,099,094

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Statutory income tax rates 26.5 % 26.5 %
Expected tax provision on income at statutory rates $ 135,917 $ 291,260
Increase (decrease) in income taxes resulting from:
Permanent differences 627 938
Other - 7,139
Adjustment for prior years (7,670) 9,786
Income tax expense $ 128,874 $ 309,123
Significant components of the Corporation's deferred tax balances:
2022 2021
Deferred tax assets (liabilities):
Property, plant and equipment $ (536,545) $ (365,074)
Post-employment benefits 115,136 110,897
Other 8,714 12,256
$ (412,695) $ (241,921)
7. Regulatory account balances:
Reconciliation of the carrying amount for each class of regulatory balances:
Regulatory deferral
account debit balances
January 1,
2022 Additions
Recovery/
reversal
December 31,
2022
Remaining
recovery/
reversal years
Retail settlement
variances $ 3,149,419 $ 1,606,387 $ (1,142,650) $ 3,613,156 -
Regulatory transition to
IFRS 165,840 2,811 - 168,651 -
Regulatory variances
disposition 373,502 - (66,557) 306,945 -
Deferred income tax 241,987 172,463 - 414,450 -
Other 1,939 359 - 2,298 -
$ 3,932,687 $ 1,782,020 $ (1,209,207) $ 4,505,500
Regulatory deferral
account debit balances
January 1,
2021 Additions
Recovery/
reversal
December 31,
2021
Remaining
recovery/
reversal years
Retail settlement
variances $ 3,230,412 $ 1,078,548 $ (1,159,541) $ 3,149,419 1
Regulatory transition to
IFRS 165,003 837 - 165,840 -
Regulatory variances
disposition 257,249 116,253 - 373,502 -
Deferred income tax 140,285 101,702 - 241,987 -
Other 88,993 (87,054) - 1,939 1
$ 3,881,942 $ 1,210,286 $ (1,159,541) $ 3,932,687

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7. Regulatory account balances (continued):
Regulatory deferral
account credit
balances
January 1,
2022 Additions
Recovery/
reversal
December 31,
2022
Remaining
recovery/
reversal years
Retail settlement
variances $ (55,560) $ - $ 55,560 $ - -
Change in asset useful
lives 20,093 - - 20,093 -
Other 350,351 89,238 - 439,589 -
$ 314,884 $ 89,238 $ 55,560 $ 459,682
Regulatory deferral
account credit
balances
January 1,
2021 Additions
Recovery/
reversal
December 31,
2021
Remaining
recovery/
reversal years
Retail settlement
variances $ 202,469 $ (189,856) $ (68,173) $ (55,560) 1
Change in asset useful
lives 20,093 - - 20,093 -
Other 260,112 90,239 - 350,351 1
$ 482,674 $ (99,617) $ (68,173) $ 314,884
The regulatory balances are recovered or settled through rates approved by
the OEB which are
determined using estimates of future consumption of electricity by its
customers. Future
consumption is impacted by various factors including the economy and weather.
TheCorporation has received approval from the OEB to establish its regulatory
balances.
Settlement of the Group 1 deferral accounts is done on an annual basis
through application to
the OEB. An application has been approved on an interim basis by the OEB to
recover
$1,231,694 for the Group 1 deferral accounts for the 2022 rate application.
The Corporation
received approval for deferral of a COS application for 2022 rates and is
completing an Annual
IR Index application for 2023 rates. The OEB requires the Corporation to
estimate its income
taxes when it files a COS application to set its rates. As a result, the
Corporation has

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recognized a regulatory deferral account for the amount of deferred taxes that will ultimately be
recovered from/paid back to its customers. This balance will fluctuate as the Corporation'sdeferred tax balance fluctuates.
Regulatory balances attract interest at OEB prescribed rates, which are based on Bankers'
Acceptances three-month rate plus a spread of 25 basis points. In 2022, the rate ranged from0.57% to 3.87%.
8. Accounts payable and accrued liabilities:
2022 2021
Accounts payable - energy purchases $ 2,545,485 $ 2,344,531
Water and sewer charges payable 992,598 984,737
Other 2,796,360 1,587,137
$ 6,334,443 $ 4,916,405
9. Long-term debt:
2022 2021
TD Bank term loan payable, interest at 4.87%, payable
in monthly instalments of $16,642, due 2027 $ 2,080,483 $ 2,372,434
TD Bank term loan payable, interest at 5.07%, payable
in monthly instalments of $13,889, due 2027 2,402,778 2,500,000
TD Bank term loan payable, interest at 3.54%, payable
in monthly instalments of $18,366, due 2024 3,289,652 3,391,640
TD Bank term loan payable, interest at 3.60%, payable
in monthly instalments of $10,118, due 2027 1,679,654 1,739,436
TD Bank term loan payable, interest at 4.20%, payable
in monthly instalments of $10,780, due 2029 1,803,027 1,855,465
TD Bank term loan payable, interest at 2.58%, payable
in monthly instalments of $4,409, due 2025 916,809 946,847
TD Bank term loan payable, interest at 3.62%, payable
in monthly instalments of $5,071, due 2031 972,961 1,000,000
TD Bank term loan payable, interest at 4.92%, payable
in monthly instalments, due 2027 2,986,244 -
16,131,608 13,805,822
Less current portion of long-term debt 590,827 5,140,633
$ 15,540,781 $ 8,665,189
The TD Bank term loans holds as security a general security agreement representing a first
charge on all assets and undertakings of the Corporation and assignment of general liabilityinsurance for the Corporation.
The agreement with respect to the TD Bank term loans contain certain covenants regarding (i)
leverage, (ii) liquidity, (iii) change in status of business, (iv) change in ownership, and (v)limitations on additional debt and encumbrance of assets.
The agreement with TD Bank also contains financial covenants that require the Corporation to
maintain a maximum debt to capital ratio of 0.60 to 1 and a minimum debt service coverage
ratio of 1.20x to be tested and calculated on a quarterly basis. The Corporation is in compliancewith these covenants as at December 31, 2021.
Principal repayments are due as follows:
2023 $ 590,827
2024 3,681,316
2025 512,742
2026 1,321,376
2027 7,687,164
Thereafter 2,338,183

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$ 16,131,608
10. Post-employment benefits:
(a) OMERS pension plan:
The Corporation provides a pension plan for its employees through OMERS. The plan is a
multi-employer, contributory defined pension plan with equal contributions by the employer
and its employees. In 2022, the Corporation made employer contributions of $196,157 to
OMERS (2021 - $188,253), of which has been recognized in profit or loss. The
Corporation estimates that a contribution of $180,599 to OMERS will be made
during thenext fiscal year.
As at December 31, 2022, OMERS had approximately 541,000 members, of whom 18
arecurrent employees of the Corporation. The most recently available OMERS annual report
is for the year ended December 31, 2022, which reported that the plan was 95% funded,
with an unfunded liability of $6.7 billion. This unfunded liability is likely
to result in futurepayments by participating employers and members.
(b) Post-employment benefits other than pension:
The Corporation pays certain medical and life insurance benefits on behalf of some of its
retired employees. The Corporation recognizes these post-employment benefits
in theyear in which employees' services were rendered. The Corporation is recovering its postemployment
benefits in rates based on the expense and remeasurements recognized for
post-employment benefit plans.
Reconciliation of the obligation 2022 2021
Defined benefit obligation, beginning of year $ 418,481 $ 346,292
Included in profit or loss:
Current service cost 18,704 13,459
Interest cost 12,265 13,655
30,969 27,114
Included in OCI
Actuarial losses arising from:
Changes in financial assumptions - 84,849
449,450 458,255
Benefits paid (14,976) (39,774)
$ 434,474 $ 418,481
Actuarial assumptions 2022 2021
Discount (interest) rate 3.00 % 3.00 %
Medical costs 4.40 % 4.40 %
Dental costs 4.70 % 4.70 %
A 1% increase in the assumed discount rate would result in the defined benefit obligation
decreasing by $65,200. A 1% decrease in the assumed discount rate would
result in thedefined benefit obligation increasing by $88,900.
11. Contributions in aid of construction:
2022 2021
Contributions in aid of construction, beginning of year $ 2,322,027 $
2,040,099Contributions in aid of construction received 62,765 349,139
Contributions in aid of construction recognized as other
revenue (66,847) (67,211)
$ 2,317,945 $ 2,322,027
12. Share capital:
2022 2021

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Authorized:
Unlimited number of common shares
Issued:
1,000 common shares $ 8,290,714 $ 8,290,714
13. Revenues:
2022 2021
Collection and other service charges $ 109,846 $ 104,914
Water and sewer billing services 23,856 40,566
Rent 95,173 103,918
Other 83,521 127,902
Total other revenue $ 312,396 $ 377,300
13. Revenues (continued):
In the following table, sale of energy and distribution revenue is disaggregated by type ofcustomer.
2022 2021
Residential $ 16,093,291 $ 16,115,251
Commercial 21,107,675 19,762,951
Other 313,368 324,409
$ 37,514,334 $ 36,202,611
14. Employee salaries and benefits:
2022 2021
Salaries, wages and benefits $ 2,031,014 $ 1,974,400
CPP and EI remittances 81,677 75,356
Contributions to OMERS 196,157 188,253
$ 2,308,848 $ 2,238,009
15. Finance income and costs:
2022 2021
Finance income:
Interest income on bank deposits $ 21,878 $ 6,828
Finance costs:
Interest expense on long-term debt (540,321) (464,823)
Interest expense on customer deposits (13,069) (22,858)
(553,390) (487,681)
Net finance costs recognized in profit or loss $ (531,512) $ (480,853)
16. Commitments and contingencies:
Cornerstone Hydro Electric Concepts ("CHEC"):
CHEC is an association of fifteen LDCs modelled after a co-operative to share resources andproficiencies (note 17).
The Corporation may terminate its membership at any time upon the following terms:(a) giving written notice 60 days in advance of termination; and
(b) by making a prepayment in full of the balance of its contract service costs to CHEC. The
amount of prepayment cost shall be the total cost which the Corporation would have paid
over the three year term of the agreement less amounts already paid by it to the date of the
termination. The current three year term for CHEC commitment goes to December 31, 2023.
The prepayment cost of termination is a settlement of the Corporation's obligation under the
agreement by reason of termination of its membership before the expiry of the term. The
amount is liquidated damages and not a penalty for early termination and is intended to
leave the remaining members in the same position as if the Corporation had not terminated

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the agreement. As at December 31, 2022, the obligation to CHEC includes the 2023 to 2025membership dues of approximately $48,000 per year, $144,000 total.
Utility Collaborative Services Inc. ("UCS"):
The Corporation has the right to redeem its shares in UCS (note 17) by retraction upon thefollowing terms:
(a) notice of such retraction shall be given 120 days prior to the effective date; and
(b) a redemption fee shall be paid equal to the previous three years' worth of average
purchases from UCS for services or products; or in alternative to paying such fees, the
Corporation may elect in writing to provide three years' written notice of the retraction,
provided that the Corporation continues to receive services at the same or greater averagevolume as those received at the time the notice was given.
General Liability Insurance:
The Corporation is a member of the Municipal Electric Association Reciprocal Insurance
Exchange ("MEARIE"). MEARIE is a pooling of public liability insurance risks of many of the
LDCs in Ontario. All members of the pool are subjected to assessment for losses experienced
by the pool for the years in which they were members, on a pro-rata basis based on the total of
their respective service revenues. As at December 31, 2022, no assessments have beenmade.
17. Related party transactions:
(a) Parents and ultimate controlling party:
The common shares of Orangeville Hydro Limited are owned by the Town of Orangevilleand Town of Grand Valley, the ultimate parents.
(b) Outstanding balances with related parties:
2022 2021
Town of Orangeville - receivable $ 98,507 $ 130,294
Town of Grand Valley - receivable - 12,562
Town of Orangeville - payable - (955,148)
Town of Grand Valley - payable - (29,589)
$ 98,507 $ (841,881)
(c) Transactions with ultimate parents:
The Corporation provides water and sewage billing and collection services to thecustomers of the Town of Orangeville and Town of Grand Valley, as well as supplying
street light energy and street lighting maintenance services to the Town of Orangeville and
Town of Grand Valley. Revenue includes $437,854 (2021 - $481,855) from the Town of
Orangeville and $34,172 (2021 - $29,494) from the Town of Grand Valley for theseservices.
The Corporation also delivers electricity to the Town of Orangeville and Town of Grand
Valley throughout the year for the electricity needs of the Towns and its related
organizations. Electricity delivery charges are at prices and under terms approved by the
OEB. The Corporation also provides additional services to the Towns, including streetlight
maintenance services, sentinel lights and water and waste water billing and

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customer careservices.
(d) Transactions with related parties:
The Corporation paid $58,306 (2021 - $53,140) in fees to Cornerstone Hydro ElectricConcepts Association Inc. (CHEC). CHEC is an association of fifteen electricity distribution
utilities modeled after a cooperative to share resources and proficiencies.
The Corporation owns 100 common shares, at a cost of $100, in Utility Collaborative
Services Inc. (UCS) which represents a 10% interest. At the time of purchase, due to the
immaterial amount, the investment was expensed. The Corporation paid $260,772 (2021 -
$210,168) in fees to UCS. UCS offers standards-based back office services and thecollaboration allows leverage in the reduction of costs for items such as informationtechnology hosting and software licensing.
17. Related party transactions (continued):
(e) Key management personnel:
The key management personnel of the Corporation have been defined as members of its
board of directors and executive management team members. The compensation paidduring the year is $491,943 (2021 - $485,615).
18. Financial instruments and risk management:
Fair value disclosure:
The carrying values of cash, accounts receivable, unbilled revenue, due from/to related parties
and accounts payable and accrued liabilities approximate fair value because of the short
maturity of these instruments. The carrying value of the customer deposits approximates fairvalue because the amounts are payable on demand.
The fair value of the TD Bank long-term debt at December 31, 2022 is $16,013,927. The fair
value is calculated based on the present value of future principal and interest cash flows,
discounted at the current rate of interest at the reporting date. The interest rate used tocalculate fair value at December 31, 2022 was 4.34%.
Financial risks:
The Corporation understands the risks inherent in its business and defines them broadly as
anything that could impact its ability to achieve its strategic objectives. The Corporation's
exposure to a variety of risks such as credit risk, interest rate risk, and liquidity risk, as well asrelated mitigation strategies are discussed below.
18. Financial instruments and risk management (continued):
(a) Credit risk:
Financial assets carry credit risk that a counterparty will fail to discharge an obligation
which could result in a financial loss. Financial assets held by the Corporation, such as
accounts receivable, expose it to credit risk. The Corporation earns its revenue from a
broad base of customers located in the Town of Orangeville and Town of Grand Valley.
The carrying amount of accounts receivable is reduced through the use of an allowance for
impairment and the amount of the related impairment loss is recognized in profit or loss.

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

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Subsequent recoveries of receivables previously provisioned are credited to profit or loss.
The balance of the allowance for impairment at December 31, 2022 is $35,000 (2021 -$46,000). An impairment loss of $15,821 (2021 - $35,839) was recognized during theyear.
The Corporation's credit risk associated with accounts receivable is primarily related to payments from distribution customers. At December 31, 2022, approximately $156,611 (2021 - $63,286) is considered 60 days past due. The Corporation has over 12,000customers, the majority of whom are residential. Credit risk is managed through collection of security deposits from customers in accordance with directions provided by the OEB and through credit insurance. As at December 31, 2022, the Corporation holds security deposits in the amount of $499,914 (2021 - $514,847) which also includes depositsreceived from developers.
(b) Market risk:
Market risks primarily refer to the risk of loss resulting from changes in commodity prices, foreign exchange rates, and interest rates. The Corporation currently does not have any material commodity or foreign exchange risk. The Corporation is exposed to fluctuations in interest rates as the regulated rate of return for the Corporation's distribution business is derived using a complex formulaic approach which is in part based on the forecast for long term Government of Canada bond yields. This rate of return is approved by the OEB aspart of the approval of distribution rates.
A 1% increase in the interest rate at December 31, 2022 would have increased interest expense on the long-term debt by $149,687 (2021 - $141,133), assuming all other variables remain constant. A 1% decrease in the interest rate would have an equal butopposite effect.
(c) Liquidity risk:
The Corporation monitors its liquidity risk to ensure access to sufficient funds to meet operational and investing requirements. The Corporation's objective is to ensure that sufficient liquidity is on hand to meet obligations as they fall due while minimizing interest exposure. The Corporation has access to a $3,500,000 credit facility and monitors cash balances daily to ensure that a sufficient level of liquidity is on hand to meet financial commitments as they become due. As at December 31, 2022, the Corporation has $2,170,709 available on this credit facility.
The Corporation also has a facility for $1,329,291 (the "LC" facility) for the purpose of issuing letters of credit mainly to support the prudential requirements of the IESO, of which$nil has been drawn and posted with the IESO (2021 - $nil).
The majority of accounts payable, as reported on the statement of financial

Corporation's name	Business number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

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position, aredue within 30 days.
(d) Capital disclosures:
The main objectives of the Corporation, when managing capital, are to ensure ongoingaccess to funding to maintain and improve the electricity distribution system, compliance
with covenants related to its credit facilities, prudent management of its capital structure
with regard for recoveries of financing charges permitted by the OEB on its regulated
electricity distribution business, and to deliver the appropriate financial returns.
The Corporation's definition of capital includes equity and long-term debt. As at December
31, 2022, equity amounts to $12,593,359 (2021 - $12,331,446) and long-term debtamounts to $16,131,608 (2021 - $13,805,822).

Canada Revenue Agency / Agence du revenu du Canada

Net Income (Loss) for Income Tax Purposes

Schedule 1

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule to reconcile 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.
- All legislative references are to the Income Tax Act.

Net income (loss) after taxes and extraordinary items from line 9999 of Schedule 125 . . . . . 747,579 A

Add:

	Line	Amount	
Provision for income taxes – current	101	-41,900	
Provision for income taxes – deferred	102	170,774	
Interest and penalties on taxes	103	478	
Amortization of tangible assets	104	1,084,978	
Loss on disposal of assets	111	45,768	
Charitable donations and gifts from Schedule 2	112	3,180	
Non-deductible meals and entertainment expenses	121	1,887	
Reserves from financial statements – balance at the end of the year	126	469,474	
Subtotal of additions		1,734,639	1,734,639

Add:

Other additions:

	1 Description 605	2 Amount 295
1	Inducement under 12(1)(x) ITA	6,000
2	Paragraph 12(1)(x) - Contributed capital	62,765
3	Paragraph 12(1)(a) - Customer Deposits	499,914
4	Tax grouped with change in regulatory	64,130
	Total of column 2	632,809

	Line	Amount	
Total of column 2	296	632,809	
Subtotal of other additions	199	632,809	632,809 D
Total additions	500	2,367,448	2,367,448

Amount A **plus** line 500 . . . . . 3,115,027 B

Deduct:

	Line	Amount	
Capital cost allowance from Schedule 8	403	1,711,132	
Reserves from financial statements – balance at the beginning of the year	414	464,481	
Subtotal of deductions		2,175,613	2,175,613

Deduct:

Other deductions:

	1 Description 705	2 Amount 395
1	Amortization of contributed capital	66,847
2	Subsection 13(7.4) election	62,765
3	Paragraph 20(1)(m) - Customer Deposits	499,914
4	Tax movement in reg account	172,463
	Total of column 2	801,989

Total of column 2 ▶ 396 801,989

Subtotal of other deductions	499	801,989 ▶	801,989	E
Total deductions	510	2,977,602 ▶	2,977,602	
Net income (loss) for income tax purposes (amount B **minus** line 510)			137,425	C

Enter amount C on line 300 of the T2 return.

Attached Schedule with Total

Line 295 – Amount

Title Line 295 – Amount

Description	Operator (Note)	Amount	
Short term customer deposit		200,000	00
Long-term Portion of Customer Deposit	+	299,914	00
	+		
	Total	499,914	00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 395 – Amount

Title Line 395 – Amount

Description	Operator (Note)	Amount	
Short term customer deposit		200,000	00
Long-term Portion of Customer Deposit	+	299,914	00
	+		
	Total	499,914	00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Line 103 – Interest and penalties on taxes

Title Line 103 – Interest and penalties on taxes

Description	Operator (Note)	Amount
2021 Notice of Assessment - Hydro Payment in Lieu - Net Interest		477 55
	+	
	Total	477 55

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Inducement

This form is used to calculate inducements that a corporation must add to its income under paragraph 12(1)(x) ITA. If an amount reduces the capital cost of a property, this amount will be indicated in Part "Tax credits whose amount should reduce the capital cost of property."

If you want to transfer an amount to Schedule 1 and include it in the corporation's income for tax purposes, select the corresponding check box in column A. You can also select the option **Select this check box to add all the amounts to income calculated in Schedule 1** to transfer all the amounts to Schedule 1. In either case, the column A check box will be selected for that amount and it will therefore be updated to Schedule 1.

Tax credits whose amount should be added to income

Ontario

A		
[ ]	Portion of the Ontario research and development tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
X	Ontario co-operative education tax credit	6,000
X	Ontario apprenticeship training tax credit	
[ ]	Ontario computer animation and special effects tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
[ ]	Ontario film and television tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
[ ]	Ontario production services tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
[ ]	Ontario interactive digital media tax credit* * Please verify if the credit amount relates to depreciable property. For more information, consult the Help (F1).	
[ ]	Ontario book publishing tax credit	
X	Portion of the Ontario innovation tax credit that relates to the prescribed proxy amount (PPA) and portion of the Ontario investment tax credit that relates to contributions made to SR&ED farming organizations	
[ ]	Ontario business-research institute tax credit	
[ ]	Ontario community food program donation tax credit for farmers	

Tax credits whose amount should reduce the capital cost of property

Canada Revenue Agency / Agence du revenu du Canada

Schedule 2

Charitable Donations and Gifts

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- For use by corporations to claim any of the following:
  - the eligible amount of charitable donations to qualified donees
  - the Ontario, Nova Scotia, and British Columbia food donation tax credits for farmers
  - the eligible amount of gifts of certified cultural property
  - the eligible amount of gifts of certified ecologically sensitive land or
  - the additional deduction for gifts of medicine made before March 22, 2017
- All legislative references are to the federal Income Tax Act, unless stated otherwise.
- The eligible amount of a gift is the amount by which the fair market value of the gifted property exceeds the amount of an advantage, if any, for the gift.
- The donations and gifts can be carried forward for 5 years except for gifts of certified ecologically sensitive land made after February 10, 2014, which can be carried forward for 10 years.
- Use this schedule to show a transfer of unused amounts from previous years following an amalgamation or the wind-up of a subsidiary as described under subsections 87(1) and 88(1).
- Subsection 110.1(1.2) provides as follows:
  - Where a particular corporation has undergone an acquisition of control, for tax years that end on or after the acquisition of control, no corporation can claim a deduction for a gift made by the particular corporation to a qualified donee before the acquisition of control.
  - If a particular corporation makes a gift to a qualified donee pursuant to an arrangement under which both the gift and the acquisition of control is expected, no corporation can claim a deduction for the gift unless the person acquiring control of the particular corporation is the qualified donee.
- An eligible medical gift made before March 22, 2017, to a qualifying organization for activities outside of Canada may be eligible for an additional deduction. Calculate the additional deduction in Part 5.
- File this schedule with your T2 Corporation Income Tax Return.
- For more information, see the T2 Corporation – Income Tax Guide.

Part 1 – Charitable donations

Charity/Recipient	Amount ($100 or more only)
Family Transition Place	250
Good Friends Fellowship	450
Headwaters	400
Toronto Humane Society	100
Ontario SPCA	250
Ontario SPCA	250
Orangeville Foodbank	750
Youth Unlimited	250
Knights of Columbus	250
The Salvation Arm	230
Subtotal	3,180
Add: Total donations of less than $100 each	
Total donations in current tax year	3,180

Part 1 – Charitable donations

	Line	Federal		Québec	Alberta
Charitable donations at the end of the previous tax year			1A		
Charitable donations expired after five tax years*	239				
Charitable donations at the beginning of the current tax year (amount 1A **minus** line 239)	240				
Charitable donations transferred on an amalgamation or the wind-up of a subsidiary	250				
Total charitable donations made in the current year (include this amount on line 112 of Schedule 1, Net Income (Loss) for Income Tax Purposes)	210	3,180		3,180	3,180
Subtotal (line 250 **plus** line 210)		3,180	1B	3,180	3,180
Subtotal (line 240 **plus** amount 1B)		3,180	1C	3,180	3,180
Adjustment for an acquisition of control	255				
Total charitable donations available (amount 1C **minus** line 255)		3,180	1D	3,180	3,180
Amount applied in the current year against taxable income (cannot be more than amount 2H in Part 2) (enter this amount on line 311 of the T2 return)	260	3,180		3,180	3,180
Charitable donations closing balance (amount 1D **minus** line 260)	280				
The amount of qualifying donations for the Ontario community food program donation tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2013)	262				
Ontario community food program donation tax credit for farmers (amount on line 262 **multiplied** by 25 %)			1		

Enter amount 1 on line 420 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Ontario income tax otherwise payable or amount 1. For more information, see section 103.1.2 of the Taxation Act, 2007 (Ontario).

	Line	Federal	
The amount of qualifying donations for the Nova Scotia food bank tax credit for farmers included in the amount on line 260 (for donations made after December 31, 2015)	263		
Nova Scotia food bank tax credit for farmers (amount on line 263 **multiplied** by 25 %)			2

Enter amount 2 on line 570 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the Nova Scotia income tax otherwise payable or amount 2. For more information, see section 50A of the Nova Scotia Income Tax Act.

	Line	Federal	
The amount of qualifying gifts for the British Columbia farmers' food donation tax credit included in the amount on line 260 (for donations made after February 16, 2016, and before January 1, 2024)	265		
British Columbia farmers' food donation tax credit (amount on line 265 **multiplied** by 25 %)			3

Enter amount 3 on line 683 of Schedule 5, Tax Calculation Supplementary – Corporations. The maximum you can claim in the current year is whichever is less: the British Columbia income tax otherwise payable or amount 3. For more information, see section 20.1 of the British Columbia Income Tax Act.

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Charitable donations

Year of origin:		Federal	Québec	Alberta
1st prior year	2021-12-31			
2nd prior year	2020-12-31			
3rd prior year	2019-12-31			
4th prior year	2018-12-31			
5th prior year	2017-12-31			
6th prior year*	2016-12-31			
7th prior year	2015-12-31			
8th prior year	2014-12-31			
9th prior year	2013-12-31			
10th prior year	2012-12-31			
11th prior year	2011-12-31			
12th prior year	2010-12-31			
13th prior year	2009-12-31			
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total (to line A)				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 2 – Maximum allowable deduction for charitable donations

Net income for tax purposes Note 1 **multiplied** by 75 %			103,069 2A
Taxable capital gains arising in respect of gifts of capital property included in Part 1 Note 2	225		
Taxable capital gain in respect of a disposition of a non-qualifying security under subsection 40(1.01)	227		
The amount of the recapture of capital cost allowance in respect of charitable donations	230		
Proceeds of disposition, **less** outlays and expenses Note 2	2B		
Capital cost Note 2	2C		
Amount 2B or 2C, whichever is less	235		
Amount on line 230 or 235, whichever is less		2D	
Subtotal (**add** lines 225, 227, and amount 2D)		2E	
Amount 2E **multiplied** by 25 %			2F
Subtotal (amount 2A **plus** amount 2F)			103,069 2G
Maximum allowable deduction for charitable donations (enter amount 1D from Part 1, amount 2G, or net income for tax purposes, whichever is the least)			3,180 2H

Note 1: For credit unions, subsection 137(2) states that this amount is before the deduction of payments pursuant to allocations in proportion to borrowing and bonus interest.

Note 2: This amount must be prorated by the following calculation, eligible amount of the gift **divided** by the proceeds of disposition of the gift.

Part 3 – Gifts of certified cultural property

		Federal	Québec	Alberta
Gifts of certified cultural property at the end of the previous tax year		3A		
Gifts of certified cultural property expired after five tax years*	439			
Gifts of certified cultural property at the beginning of the current tax year (amount 3A **minus** line 439)	440			
Gifts of certified cultural property transferred on an amalgamation or the wind-up of a subsidiary	450			
Total gifts of certified cultural property in the current year (include this amount on line 112 of Schedule 1)	410			
Subtotal (line 450 **plus** line 410)		3B		
Subtotal (line 440 **plus** amount 3B)		3C		
Adjustment for an acquisition of control	455			
Amount applied in the current year against taxable income (enter this amount on line 313 of the T2 return)	460			
Subtotal (line 455 **plus** line 460)		3D		
Gifts of certified cultural property closing balance (amount 3C **minus** amount 3D)	480			

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amount carried forward – Gifts of certified cultural property

Year of origin:		Federal	Québec	Alberta
1st prior year	2021-12-31			
2nd prior year	2020-12-31			
3rd prior year	2019-12-31			
4th prior year	2018-12-31			
5th prior year	2017-12-31			
6th prior year*	2016-12-31			
7th prior year	2015-12-31			
8th prior year	2014-12-31			
9th prior year	2013-12-31			
10th prior year	2012-12-31			
11th prior year	2011-12-31			
12th prior year	2010-12-31			
13th prior year	2009-12-31			
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 24, 2006, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 4 – Gifts of certified ecologically sensitive land

		Federal		Québec	Alberta
Gifts of certified ecologically sensitive land at the end of the previous tax year			4A		
Gifts of certified ecologically sensitive land expired after 5 tax years, or after 10 tax years for gifts made after February 10, 2014*	539				
Gifts of certified ecologically sensitive land at the beginning of the current tax year (amount 4A **minus** line 539)	540				
Gifts of certified ecologically sensitive land transferred on an amalgamation or the wind-up of a subsidiary	550				
Total current-year gifts of certified ecologically sensitive land (include this amount on line 112 of Schedule 1)	520				
Subtotal (line 550 **plus** line 520)			4B		
Subtotal (line 540 **plus** amount 4B)			4C		
Adjustment for an acquisition of control	555				
Amount applied in the current year against taxable income (enter this amount on line 314 of the T2 return)	560				
Subtotal (line 555 **plus** line 560)			4D		
Gifts of certified ecologically sensitive land closing balance (amount 4C **minus** amount 4D)	580				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, expire after five tax years and gifts made after February 10, 2014, expire after ten tax years. For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, expire after five tax years; otherwise, donation and gifts expire after twenty tax years.

Amounts carried forward – Gifts of certified ecologically sensitive land

Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date . . . .

Year of origin:		Federal	Québec	Alberta
1st prior year	2021-12-31			
2nd prior year	2020-12-31			
3rd prior year	2019-12-31			
4th prior year	2018-12-31			
5th prior year	2017-12-31			
6th prior year*	2016-12-31			
7th prior year	2015-12-31			
8th prior year	2014-12-31			
9th prior year	2013-12-31			
10th prior year	2012-12-31			
11th prior year*	2011-12-31			
12th prior year	2010-12-31			
13th prior year	2009-12-31			
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts made before February 11, 2014, that are included on line *6th prior year* and gifts that are included on line *11th prior year* expire automatically in the current year.

The field "Amount of carried forward gifts made on or after February 11, 2014, in the tax year including this date" is used to distinguish the portion of the gifts made in the tax year straddling February 11, 2014, that expires after ten tax years, from the portion that expires in the current tax year.

For Québec tax purposes, donations and gifts made during a tax year that ended before March 24, 2006, that are included on line *6th prior year* and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Part 5 – Additional deduction for gifts of medicine

		Federal		Québec	Alberta
Additional deduction for gifts of medicine at the end of the previous tax year			5A		
Additional deduction for gifts of medicine expired after five tax years*	639				
Additional deduction for gifts of medicine at the beginning of the current tax year (amount 5A **minus** line 639)	640				
Additional deduction for gifts of medicine made before March 22, 2017 transferred on an amalgamation or the wind-up of a subsidiary	650				
Additional deduction for gifts of medicine made before March 22, 2017:					
Proceeds of disposition	602				
Cost of gifts of medicine made before March 22, 2017	601				
Subtotal (line 602 **minus** line 601)			5B		
Amount 5B **multiplied** by 50 %			5C		
Eligible amount of gifts	600				

Federal

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 **610** ______

Québec

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

Alberta

a ______ x (b ______ / c) = Additional deduction for gifts of medicine made before March 22, 2017 ______

where:

a is the **lesser** of line 601 and amount 5C

b is the eligible amount of gifts (line 600)

c is the proceeds of disposition (line 602)

		Federal		Québec	Alberta
Subtotal (line 650 **plus** line 610)			5D		
Subtotal (line 640 **plus** amount 5D)			5E		
Adjustment for an acquisition of control	655				
Amount applied in the current year against taxable income (enter this amount on line 315 of the T2 return)	660				
Subtotal (line 655 **plus** line 660)			5F		
Additional deduction for gifts of medicine closing balance (amount 5E **minus** amount 5F)	680				

* For federal and Alberta tax purposes, donations and gifts expire after five tax years. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, expire after five tax years; otherwise, donations and gifts expire after twenty tax years.

Amounts carried forward – Additional deduction for gifts of medicine

Year of origin:		Federal	Québec	Alberta
1st prior year	2021-12-31			
2nd prior year	2020-12-31			
3rd prior year	2019-12-31			
4th prior year	2018-12-31			
5th prior year	2017-12-31			
6th prior year*	2016-12-31			
7th prior year	2015-12-31			
8th prior year	2014-12-31			
9th prior year	2013-12-31			
10th prior year	2012-12-31			
11th prior year	2011-12-31			
12th prior year	2010-12-31			
13th prior year	2009-12-31			
14th prior year				
15th prior year				
16th prior year				
17th prior year				
18th prior year				
19th prior year				
20th prior year				
21st prior year*				
Total				

* For federal and Alberta tax purposes, donations and gifts included on line *6th prior year* expire automatically in the current tax year. For Québec tax purposes, donations and gifts made in a tax year that ended before March 19, 2007, that are included on line *6th prior year* and donations and gifts that are included on line *21st prior year* expire automatically in the current tax year.

Québec – Gifts of musical instruments

Gifts of musical instruments at the end of the previous tax year		A
Deduct: Gifts of musical instruments expired after twenty tax years		B
Gifts of musical instruments at the beginning of the tax year		C
Add:		
Gifts of musical instruments transferred on an amalgamation or the wind-up of a subsidiary		D
Total current-year gifts of musical instruments		E
Subtotal (line D **plus** line E)		F
Deduct: Adjustment for an acquisition of control		G
Total gifts of musical instruments available		H
Deduct: Amount applied against taxable income (enter this amount on line 255 of form CO-17)		I
Gifts of musical instruments closing balance		J

Amounts carried forward – Gifts of musical instruments

Year of origin:		Québec
1st prior year	2021-12-31	
2nd prior year	2020-12-31	
3rd prior year	2019-12-31	
4th prior year	2018-12-31	
5th prior year	2017-12-31	
6th prior year*	2016-12-31	
7th prior year	2015-12-31	
8th prior year	2014-12-31	
9th prior year	2013-12-31	
10th prior year	2012-12-31	
11th prior year	2011-12-31	
12th prior year	2010-12-31	
13th prior year	2009-12-31	
14th prior year		
15th prior year		
16th prior year		
17th prior year		
18th prior year		
19th prior year		
20th prior year		
21st prior year*		
Total		

* These gifts expired in the current year.

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Schedule 3

Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Corporations must use this schedule to report:
  - non-taxable dividends under section 83
  - deductible dividends under subsection 138(6)
  - taxable dividends deductible from income under section 112, subsection 113(2) and paragraphs 113(1)(a), (a.1), (b) or (d)
  - taxable dividends paid in the tax year that qualify for a dividend refund (see page 3)
- All legislative references are to the federal Income Tax Act.
- The calculations in this schedule apply only to private or subject corporations (as defined in subsection 186(3)).
- A payer corporation is **connected** with a recipient corporation at any time in a tax year, if at that time the recipient corporation meets either of the following conditions:
  - it controls the payer corporation, other than because of a right referred to in paragraph 251(5)(b)
  - it owns more than 10% of the issued share capital (with full voting rights), and shares that have a fair market value of more than 10% of the fair market value of all shares of the payer corporation
- If you need more space, continue on a separate schedule.
- File this schedule with your T2 Corporation Income Tax Return.
- Column A1 – Enter "X" if dividends were received from a foreign source.
  Column F1 – Enter the code that applies to the deductible taxable dividend.

Part 1 – Dividends received in the tax year

- Do **not** include dividends received from foreign non-affiliates.
- Complete columns B, C, D, H, H.1, I, I.1, I.2 and L **only if** the payer corporation is **connected**.

Important instructions to follow if the payer corporation is connected

- If your corporation's tax year-end is different than that of the **connected** payer corporation, dividends could have been received from more than one tax year of the payer corporation. If so, **use a separate line** to provide the information according to each tax year of the payer corporation.
- When completing columns J, K and L use the **special calculations provided in the notes**.

	A Name of payer corporation (from which the corporation received the dividend) 200	A1	B Enter 1 if payer corporation is **connected** 205	C Business number of **connected** corporation 210	D Tax year-end of the payer corporation in which the sections 112/113 and subsection 138(6) dividends in column F were paid YYYYMMDD 220	E Non-taxable dividends under section 83 230
1			2			
2			2			

Total of column E (enter amount on line 402 of Schedule 1)

Part 1 – Dividends received in the tax year (continued)

	F Taxable dividends deductible from taxable income under section 112, subsections 113(2) and 138(6), and paragraphs 113(1)(a), (a.1), (b), or (d) [1] 240	F1	G Eligible dividends included in column F 242	H Total taxable dividends paid by the **connected** payer corporation (line 460 in Schedule 3 for the tax year in column D) 250	H.1 Total eligible dividends paid by the **connected** payer corporation (line 465 in Schedule 3 for the tax year in column D)	I Dividend refund of the **connected** payer corporation (for tax year in column D) [2] 260
1						
2						

	I.1 Eligible dividend refund of the **connected** payer corporation from its eligible refundable dividend tax on hand (ERDTOH) (amount CC from T2 return for the tax year in column D)	I.2 Additional non-eligible dividend refund of the **connected** payer corporation from its ERDTOH (amount II from T2 return for the tax year in column D)	J Part IV tax for eligible dividends. Dividends (from column G) **multiplied** by 38 1/3% [3] 265	K Part IV tax before deductions. Dividends (from column F) **multiplied** by 38 1/3% [4] 275	L Part IV tax before deductions on taxable dividends received from **connected** corporations [5] 280
1					
2					

Total of column L (enter amount on line 2E in Part 2) ______

Taxable dividends received from connected corporations (total amounts from column F with code 1 in column B) . . . . ______ 1A

Taxable dividends received from non-connected corporations (total amounts from column F with code 2 in column B) . . . . ______ 1B

Subtotal (amount 1A **plus** amount 1B, include this amount on line 320 of the T2 return) ______ 1C

Eligible dividends received from connected corporations (total amounts from column G with code 1 in column B) . . . . ______ 1D

Eligible dividends received from non-connected corporations (total amounts from column G with code 2 in column B) . . . . ______ 1E

Part IV tax before deductions on taxable dividends received from connected corporations (total amounts from column K with code 1 in column B) . . . . ______ 1F

Part IV tax before deductions on taxable dividends received from non-connected corporations (total amounts from column K with code 2 in column B) . . . . ______ 1G

Subtotal (amount 1F **plus** amount 1G) ______ ▶ ______ 1H

Part IV tax on eligible dividends received from connected corporations (total amounts from column J with code 1 in column B) . . . . ______ 1I

Part IV tax on eligible dividends received from non-connected corporations (total amounts from column J with code 2 in column B) . . . . ______ 1J

Subtotal (amount 1I **plus** amount 1J) ______ ▶ ______ 1K

Part IV tax before deductions on taxable dividends (other than eligible dividends) (amount 1H **minus** amount 1K) . . . . ______ 1L

1 If taxable dividends are received, enter the amount in column F, but if the corporation is not subject to Part IV tax (such as a public corporation other than a subject corporation as defined in subsection 186(3)), enter "0" in column K (and column J, if applicable). Life insurers are not subject to Part IV tax on subsection 138(6) dividends.

2 If the **connected** payer corporation's tax year ends after the corporation's balance-due day for the tax year (two or three months, as applicable), you have to estimate the payer's dividend refund when you calculate the corporation's Part IV tax payable.

3 For eligible dividends received from **connected** corporations, Part IV tax on dividends is equal to column I **divided** by column H **multiplied** by column G.

4 For taxable dividends received from **connected** corporations, Part IV tax on dividends is equal to column I **divided** by column H **multiplied** by column F.

5 For the purpose of calculating your eligible refundable dividend tax on hand (ERDTOH), Part IV tax on taxable dividends received from **connected** corporations (with a tax year starting after 2018) is equal to the sum of Part IV tax on eligible dividends and non-eligible dividends received from **connected** corporations to the extent that such dividends caused a dividend refund to those corporations from their ERDTOH.

Part IV tax before deductions on taxable dividends received from **connected** corporations for purposes of column L is the sum of (i) and (ii), where

(i) Part IV tax on eligible dividends received from **connected** corporations is equal to amount CC of the **connected** payer corporation (on page 7 of the T2 return) **divided** by line 465 of the **connected** payer corporation, **multiplied** by column G; and

(ii) Part IV tax on non-eligible dividends received from **connected** corporations is equal to amount II of the **connected** payer corporation (on page 7 of the T2 return) **divided** by line 470 of the **connected** payer corporation, **multiplied** by the difference between columns F and G.

Part 2 – Calculation of Part IV tax payable

Part IV tax on dividends received before deductions (amount 1H in part 1)			2A	
Part IV.I tax payable on dividends subject to Part IV tax (from line 360 of Schedule 43)	320			
Subtotal (amount 2A **minus** line 320)			▶	2B
Current-year non-capital loss claimed to reduce Part IV tax	330			
Non-capital losses from previous years claimed to reduce Part IV tax	335			
Current-year farm loss claimed to reduce Part IV tax	340			
Farm losses from previous years claimed to reduce Part IV tax	345			
Total losses applied against Part IV tax (total of lines 330 to 345)			2C	
Amount 2C **multiplied** by 38 1 / 3 %				2D
Part IV tax payable (amount 2B **minus** amount 2D, if negative enter "0") (enter amount on line 712 of the T2 return)	360			

If your tax year begins after 2018, complete the following part to determine the required amount of Part IV taxes payable in order to calculate the eligible refundable dividend tax on hand (ERDTOH) at the end of the tax year.

Part IV tax before deductions on taxable dividends received from connected corporations (total of column L in part 1)		2E
Amount 4A from Schedule 43		2F
Part IV tax payable on taxable dividends received from connected corporations (amount 2E **minus** amount 2F, if negative enter "0") (enter at amount L on page 7 of the T2 return)		2G
Part IV tax on eligible dividends received from non-connected corporations (amount 1J in part 1)		2H
Amount 4C from Schedule 43		2I
Part IV tax payable on taxable dividends received from non-connected corporations (amount 2H **minus** amount 2I, if negative enter "0") (enter at amount M on page 7 of the T2 return)		2J

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund

If your corporation's tax year-end is different than that of the recipient corporation with which you are connected, your corporation could have paid dividends in more than one tax year of the recipient corporation. If so, use a separate line to provide the information according to each tax year of the recipient corporation.

	L Name of recipient corporation with which you are connected 400	M Business number 410	N Tax year-end of recipient corporation in which the dividends in column O were received YYYYMMDD 420	O Taxable dividends paid to recipient corporations with which you are connected 430	P Eligible dividends included in column O 440
1	Corporation of the town of Orangeville	10698 6151 RC0001	2022-12-31	458,952	
2					
				458,952 (Total of column O)	(Total of column P)

Part 3 – Taxable dividends paid in the tax year that qualify for a dividend refund (continued)

Total taxable dividends paid in the tax year to other than connected corporations		450	26,712
Eligible dividends included in line 450	455		
Total taxable dividends paid in the tax year that qualify for a dividend refund (total of column O **plus** line 450)		460	485,664
Total eligible dividends paid in the tax year (total of column P **plus** line 455)		465	
Total non-eligible taxable dividends paid in the tax year (line 460 **minus** line 465)		470	485,664

Complete this part to determine the following amounts in order to calculate the dividend refund.

Line 465 **multiplied** by 38 1 / 3 % (enter at amount AA on page 7 of the T2 return)		3A
Line 470 **multiplied** by 38 1 / 3 % (enter at amount DD on page 7 of the T2 return)	186,171	3B

Part 4 – Total dividends paid in the tax year

Complete this part **if** the total taxable dividends paid in the tax year that qualify for a dividend refund (line 460) is different from the total dividends paid in the tax year.

Total taxable dividends paid in the tax year for the purposes of a dividend refund (from above)			485,664	
Other dividends paid in the tax year (total of 510 to 540)				
Total dividends paid in the tax year		500	485,664	
Dividends paid out of capital dividend account	510			
Capital gains dividends	520			
Dividends paid on shares described in subsection 129(1.2)	530			
Taxable dividends paid to a controlling corporation that was bankrupt at any time in the year	540			
Subtotal (total of lines 510 to 540)		►		4A
Total taxable dividends paid in the tax year that qualify for a dividend refund (Line 500 **minus** amount 4A)			485,664	4B

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Schedule 5

Tax Calculation Supplementary – Corporations

Corporation's name	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule if any of the following apply to your corporation during the tax year:
  - it had a permanent establishment in more than one jurisdiction (corporations that have no taxable income should only complete columns A, B, and D in Part 1)
  - it is claiming provincial or territorial tax credits or rebates (see Part 2)
  - it has to pay taxes, other than income tax, for Newfoundland and Labrador or Ontario (see Part 2)
- All legislative references are to the federal Income Tax Regulations (the Regulations).
- For more information, see the T2 Corporation – Income Tax Guide.
- For the regulation number to be entered in field 100 of Part 1, see the chart below.

Part 1 – Allocation of taxable income

100 ____________ Enter the regulation that applies (402 to 413)

A Jurisdiction. Tick yes if your corporation had a permanent establishment in the jurisdiction during the tax year Note 1		B Total salaries and wages paid in jurisdiction	C (B x taxable income) / G	D Gross revenue attributable to jurisdiction	E (D x taxable income) / H	F Allocation of taxable income (C + E) x 1/2 Note 2 (where either G or H is nil, do not multiply by 1/2)
Newfoundland and Labrador	003 Yes ☐	103		143		
Newfoundland and Labrador Offshore	004 Yes ☐	104		144		
Prince Edward Island	005 Yes ☐	105		145		
Nova Scotia	007 Yes ☐	107		147		
Nova Scotia Offshore	008 Yes ☐	108		148		
New Brunswick	009 Yes ☐	109		149		
Quebec	011 Yes ☐	111		151		
Ontario	013 Yes ☐	113		153		
Manitoba	015 Yes ☐	115		155		
Saskatchewan	017 Yes ☐	117		157		
Alberta	019 Yes ☐	119		159		
British Columbia	021 Yes ☐	121		161		
Yukon	023 Yes ☐	123		163		
Northwest Territories	025 Yes ☐	125		165		
Nunavut	026 Yes ☐	126		166		
Outside Canada	027 Yes ☐	127		167		
Total		129 G		169 H		

Note 1: **Permanent establishment** is defined in subsection 400(2).
Note 2: For corporations other than those described under section 402, use the appropriate calculation described in the Regulations to allocate taxable income.

Notes:
1. After determining the allocation of taxable income, you have to calculate the corporation's provincial or territorial tax payable. For more information on how to calculate the tax for each province or territory, see the instructions for Schedule 5 in the T2 Corporation – Income Tax Guide.
2. If your corporation has provincial or territorial tax payable, complete Part 2.
3. If your corporation is a member of a partnership and the partnership had a permanent establishment in a jurisdiction, select the jurisdiction in Column A and include your proportionate share of the partnership's salaries and wages and gross revenue in columns B and D, respectively.

Part 2 – Ontario tax payable, tax credits, and rebates

Total taxable income	Income eligible for small business deduction	Provincial or territorial allocation of taxable income	Provincial or territorial tax payable before credits

Ontario basic income tax (from Schedule 500)	270			
Ontario small business deduction (from Schedule 500)	402			
Subtotal (line 270 **minus** line 402)			▶	5A
Ontario transitional tax debits (from Schedule 506)	276			
Recapture of Ontario research and development tax credit (from Schedule 508)	277			
Subtotal (line 276 **plus** line 277)			▶	5B
Gross Ontario tax (amount 5A **plus** amount 5B)				5C
Ontario resource tax credit (from Schedule 504)	404			
Ontario tax credit for manufacturing and processing (from Schedule 502)	406			
Ontario foreign tax credit (from Schedule 21)	408			
Ontario credit union tax reduction (from Schedule 500)	410			
Ontario political contributions tax credit (from Schedule 525)	415			
Ontario non-refundable tax credits (total of lines 404 to 415)			▶	5D
Subtotal (amount 5C **minus** amount 5D) (if negative, enter "0")				5E
Ontario research and development tax credit (from Schedule 508)	416			
Ontario corporate income tax payable before Ontario corporate minimum tax credit and Ontario community food program donation tax credit for farmers (amount 5E **minus** line 416) (if negative, enter "0")				5F
Ontario corporate minimum tax credit (from Schedule 510)	418			
Ontario community food program donation tax credit for farmers (from Schedule 2)	420			
Ontario corporate income tax payable (amount 5F **minus** the total of lines 418 and 420) (if negative, enter "0")				5G
Ontario corporate minimum tax (from Schedule 510)	278			
Ontario special additional tax on life insurance corporations (from Schedule 512)	280			
Subtotal (line 278 **plus** line 280)			▶	5H
Total Ontario tax payable before refundable tax credits (amount 5G **plus** amount 5H)				5I
Ontario qualifying environmental trust tax credit	450			
Ontario co-operative education tax credit (from Schedule 550)	452			
Ontario apprenticeship training tax credit (from Schedule 552)	454			
Ontario computer animation and special effects tax credit (from Schedule 554)	456			
Ontario film and television tax credit (from Schedule 556)	458			
Ontario production services tax credit (from Schedule 558)	460			
Ontario interactive digital media tax credit (from Schedule 560)	462			
Ontario book publishing tax credit (from Schedule 564)	466			
Ontario innovation tax credit (from Schedule 566)	468			
Ontario business-research institute tax credit (from Schedule 568)	470			
Ontario regional opportunities investment tax credit (from Schedule 570)	472			
Ontario refundable tax credits (total of lines 450 to 472)			▶	5J
Net Ontario tax payable or refundable tax credit (amount 5I **minus** amount 5J) (if a credit, enter amount in brackets) Include this amount on line 255.	290			

Summary

Enter the total net tax payable or refundable tax credits for all provinces and territories on line 255.

Net provincial and territorial tax payable or refundable tax credits 255

If the amount on line 255 is positive, enter the net provincial and territorial tax payable on line 760 of the T2 return.
If the amount on line 255 is negative, enter the net provincial and territorial refundable tax credits on line 812 of the T2 return.

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Schedule 8

Capital Cost Allowance (CCA)

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

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** Yes [ ] No [X]

Part 1 – Agreement between associated eligible persons or partnerships (EPOPs)

Are you associated in the tax year with one or more EPOPs with which you have entered into an agreement under subsection 1104(3.3) of the Regulations? . . . . **105** Yes [X] No [ ]

If you answered **yes**, complete Part 1. Otherwise, go to Part 2.

Enter a percentage assigned to each associated EPOP (including your corporation) as determined in the agreement.

This percentage will be used to allocate the immediate expensing limit. The total of all the percentages assigned under the agreement should not exceed 100%. If the total is more than 100%, then the associated group has an immediate expensing limit of nil. For more information about the immediate expensing limit, see note 12 in Part 2.

	1 Name of EPOP **110**	2 Identification number See **note 1** **115**	3 Percentage assigned under the agreement **120**
1.	Orangeville Hydro Limited	864639562RC0002	100.000
2.	Corporation of the Town of Orangeville	106986151RC0001	
3.	Corporation of the Township of East Luther Grand	NR	
4.	Orangvile Railway Development Corporation	864333166RC0001	
		Total	100.000

Immediate expensing limit allocated to the corporation (see **note 2**) **125** 1,500,000

Note 1: The identification number is the social insurance number, business number, or partnership account number of the EPOP.

Note 2: If the total of column 3 is more than 100%, enter 0.

Part 2 – CCA calculation

	1 Class number See **note 3** 200	Description	2 Undepreciated capital cost (UCC) at the beginning of the year 201	3 Cost of acquisitions during the year (new property must be available for use) See **note 4** 203	4 Cost of acquisitions from column 3 that are designated immediate expensing property (DIEP) See **note 5** 232	5 Adjustments and transfers See **note 6** 205	6 Amount from column 5 that is assistance received or receivable during the year for a property, subsequent to its disposition See **note 7** 221	7 Amount from column 5 that is repaid during the year for a property, subsequent to its disposition See **note 8** 222	8 Proceeds of dispositions See **note 9** 207
1.	1	Buildings	7,363,055						0
2.	8	Equipment	89,734	29,996	29,996				0
3.	10	Trucks	199,626						0
4.	45	Computer equipment	4						0
5.	47	Electric Distribution Equipment	11,058,706	2,785,323					3,469
6.	50	Computer equipment	10,973	41,159	41,159				0
7.	43.2	Solar Generation	54						0
8.	14.1		99,626						0
9.	1b		5,028						0
10.	1b	2018 Addition	110,389	38,033					0
11.	95	CIP	38,149			-3,084			0
12.	12			25,735	25,735				0
		Totals	18,975,344	2,920,246	96,890	-3,084			3,469

	1 Class number	Description	9 Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4) 234	10 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See **note 10**	11 UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) See **note 11** 236	12 Immediate expensing See **note 12** 238	13 Cost of acquisitions on remainder of Class (column 3 **minus** column 4 **plus** column 11 **minus** column 12)	14 Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 See **note 13** 225	15 Remaining UCC (column 10 **minus** column 12) (if negative, enter "0")	16 Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 **minus** column 9 **plus** column 6 **minus** column 13 **plus** column 14 **minus** column 7) (if negative, enter "0") See **note 14**
1.	1	Buildings		7,363,055					7,363,055	
2.	8	Equipment		119,730	29,996	29,996			89,734	
3.	10	Trucks		199,626					199,626	
4.	45	Computer equipment		4					4	
5.	47	Electric Distribution Equipment		13,840,560			2,785,323	2,785,323	13,840,560	3,469
6.	50	Computer equipment		52,132	41,159	41,159			10,973	

	1 Class number	Description	9 Proceeds of dispositions of the DIEP (enter amount from column 8 that relates to the DIEP reported in column 4) 234	10 UCC (column 2 **plus** column 3 **plus** or **minus** column 5 **minus** column 8) See **note 10**	11 UCC of the DIEP (enter the UCC amount that relates to the DIEP reported in column 4) See **note 11** 236	12 Immediate expensing See **note 12** 238	13 Cost of acquisitions on remainder of Class (column 3 **minus** column 4 **plus** column 11 **minus** column 12)	14 Cost of acquisitions from column 13 that are accelerated investment incentive properties (AIIP) or properties included in Classes 54 to 56 See **note 13** 225	15 Remaining UCC (column 10 **minus** column 12) (if negative, enter "0")	16 Proceeds of disposition available to reduce the UCC of AIIP and property included in Classes 54 to 56 (column 8 **minus** column 9 **plus** column 6 **minus** column 13 **plus** column 14 **minus** column 7) (if negative, enter "0") See **note 14**
7.	43.2	Solar Generation		54					54	
8.	14.1			99,626					99,626	
9.	1b			5,028					5,028	
10.	1b	2018 Addition		148,422			38,033	38,033	148,422	
11.	95	CIP		35,065					35,065	
12.	12			25,735	25,735	25,735				
		Totals		21,889,037	96,890	96,890	2,823,356	2,823,356	21,792,147	3,469

Part 2 – CCA calculation (continued)

	1 Class number	Description	17 Net capital cost additions of AIIP and property included in Classes 54 to 56 acquired during the year (column 14 **minus** column 16) (if negative, enter "0")	18 UCC adjustment for AIIP and property included in Classes 54 to 56 acquired during the year (column 17 **multiplied** by the relevant factor) See **note 15**	19 UCC adjustment for property acquired during the year other than AIIP and property included in Classes 54 to 56 (0.5 **multiplied** by the result of column 13 **minus** column 14 **minus** column 6 **plus** column 7 **minus** column 8 **plus** column 9) (if negative, enter "0") See **note 16** 224	20 CCA rate % See **note 17** 212	21 Recapture of CCA See **note 18** 213	22 Terminal loss See **note 19** 215	23 CCA (for declining balance method, the result of column 15 **plus** column 18 **minus** column 19, **multiplied** by column 20, or a lower amount, **plus** column 12) See **note 20** 217	24 UCC at the end of the year (column 10 **minus** column 23) 220
1.	1	Buildings				4	0	0	294,522	7,068,533
2.	8	Equipment				20	0	0	47,943	71,787
3.	10	Trucks				30	0	0	59,888	139,738
4.	45	Computer equipment				45	0	0	2	2
5.	47	Electric Distribution Equipment	2,781,854	1,390,927		8	0	0	1,218,519	12,622,041
6.	50	Computer equipment				55	0	0	47,194	4,938
7.	43.2	Solar Generation				50	0	0	27	27
8.	14.1					5	0	0	6,954	92,672
9.	1b					6	0	0	302	4,726
10.	1b	2018 Addition	38,033	19,017		6	0	0	10,046	138,376
11.	95	CIP				0	0	0		35,065
12.	12					100	0	0	25,735	
		Totals	2,819,887	1,409,944					1,711,132	20,177,905

Enter the total of column 21 on line 107 of Schedule 1.
Enter the total of column 22 on line 404 of Schedule 1.
Enter the total of column 23 on line 403 of Schedule 1.

Note 3: If a class number has not been provided in Schedule II of the Income Tax Regulations for a particular class of property, use the subsection provided in Regulation 1101.

Note 4: Include any property acquired in previous years that has now become available for use, net of any government assistance received or entitled to be received in the year from a government, municipality or other public authority, or a reduction of capital cost after the application of section 80. This property would have been previously excluded from column 3. List separately any acquisitions of property in the class that are not subject to the 50% rule. See Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance, for exceptions to the 50% rule.

Note 5: A DIEP reported in column 4 is a property acquired after April 18, 2021, by a corporation that was a Canadian-controlled private corporation (CCPC) throughout the year, which became available for use in the tax year (before 2024) and was designated as such on or before the day that is 12 months after the filing-due date for the tax year to which the designation relates. It includes all capital property subject to the CCA rules, if certain conditions are met, other than property included in Classes 1 to 6, 14.1, 17, 47, 49, and 51. A property can only qualify as DIEP in the year in which it becomes available for use. See subsection 1104(3.1) of the Regulations for more information.

Note 6: Enter in column 5, "Adjustments and transfers", amounts that increase or reduce the UCC (column 10). Items that increase the UCC include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that reduce the UCC (show amounts that reduce the UCC in brackets) include assistance received or receivable during the year for a property, subsequent to its disposition, if such assistance would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f). See the T2 Corporation Income Tax Guide for other examples of adjustments and transfers to include in column 5.
Also include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor at least 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 7: Include all amounts of assistance you received (or were entitled to receive) after the disposition of a depreciable property that would have decreased the capital cost of the property by virtue of paragraph 13(7.1)(f) if received before the disposition.

Part 2 – CCA calculation (continued)

Note 8: Include all amounts you have repaid during the year for any legally required repayment, made after the disposition of a corresponding property, of:

- assistance that would have otherwise increased the capital cost of the property under paragraph 13(7.1)(d) and
- an inducement, assistance, or any other amount contemplated in paragraph 12(1)(x) received, that otherwise would have increased the capital cost of the property under paragraph 13(7.4)(b)

Include the UCC of each property of a prescribed class acquired in the course of a corporate reorganization described under paragraph 55(3)(b) of the Act (also known as "butterfly reorganization") or include property acquired in a non-arm's length transaction (other than by virtue of a right referred to in paragraph 251(5)(b) of the Act) if the property was a depreciable property acquired by the transferor less than 364 days before the end of your tax year and continuously owned by the transferor until it was acquired by you.

Note 9: For each property disposed of during the year, deduct from the proceeds of disposition any outlays and expenses to the extent that they were made or incurred for the purpose of making the disposition(s). The amount reported in respect of the property cannot exceed the property's capital cost, unless that property is a timber resource property as defined in subsection 13(21).
If the cost of a zero-emission passenger vehicle (or a passenger vehicle that was, at any time, a DIEP) exceeds the prescribed amount, the proceeds of disposition will be adjusted based on a factor equal to the prescribed amount as a proportion of the actual cost of the vehicle.

Note 10: If the amount in column 5 (as shown in brackets) reduces the undepreciated capital cost, you must subtract it for the purposes of the calculation. Otherwise, add the amount in column 5 for the purposes of the calculation.

Note 11: The only amounts incurred before April 19, 2021, to be included in this column are certain inventory purchases from arm's length persons or partnerships where the conditions in paragraphs 1100(0.3)(a) to (c) are met.

Note 12: Immediate expensing applies to a DIEP included in column 11. The total immediate expensing for the tax year (total of column 12) should not exceed the lesser of:

1. Immediate expensing limit: it is equal to one of the following five amounts, whichever is applicable:

- $1.5 million, if you are not associated with any other EPOP in the tax year
- amount from line 125, if you are associated in the tax year with one or more EPOPs
- nil, if the total of the percentages assigned in Part 1 is more than 100% or you are associated in the tax year with one or more EPOPs and have not filed an agreement in prescribed form as required under subsection 1104(3.3) of the Regulations
- the amount determined under subsection 1104(3.5) of the Regulations for any second or subsequent tax years ending in a calendar year, if you have two or more tax years ending in the calendar year in which you are associated with another EPOP that has a tax year ending in that calendar year
- any amount allocated by the minister under subsection 1104(3.4) of the Regulations

The immediate expensing limit has to be prorated if your tax year is less than 365 days. You cannot carry forward any unused amount of the immediate expensing limit.

2. UCC of the DIEP: total of column 11

You have to maintain the CCPC status throughout the relevant tax year in order to claim the immediate expensing.

Note 13: An AIIP is a property (other than property included in Classes 54 to 56) that you acquired after November 20, 2018, and that became available for use before 2028.
Classes 54 and 55 include zero-emission vehicles that you acquired after March 18, 2019, and that became available for use before 2028.
Class 56 applies to eligible zero-emission automotive equipment and vehicles (other than motor vehicles) that are acquired after March 1, 2020, and that became available for use before 2028.
See the T2 Corporation Income Tax Guide for more information.

Note 14: Include only elements from columns 6 and 7 that are not related to the DIEP.

Note 15: The relevant factors for property of a class in Schedule II, that is an AIIP or included in Classes 54 to 56, available for use before 2024 are:

- 2 1/3 for property in Classes 43.1, 54, and 56
- 1 1/2 for property in Class 55
- 1 for property in Classes 43.2 and 53
- 0 for property in Classes 12, 13, 14, and 15, as well as properties that are Canadian vessels included in paragraph 1100(1)(v) of the Regulations (see note 20 for additional information) and
- 0.5 for all other property that is an AIIP

Part 2 – CCA calculation (continued)

Note 16: The UCC adjustment for property acquired during the year (formerly known as the half-year rule or 50% rule) does not apply to certain property (including AIIP, property included in Classes 54 to 56, and property to which the immediate expensing was applied). Include only elements from columns 6 and 7 that are not related to the DIEP.
For special rules and exceptions, see Income Tax Folio S3-F4-C1, General Discussion of Capital Cost Allowance.

Note 17: Enter a rate only if you are using the declining balance method. For any other method (for example, the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 23.

Note 18: If the amount in column 10 is negative, you have a recapture of CCA. If applicable, enter the negative amount from column 10 in column 21 as a positive. The recapture rules do not apply to passenger vehicles in Class 10.1. However, they do apply to a passenger vehicle that was, at any time, a DIEP.

Note 19: If no property is left in the class at the end of the tax year and there is still a positive amount in the column 10, you have a terminal loss. If applicable, enter the positive amount from column 10 in column 22. The terminal loss rules do not apply to:

- passenger vehicles in Class 10.1
- property in Class 14.1, unless you have ceased carrying on the business to which it relates
- limited-period franchises, concessions, or licences in Class 14 if, at the time of acquisition, the property was a former property of the transferor or any similar property attributable to the same fixed place of business, and you had jointly elected with the transferor to have the replacement property rules apply, unless certain conditions are met

Note 20: 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. For property in class 10.1 disposed of during the year, deduct a maximum of 50% of the regular CCA deduction if you owned the property at the beginning of the tax year. For AIIP listed below, the maximum first year allowance you can claim is determined as follows:

- Class 13: the lesser of 150% of the amount calculated in Schedule III of the Regulations and the UCC at the end of the tax year (before any CCA deduction)
- Class 14: the lesser of 150% of the allocation for the year of the capital cost of the property apportioned over the remaining life of the property (at the time the cost was incurred) and the UCC at the end of the tax year (before any CCA deduction)
- Class 15: the lesser of 150% of an amount computed on the basis of a rate per cord, board foot, or cubic metre cut in the tax year and the UCC at the end of the tax year (before any CCA deduction)
- Canadian vessels described under paragraph 1100(1)(v) of the Regulations: the lesser of 50% of the capital cost of the property and the UCC at the end of the tax year (before any CCA deduction)
- Class 41.2: use a 25% CCA rate. The additional allowance under paragraphs 1100(1)(y.2) (for single mine properties) and 1100(1)(ya.2) (for multiple mine properties) of the Regulations is not eligible for the accelerated investment incentive. The additional allowance in respect of natural gas liquefaction under paragraph 1100(1)(yb) of the Regulations is eligible for the accelerated investment incentive

The AIIP also apply to property (other than a timber resource property) that is a timber limit or a right to cut timber from a limit as well as to industrial mineral mine or a right to remove minerals from an industrial mineral mine. See the Income Tax Regulations for more detail.

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SCHEDULE 9

RELATED AND ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Complete this schedule if the corporation is related to or associated with at least one other corporation.
- For more information, see the *T2 Corporation Income Tax Guide*.

	Name 100	Country of residence (other than Canada) 200	Business number (see note 1) 300	Relationship code (see note 2) 400	Number of common shares you own 500	% of common shares you own 550	Number of preferred shares you own 600	% of preferred shares you own 650	Book value of capital stock 700
1.	Corporation of the Town of Orange		10698 6151 RC0001	1					
2.	Corporation of the Township of Eas		NR	1					
3.	Orangville Railway Development Cc		86433 3166 RC0001	3					

Note 1: Enter "NR" if the corporation is not registered or does not have a business number.
Note 2: Enter the code number of the relationship that applies from the following order: 1 - Parent 2 - Subsidiary 3 - Associated 4 - Related but not associated

T2 SCH 9 (11)

Canada

Continuity of financial statement reserves (not deductible)

Financial statement reserves (not deductible)

	Description	Balance at the beginning of the year	Transfer on an amalgamation or the wind-up of a subsidiary	Add	Deduct	Balance at the end of the year
1	Allowance for doubtful accts	46,000			11,000	35,000
2	Employee Future Benefits	418,481		15,993		434,474
3						
	Reserves from Part 2 of Schedule 13					
	Totals	464,481		15,993	11,000	469,474

The total opening balance plus the total transfers should be entered on line 414 of Schedule 1 as a deduction.
The total closing balance should be entered on line 126 of Schedule 1 as an addition.

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Schedule 23

Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Business Limit

- For use by a Canadian-controlled private corporation (CCPC) to identify all associated corporations and to assign a percentage for each associated corporation. This percentage will be used to allocate the business limit for the small business deduction. Information from this schedule will also be used to determine the date the balance of tax is due and to calculate the reduction to the business limit.
- An associated CCPC that has more than one tax year ending in a calendar year must file an agreement for each tax year ending in that calendar year.

Column 1: Enter the legal name of each of the corporations in the associated group, including those deemed to be associated under subsection 256(2) of the Income Tax Act.

Column 2: Provide the business number for each corporation (if a corporation is not registered, enter "NR").

Column 3: Enter the association code from the list below that applies to each corporation:

1 – Associated for purposes of allocating the business limit (unless association code 5 applies)
2 – CCPC that is a **third corporation** as referred to in subsection 256(2) and has filed Schedule 28, Election not to be Associated Through a Third Corporation
3 – Non-CCPC that is a **third corporation**
4 – Associated non-CCPC
5 – Associated CCPC to which association code 1 does not apply because a **third corporation** has filed Schedule 28

Column 4: Enter the business limit for the year of each corporation in the associated group. Enter "0" if the corporation has association code 2, 3 or 4 in column 3 (except if the corporation is a cooperative or a credit union eligible for the SBD and it has association code 4).

Column 5: Assign a percentage to allocate the business limit to each corporation that has association code 1 in column 3. The total of all percentages in column 5 cannot exceed 100%.

Column 6: Enter the business limit allocated to each corporation by multiplying the amount in column 4 by the percentage in column 5. Add all business limits allocated in column 6 and enter the total at line A.

Ensure that the total at line A does not exceed $500,000.

Allocating the business limit

Date filed (do not use this area) . . . . . 025 Year Month Day

Enter the calendar year the agreement applies to . . . . . 050 Year 2022

Is this an amended agreement for the above calendar year that is intended to replace an agreement previously filed by any of the associated corporations listed below? . . . . . 075 ☐ Yes ☒ No

	1 Name of associated corporations 100	2 Business number of associated corporations 200	3 Association code 300	4 Business limit for the year before the allocation $	5 Percentage of the business limit % 350	6 Business limit allocated* $ 400	
1	Orangeville Hydro Limited	86463 9562 RC0002	1	500,000	100.0000	500,000	
2	Corporation of the Town of Orangeville	10698 6151 RC0001	1	500,000			
3	Corporation of the Township of East Luther Grai	NR	1	500,000			
4	Orangville Railway Development Corporation	86433 3166 RC0001	1	500,000			
				Total	100.0000	500,000	A

Business limit reduction under subsection 125(5.1) of the Act

The business limit reduction is calculated in the small business deduction area of the T2 return. One of the factors used in this calculation is the "large corporation amount" at line 415 of the T2 return. The amount at line 415 is determined using the formula 0.225% x (C - $10,000,000). Another factor is the "adjusted aggregate investment income" from lines 744 and 745 of Schedule 7, Aggregate Investment Income and Income Eligible for the Small Business Deduction. Details of these formulas and variable C are in subsection 125(5.1) of the Act.

* Each corporation will enter on line 410 of the T2 return, the amount allocated to it in column 6. However, if the corporation's tax year is less than 51 weeks, prorate the amount in column 6 by the number of days in the tax year divided by 365, and enter the result on line 410 of the T2 return.

Special rules for business limit

Special rules apply under subsection 125(5) if a CCPC has more than one tax year ending in the same calendar year and it is associated in more than one of those tax years with another CCPC that has a tax year ending in that calendar year. The business limit for the second or later tax year will be equal to the lesser of: the business limit determined for the first tax year ending in the calendar year or the business limit determined for the second or later tax year ending in the same calendar year.

T2 SCH 23 E (19)

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Schedule 33

Taxable Capital Employed in Canada – Large Corporations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- Use this schedule in determining if the total taxable capital employed in Canada of the corporation (other than a financial institution or an insurance corporation) and its related corporations is greater than $10,000,000.
- If the total taxable capital employed in Canada of the corporation and its related corporations is greater than $10,000,000, file a completed Schedule 33 with your T2 *Corporation Income Tax Return* no later than six months from the end of the tax year.
- Unless otherwise noted, all legislative references are to the *Income Tax Act* and the *Income Tax Regulations*.
- Subsection 181(1) defines the terms **financial institution**, **long-term debt**, and **reserves**.
- Subsection 181(3) provides the basis to determine the carrying value of a corporation's assets or any other amount under Part I.3 for its capital, investment allowance, taxable capital, or taxable capital employed in Canada, or for a partnership in which it has an interest.
- If the corporation was a non-resident of Canada throughout the year and carried on a business through a permanent establishment in Canada, go to Part 4, **Taxable capital employed in Canada**.

Part 1 – Capital

Add the following year-end amounts:

	Line	Amount	Total	
Reserves that have not been deducted in calculating income for the year under Part I	101	469,474		
Capital stock (or members' contributions if incorporated without share capital)	103	8,290,714		
Retained earnings	104	4,317,609		
Contributed surplus	105			
Any other surpluses	106			
Deferred unrealized foreign exchange gains	107			
All loans and advances to the corporation	108	16,131,608		
All indebtedness of the corporation represented by bonds, debentures, notes, mortgages, hypothecary claims, bankers' acceptances, or similar obligations	109			
Any dividends declared but not paid by the corporation before the end of the year	110			
All other indebtedness of the corporation (other than any indebtedness for a lease) that has been outstanding for more than 365 days before the end of the year	111			
The total of all amounts, each of which is the amount, if any, in respect of a partnership in which the corporation held a membership interest at the end of the year, either directly or indirectly through another partnership (see note below)	112			
Subtotal (**add** lines 101 to 112)		29,209,405 ▶	29,209,405	A

Note:

Line 112 is determined by the formula (A – B) x C/D (as per paragraph 181.2(3)(g)) where:

A is the total of all amounts that would be determined for lines 101, 107, 108, 109, and 111 in respect of the partnership for its last fiscal period that ends at or before the end of the year if
- a) those lines applied to partnerships in the same manner that they apply to corporations, and
- b) those amounts were computed without reference to amounts owing by the partnership
  - (i) to any corporation that held a membership interest in the partnership either directly or indirectly through another partnership, or
  - (ii) to any partnership in which a corporation described in subparagraph (i) held a membership interest either directly or indirectly through another partnership.

B is the partnership's deferred unrealized foreign exchange losses at the end of the period,

C is the share of the partnership's income or loss for the period to which the corporation is entitled either directly or indirectly through another partnership, and

D is the partnership's income or loss for the period.

Part 1 – Capital (continued)

Subtotal A (from page 1)			29,209,405	A
Deduct the following amounts:				
Deferred tax debit balance at the end of the year	121			
Any deficit deducted in calculating its shareholders' equity (including, for this purpose, the amount of any provision for the redemption of preferred shares) at the end of the year	122			
To the extent that the amount may reasonably be regarded as being included in any of lines 101 to 112 above for the year, any amount deducted under subsection 135(1) in calculating income under Part I for the year.	123			
Deferred unrealized foreign exchange losses at the end of the year	124			
Subtotal (**add** lines 121 to 124)				B
Capital for the year (amount A **minus** amount B) (if negative, enter “0”)		190	29,209,405	

Part 2 – Investment allowance

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

A share of another corporation	401	
A loan or advance to another corporation (other than a financial institution)	402	
A bond, debenture, note, mortgage, hypothecary claim, or similar obligation of another corporation (other than a financial institution)	403	168,244
Long-term debt of a financial institution	404	
A dividend payable on a share of the capital stock of another corporation	405	
A loan or advance to, or a bond, debenture, note, mortgage, hypothecary claim or similar obligation of, a partnership each member of which was, throughout the year, another corporation (other than a financial institution) that was not exempt from tax under this Part (otherwise than because of paragraph 181.1(3)(d)), or another partnership described in paragraph 181.2(4)(d.1)	406	
An interest in a partnership (see note 2 below)	407	
Investment allowance for the year (add lines 401 to 407)	490	168,244

Notes:

1. Lines 401 to 405 should not include the carrying value of a share of the capital stock of, a dividend payable by, or indebtedness of a corporation that is exempt from tax under Part I.3 (other than a non-resident corporation that at no time in the year carried on business in Canada through a permanent establishment).
2. Where the corporation has an interest in a partnership held either directly or indirectly through another partnership, refer to subsection 181.2(5) for additional rules regarding the carrying value of an interest in a partnership.
3. Where a trust is used as a conduit for loaning money from a corporation to another related corporation (other than a financial institution), the loan will be considered to have been made directly from the lending corporation to the borrowing corporation. Refer to subsection 181.2(6) for special rules that may apply.

Part 3 – Taxable capital

Capital for the year (line 190)		29,209,405	C
Deduct: Investment allowance for the year (line 490)		168,244	D
Taxable capital for the year (amount C **minus** amount D) (if negative, enter "0")	500	29,041,161	

Part 4 – Taxable capital employed in Canada

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

Taxable capital for the year (line 500) 29,041,161 x (Taxable income earned in Canada **610** 1,000 / Taxable income 1,000) = **Taxable capital employed in Canada** **690** 29,041,161

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

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

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

Deduct the following amounts:

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

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

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

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

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

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

Part 5 – Calculation for purposes of the small business deduction

This part is applicable to corporations that are not associated in the current year, but were associated in the prior year.

Taxable capital employed in Canada (amount from line 690) . . . . ____ F

Deduct: . . . . 10,000,000 G

Excess (amount F **minus** amount G) (if negative, enter "0") ____ H

Calculation for purposes of the small business deduction (amount H x 0.225%) . . . . ____ I

Enter this amount at line 415 of the T2 return.

Attached Schedule with Total

Part 1 – All loans and advances to the corporation

Title Part 1 – All loans and advances to the corporation

Description	Operator (Note)	Amount
Current portion of long-term debt - FS		590,827 00
Long-term debt	+	15,540,781 00
	+	
	Total	16,131,608 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

Attached Schedule with Total

Part 1 – Reserves that have not been deducted in calculating income for the year under Part I

Title Part 1 – Reserves that have not been deducted in calculating income for the

Explanatory note
See Sch13S - Ending Balance

Description	Operator (Note)	Amount
Allowance for Doubtful Accounts - Sch13S		35,000 00
Employee Future Benefits - Sch13S	+	434,474 00
	+	
	Total	469,474 00

Note: The calculations are performed one at a time, from the first to the last line, and not according to the priority rules of the operations. For example, the formula 1+2*3 will not result in the same thing as the formula 1+3*2.

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Schedule 50

Shareholder Information

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- 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 (business number, partnership account number, social insurance number or trust number) per shareholder.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust) 100	Business number or partnership account number (9 digits, 2 letters, and 4 digits. If not registered, enter "**NR**") 200	Social insurance number (9 digits) 300	Trust number (T followed by 8 digits) 350	Percentage common shares 400	Percentage preferred shares 500
1	The Corporation of the Town of Orangeville	106986151RC0001			94.500	
2	The Corporation of the Township of East Luther Grand	NR			5.500	
3						
4						
5						
6						
7						
8						
9						
10						

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Schedule 55

Part III.1 Tax on Excessive Eligible Dividend Designations

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

Do not use this area

- Every corporation resident in Canada that pays a taxable dividend (other than a capital gains dividend within the meaning assigned by subsection 130.1(4) or 131(1)) in the tax year must file this schedule.
- Canadian-controlled private corporations (CCPC) and deposit insurance corporations (DIC) must complete Part 1 of this schedule. All other corporations must complete Part 2.
- Every corporation that has paid an eligible dividend must also file Schedule 53, General Rate Income Pool (GRIP) Calculation, or Schedule 54, Low Rate Income Pool (LRIP) Calculation, whichever is applicable.
- File the schedules with your T2 Corporation Income Tax Return no later than six months from the end of the tax year.
- All legislative references are to the Income Tax Act and the Income Tax Regulations.
- Subsection 89(1) defines the terms **eligible dividend**, **excessive eligible dividend designation**, **general rate income pool**, and **low rate income pool**.
- The calculations in Part 1 and Part 2 do not apply if the excessive eligible dividend designation arises from the application of paragraph (c) of the definition of excessive eligible dividend designation in subsection 89(1). This paragraph applies when an eligible dividend is paid to artificially maintain or increase the GRIP or to artificially maintain or decrease the LRIP.

Part 1 – Canadian-controlled private corporations and deposit insurance corporations

Taxable dividends paid in the tax year **not included** in Schedule 3				
Taxable dividends paid in the tax year **included** in Schedule 3		485,664		
Total taxable dividends paid in the tax year	100	485,664		
Total eligible dividends paid in the tax year	150			
GRIP at the end of the tax year (line 590 on Schedule 53) (if negative, enter "0")	160			
Excessive eligible dividend designation (line 150 **minus** line 160)				A
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	180			
Subtotal (amount A **minus** line 180)				B
Part III.1 tax on excessive eligible dividend designations – CCPC or DIC (amount B **multiplied** by 20 %)	190			

Enter the amount from line 190 on line 710 of the T2 return.

Part 2 – Other corporations

Taxable dividends paid in the tax year **not included** in Schedule 3				
Taxable dividends paid in the tax year **included** in Schedule 3				
Total taxable dividends paid in the tax year	200			
Total excessive eligible dividend designations in the tax year (amount A of Schedule 54)				C
Excessive eligible dividend designations elected under subsection 185.1(2) to be treated as ordinary dividends *	280			
Subtotal (amount C **minus** line 280)				D
Part III.1 tax on excessive eligible dividend designations – Other corporations (amount D **multiplied** by 20 %)	290			

Enter the amount from line 290 on line 710 of the T2 return.

* You can elect to treat all or part of your excessive eligible dividend designation as a separate taxable dividend in order to eliminate or reduce the Part III.1 tax otherwise payable. You must file the election on or before the day that is 90 days **after** the day the notice of assessment for Part III.1 tax was sent. We will accept an election before the assessment of the tax.

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Schedule 510

Ontario Corporate Minimum Tax

Corporation's name	Business number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- File this schedule if the corporation is subject to Ontario corporate minimum tax (CMT). CMT is levied under section 55 of the *Taxation Act, 2007* (Ontario), referred to as the "Ontario Act".
- Complete Part 1 to determine if the corporation is subject to CMT for the tax year.
- A corporation not subject to CMT in the tax year is still required to file this schedule if it is deducting a CMT credit, has a CMT credit carryforward, or has a CMT loss carryforward or a current year CMT loss.
- A corporation that has Ontario special additional tax on life insurance corporations (SAT) payable in the tax year must complete Part 4 of this schedule even if it is not subject to CMT for the tax year.
- A corporation is exempt from CMT if, throughout the tax year, it was one of the following:
  1) a corporation exempt from income tax under section 149 of the federal *Income Tax Act*;
  2) a mortgage investment corporation under subsection 130.1(6) of the federal Act;
  3) a deposit insurance corporation under subsection 137.1(5) of the federal Act;
  4) a congregation or business agency to which section 143 of the federal Act applies;
  5) an investment corporation as referred to in subsection 130(3) of the federal Act; or
  6) a mutual fund corporation under subsection 131(8) of the federal Act.
- File this schedule with the *T2 Corporation Income Tax Return*.

Part 1 – Determination of CMT applicability

Total assets of the corporation at the end of the tax year *	112	39,368,461
Share of total assets from partnership(s) and joint venture(s) *	114	
Total assets of associated corporations (amount from line 450 on Schedule 511)	116	50,000,000
Total assets (total of lines 112 to 116)		89,368,461
Total revenue of the corporation for the tax year **	142	37,802,841
Share of total revenue from partnership(s) and joint venture(s) **	144	
Total revenue of associated corporations (amount from line 550 on Schedule 511)	146	100,000,000
Total revenue (total of lines 142 to 146)		137,802,841

The corporation is subject to CMT if:
- for tax years ending before July 1, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are more than $5,000,000, or the total revenue for the year of the corporation or the associated group of corporations is more than $10,000,000.
- for tax years ending after June 30, 2010, the total assets at the end of the year of the corporation or the associated group of corporations are equal to or more than $50,000,000, and the total revenue for the year of the corporation or the associated group of corporations is equal to or more than $100,000,000.

If the corporation is not subject to CMT, do not complete the remaining parts unless the corporation is deducting a CMT credit, or has a CMT credit carryforward, a CMT loss carryforward, a current year CMT loss, or SAT payable in the year.

* **Rules for total assets**
- Report total assets according to generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- Do not include unrealized gains and losses on assets and foreign currency gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.
- The amount on line 114 is determined at the end of the last fiscal period of the partnership or joint venture that ends in the tax year of the corporation. Add the proportionate share of the assets of the partnership(s) and joint venture(s), and deduct the recorded asset(s) for the investment in partnerships and joint ventures.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

** **Rules for total revenue**
- Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
- If the tax year is less than 51 weeks, **multiply** the total revenue of the corporation or the partnership, whichever applies, by 365 and **divide** by the number of days in the tax year.
- The amount on line 144 is determined for the partnership or joint venture fiscal period that ends in the tax year of the corporation. If the partnership or joint venture has 2 or more fiscal periods ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.
- A corporation's share in a partnership or joint venture is determined under paragraph 54(5)(b) of the Ontario Act and, if the partnership or joint venture had no income or loss, is calculated as if the partnership's or joint venture's income were $1 million. For a corporation with an indirect interest in a partnership or joint venture, determine the corporation's share according to paragraph 54(5)(c) of the Ontario Act.

Part 2 – Adjusted net income/loss for CMT purposes

Net income/loss per financial statements *			210	747,579
Add (to the extent reflected in income/loss):				
Provision for current income taxes/cost of current income taxes	220			
Provision for deferred income taxes (debits)/cost of future income taxes	222	170,774		
Equity losses from corporations	224			
Financial statement loss from partnerships and joint ventures	226			
Dividends deducted on financial statements (subsection 57(2) of the Ontario Act), excluding dividends paid by credit unions under subsection 137(4.1) of the federal Act	230			
Other additions (see note below):				
Share of adjusted net income of partnerships and joint ventures **	228			
Total patronage dividends received, not already included in net income/loss	232			
281	282			
283	284			
Subtotal		170,774	▶	170,774 A
Deduct (to the extent reflected in income/loss):				
Provision for recovery of current income taxes/benefit of current income taxes	320	41,900		
Provision for deferred income taxes (credits)/benefit of future income taxes	322			
Equity income from corporations	324			
Financial statement income from partnerships and joint ventures	326			
Dividends deductible under section 112, section 113, or subsection 138(6) of the federal Act	330			
Dividends not taxable under section 83 of the federal Act (from Schedule 3)	332			
Gain on donation of listed security or ecological gift	340			
Accounting gain on transfer of property to a corporation under section 85 or 85.1 of the federal Act ***	342			
Accounting gain on transfer of property to/from a partnership under section 85 or 97 of the federal Act ****	344			
Accounting gain on disposition of property under subsection 13(4), subsection 14(6), or section 44 of the federal Act *****	346			
Accounting gain on a windup under subsection 88(1) of the federal Act or an amalgamation under section 87 of the federal Act	348			
Other deductions (see note below):				
Share of adjusted net loss of partnerships and joint ventures **	328			
Tax payable on dividends under subsection 191.1(1) of the federal Act **multiplied** by 3	334			
Interest deducted/deductible under paragraph 20(1)(c) or (d) of the federal Act, not already included in net income/loss	336			
Patronage dividends paid (from Schedule 16) not already included in net income/loss	338			
381 Tax movement in regulatory account	382	170,774		
383 Tax reclassification	384	64,130		
385	386			
387	388			
389	390			
Subtotal		276,804	▶	276,804 B
Adjusted net income/loss for CMT purposes (line 210 **plus** amount A **minus** amount B)			490	641,549

If the amount on line 490 is positive and the corporation is subject to CMT as determined in Part 1, enter the amount on line 515 in Part 3.

If the amount on line 490 is negative, enter the amount on line 760 in Part 7 (enter as a positive amount).

Note

In accordance with *Ontario Regulation 37/09*, when calculating net income for CMT purposes, accounting income should be adjusted to:

– exclude unrealized gains and losses due to mark-to-market changes or foreign currency changes on specified mark-to-market property (assets only);
– include realized gains and losses on the disposition of specified mark-to-market property not already included in the accounting income, if the property is not a capital property or is a capital property disposed in the year or in a previous tax year ended after March 22, 2007.

"Specified mark-to-market property" is defined in subsection 54(1) of the Ontario Act.

These rules also apply to partnerships. A corporate partner's share of a partnership's adjusted income flows through on a proportionate basis to the corporate partner.

* **Rules for net income/loss**

– Banks must report net income/loss as per the report accepted by the Superintendent of Financial Institutions under the federal *Bank Act*, adjusted so consolidation and equity methods are not used.

Part 2 – Calculation of adjusted net income/loss for CMT purposes (continued)

– Life insurance corporations must report net income/loss as per the report accepted by the federal Superintendent of Financial Institutions or equivalent provincial insurance regulator, before SAT and adjusted so consolidation and equity methods are not used. If the life insurance corporation is resident in Canada and carries on business in and outside of Canada, **multiply** the net income/loss by the ratio of the Canadian reserve liabilities **divided** by the total reserve liability. The reserve liabilities are calculated in accordance with Regulation 2405(3) of the federal Act.

– Other corporations must report net income/loss in accordance with generally accepted accounting principles, except that consolidation and equity methods must not be used. When the equity method has been used for accounting purposes, equity losses and equity income are removed from book income/loss on lines 224 and 324 respectively.

– Corporations, other than insurance corporations, should report net income from line 9999 of the GIFI (Schedule 125) on line 210.

** The share of the adjusted net income of a partnership or joint venture is calculated as if the partnership or joint venture were a corporation and the tax year of the partnership or joint venture were its fiscal period. For a corporation with an indirect interest in a partnership through one or more partnerships, determine the corporation's share according to clause 54(5)(c) of the Ontario Act.

*** A joint election will be considered made under subsection 60(1) of the Ontario Act if there is an entry on line 342, and an election has been made for transfer of property to a corporation under subsection 85(1) of the federal Act.

**** A joint election will be considered made under subsection 60(2) of the Ontario Act if there is an entry on line 344, and an election has been made under subsection 85(2) or 97(2) of the federal Act.

***** A joint election will be considered made under subsection 61(1) of the Ontario Act if there is an entry on line 346, and an election has been made under subsection 13(4) or 14(6) and/or section 44 of the federal Act.

For more information on how to complete this part, see the *T2 Corporation – Income Tax Guide*.

Part 3 – CMT payable

Adjusted net income for CMT purposes (line 490 in Part 2, if positive)		515	641,549
Deduct:			
CMT loss available (amount R from Part 7)			
Minus: Adjustment for an acquisition of control *	518		
Adjusted CMT loss available		►	C
Net income subject to CMT calculation (if negative, enter "0")		520	641,549

Amount from line 520: 641,549 x (Number of days in the tax year before July 1, 2010 / Number of days in the tax year: 365) x 4 % = ______ 1

Amount from line 520: 641,549 x (Number of days in the tax year after June 30, 2010: 365 / Number of days in the tax year: 365) x 2.7 % = 17,322 2

Subtotal (amount 1 **plus** amount 2) 17,322 3

Gross CMT: amount on line 3 above x OAF **	540	17,322
Deduct:		
Foreign tax credit for CMT purposes ***	550	
CMT after foreign tax credit deduction (line 540 **minus** line 550) (if negative, enter "0")		17,322 D
Deduct:		
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)		
Net CMT payable (if negative, enter "0")		E

Enter amount E on line 278 of Schedule 5, *Tax Calculation Supplementary – Corporations*, and complete Part 4.

* Enter the portion of CMT loss available that exceeds the adjusted net income for the tax year from carrying on a business before the acquisition of control. See subsection 58(3) of the Ontario Act.

*** Enter "0" on line 550 for life insurance corporations as they are not eligible for this deduction. For all other corporations, enter the cumulative total of amount J for the province of Ontario from Part 9 of Schedule 21 on line 550.

** **Calculation of the Ontario allocation factor (OAF):**

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "Ontario," enter "1" on line F.

If the provincial or territorial jurisdiction entered on line 750 of the T2 return is "multiple," complete the following calculation, and enter the result on line F:

Ontario taxable income **** / Taxable income ***** = ______

Ontario allocation factor 1.00000 F

**** Enter the amount allocated to Ontario from column F in Part 1 of Schedule 5. If the taxable income is nil, calculate the amount in column F as if the taxable income were $1,000.

***** Enter the taxable income amount from line 360 or amount Z of the T2 return, whichever applies. If the taxable income is nil, enter "1,000".

Part 4 – Calculation of CMT credit carryforward

CMT credit carryforward at the end of the previous tax year *		G		
Deduct:				
CMT credit expired *	600			
CMT credit carryforward at the beginning of the current tax year * (see note below)		►	620	
Add:				
CMT credit carryforward balances transferred on an amalgamation or the windup of a subsidiary (see note below)			650	
CMT credit available for the tax year (amount on line 620 **plus** amount on line 650)				H
Deduct:				
CMT credit deducted in the current tax year (amount P from Part 5)				I
Subtotal (amount H **minus** amount I)				J
Add:				
Net CMT payable (amount E from Part 3)				
SAT payable (amount O from Part 6 of Schedule 512)				
Subtotal		►		K
CMT credit carryforward at the end of the tax year (amount J **plus** amount K)			670	L

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line G or line 600;
- for line 620, enter the amount from line 2336 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line G the amount from line 670 of Schedule 510 from the previous tax year.

Note: If you entered an amount on line 620 or line 650, complete Part 6.

Part 5 – Calculation of CMT credit deducted from Ontario corporate income tax payable

CMT credit available for the tax year (amount H from Part 4)					M
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)				1	
For a corporation that is not a life insurance corporation:					
CMT after foreign tax credit deduction (amount D from Part 3)	17,322	2			
For a life insurance corporation:					
Gross CMT (line 540 from Part 3)		3			
Gross SAT (line 460 from Part 6 of Schedule 512)		4			
The **greater** of amounts 3 and 4		5			
Deduct: line 2 or line 5, whichever applies:			17,322	6	
Subtotal (if negative, enter "0")				►	N
Ontario corporate income tax payable before CMT credit (amount F6 from Schedule 5)					
Deduct:					
Total refundable tax credits excluding Ontario qualifying environmental trust tax credit (amount J6 **minus** line 450 from Schedule 5)					
Subtotal (if negative, enter "0")				►	O
CMT credit deducted in the current tax year (least of amounts M, N, and O)					P

Enter amount P on line 418 of Schedule 5 and on line I in Part 4 of this schedule.

Is the corporation claiming a CMT credit earned before an acquisition of control? 675 1 Yes ☐ 2 No ☒

If you answered **yes** to the question at line 675, the CMT credit deducted in the current tax year may be restricted. For information on how the deduction may be restricted, see subsections 53(6) and (7) of the Ontario Act.

Part 6 – Analysis of CMT credit available for carryforward by year of origin

Complete this part if:
- the tax year includes January 1, 2009; or
- the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	CMT credit balance *
10th previous tax year	680
9th previous tax year	681
8th previous tax year	682
7th previous tax year	683
6th previous tax year	684
5th previous tax year	685
4th previous tax year	686
3rd previous tax year	687
2nd previous tax year	688
1st previous tax year	689
Total **	

* CMT credit that was earned (by the corporation, predecessors of the corporation, and subsidiaries wound up into the corporation) in each of the previous 10 tax years and has not been deducted.

** Must equal the total of the amounts entered on lines 620 and 650 in Part 4.

Part 7 – Calculation of CMT loss carryforward

CMT loss carryforward at the end of the previous tax year * . . . . ______ Q

Deduct:

CMT loss expired * . . . . 700 ______

CMT loss carryforward at the beginning of the tax year * (see note below) . . . . ______ ▶ 720 ______

Add:

CMT loss transferred on an amalgamation under section 87 of the federal Act ** (see note below) . . . . 750 ______

CMT loss available (line 720 **plus** line 750) . . . . ______ R

Deduct:

CMT loss deducted against adjusted net income for the tax year (lesser of line 490 (if positive) and line C in Part 3) . . . . ______

Subtotal (if negative, enter "0") ______ S

Add:

Adjusted net loss for CMT purposes (amount from line 490 in Part 2, if **negative**) (enter as a positive amount) . . . . 760 ______

CMT loss carryforward balance at the end of the tax year (amount S **plus** line 760) . . . . 770 ______ T

* For the first harmonized T2 return filed with a tax year that includes days in 2009:
- do not enter an amount on line Q or line 700;
- for line 720, enter the amount from line 2214 of Ontario CT23 Schedule 101, *Corporate Minimum Tax (CMT)*, for the last tax year that ended in 2008.

For other tax years, enter on line Q the amount from line 770 of Schedule 510 from the previous tax year.

** Do not include an amount from a predecessor corporation if it was controlled at any time before the amalgamation by any of the other predecessor corporations.

Note: If you entered an amount on line 720 or line 750, complete Part 8.

Part 8 – Analysis of CMT loss available for carryforward by year of origin

Complete this part if:

– the tax year includes January 1, 2009; or
– the previous tax year-end is deemed to be December 31, 2008, under subsection 249(3) of the federal Act.

Year of origin	Balance earned in a tax year ending before March 23, 2007 *	Balance earned in a tax year ending after March 22, 2007 **
10th previous tax year	810	820
9th previous tax year	811	821
8th previous tax year	812	822
7th previous tax year	813	823
6th previous tax year	814	824
5th previous tax year	815	825
4th previous tax year	816	826
3rd previous tax year	817	827
2nd previous tax year	818	828
1st previous tax year		829
Total ***		

* Adjusted net loss for CMT purposes that was earned (by the corporation, by subsidiaries wound up into or amalgamated with the corporation before March 22, 2007, and by other predecessors of the corporation) in each of the previous 10 tax years that ended before March 23, 2007, and has not been deducted.

** Adjusted net loss for CMT purposes that was earned (by the corporation and its predecessors, but not by a subsidiary predecessor) in each of the previous 20 tax years that ended after March 22, 2007, and has not been deducted.

*** The total of these two columns must equal the total of the amounts entered on lines 720 and 750.

Canada Revenue Agency / Agence du revenu du Canada

SCHEDULE 511

ONTARIO CORPORATE MINIMUM TAX – TOTAL ASSETS AND REVENUE FOR ASSOCIATED CORPORATIONS

Name of corporation	Business Number	Tax year-end Year Month Day
Orangeville Hydro Limited	86463 9562 RC0002	2022-12-31

- For use by corporations to report the total assets and total revenue of all the Canadian or foreign corporations with which the filing corporation was associated at any time during the tax year. These amounts are required to determine if the filing corporation is subject to corporate minimum tax.
- Total assets and total revenue include the associated corporation's share of any partnership(s)/joint venture(s) total assets and total revenue.
- Attach additional schedules if more space is required.
- File this schedule with the *T2 Corporation Income Tax Return*.

	Names of associated corporations 200	Business number (Canadian corporation only) (see Note 1) 300	Total assets* (see Note 2) 400	Total revenue** (see Note 2) 500
1	Corporation of the Town of Orangeville	10698 6151 RC0001	50,000,000	100,000,000
2	Corporation of the Township of East Luther Grand	NR	0	0
3	Orangville Railway Development Corporation	86433 3166 RC0001	0	0
		Total	450 50,000,000	550 100,000,000

Enter the total assets from line 450 on line 116 in Part 1 of Schedule 510, *Ontario Corporate Minimum Tax*.
Enter the total revenue from line 550 on line 146 in Part 1 of Schedule 510.

Note 1: Enter ¨NR¨ if a corporation is not registered.

Note 2: If the associated corporation does not have a tax year that ends in the filing corporation's current tax year but was associated with the filing corporation in the previous tax year of the filing corporation, enter the total revenue and total assets from the tax year of the associated corporation that ends in the previous tax year of the filing corporation.

* **Rules for total assets**

– Report total assets in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– Include the associated corporation's share of the total assets of partnership(s) and joint venture(s) but exclude the recorded asset(s) for the investment in partnerships and joint ventures.
– Exclude unrealized gains and losses on assets that are included in net income for accounting purposes but not in income for corporate income tax purposes.

** **Rules for total revenue**

– Report total revenue in accordance with generally accepted accounting principles, adjusted so that consolidation and equity methods are not used.
– If the associated corporation has 2 or more tax years ending in the filing corporation's tax year, **multiply** the sum of the total revenue for each of those tax years by 365 and **divide** by the total number of days in all of those tax years.
– If the associated corporation's tax year is less than 51 weeks and is the only tax year of the associated corporation that ends in the filing corporation's tax year, **multiply** the associated corporation's total revenue by 365 and **divide** by the number of days in the associated corporation's tax year.
– Include the associated corporation's share of the total revenue of partnerships and joint ventures.
– If the partnership or joint venture has 2 or more fiscal periods ending in the associated corporation's tax year, **multiply** the sum of the total revenue for each of the fiscal periods by 365 and **divide** by the total number of days in all the fiscal periods.