



## Provincial or Territorial Foreign Tax Credit

**NOTE:** In this form, the text inserted between square brackets represents the regular print information.

Use this form to calculate the **non-business** foreign tax credit for 2011 that you can deduct from the income tax payable to the province or territory you resided in at the end of the year.

This form does not apply to residents of Quebec. If you are a resident of Manitoba and subject to minimum tax, you cannot claim a provincial foreign tax credit.

Before you complete this form, calculate your federal foreign tax credit by using Form T2209, "Federal Foreign Tax Credits". If the amount of the federal foreign tax credit you are entitled to deduct is equal to the foreign non-business tax you paid, your provincial or territorial foreign tax credit would be zero. As a result, you do not have to complete this form.

**Attach** a completed copy of this form to your return. If the non-business income taxes you paid to all foreign countries total more than \$200, complete a separate form for each foreign country to which you paid taxes.

**Country or countries for which you are making this claim:**

Enter the amount from line 1 of Form T2209, "Federal Foreign Tax Credits".

		<b>1</b>
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Enter the amount from line 3 of Form T2209, "Federal Foreign Tax Credits". If you are subject to minimum tax for 2011, see Note on page 6 [at the bottom of the page].

-		<b>2</b>
=		<b>3</b>

Line 1 minus line 2

Net foreign non-business income \*


Divided by: Net income \*\*

× Provincial or territorial tax otherwise payable \*\*\*

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=		<b>4</b>
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Enter the amount from line 3 or line 4, whichever is **less**.

**Provincial or territorial foreign tax credit**

		<b>5</b>
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The amount on line 5 should not be more than the amount entered on the line on page 2 [above) for provincial or territorial tax otherwise payable.

Enter the amount from line 5 on the line for the provincial or territorial foreign tax credit of Form 428. If you have to pay tax to more than one jurisdiction, enter the amount from line 5 on the applicable Part 4, Section 428MJ of Form T2203, "Provincial and Territorial Taxes for 2011 – Multiple Jurisdictions", only for the province or territory you resided in on the last day of the year.

**\* Net foreign non-business income**

Enter the amount reported as net foreign non-business income in the calculation of line 2 on Form T2209.

**\*\* Net income**

Enter the amount reported as net income in the calculation of line 2 on Form T2209.

If you were a resident of Canada for part of the year, include the income for the part of the year you were a resident of Canada plus any income and losses referred to in paragraphs 115(1)(a) to (c) of the federal "Income Tax Act" as reported on your Canadian return, for the part of the year you were not a resident of Canada.

If you paid tax to more than one jurisdiction in 2011, calculate this amount according to note (c) of T2209, using the amount allocated to your province or territory of residence in column 4, Part 1 of Form T2203 **instead** of "line 236 of your return plus the amount on line 4 of Form T1206" in that note.

**\*\*\* Provincial or territorial tax otherwise payable**

If you were a resident of a province or territory other than **Ontario, Alberta, or British Columbia**, enter the amount of tax calculated **before** determining the provincial or territorial foreign tax credit from the appropriate Form 428 or, if you have to pay tax to more than one jurisdiction, from the applicable part of Section 428MJ of Form T2203 for the province or territory in which you resided at the end of the year.

If you were a resident of **Ontario**, calculate this amount by adding the amounts from lines 43 and 44 to the amount from line 49 of Form ON428 and continue the calculation. The amount from line 61 is your "provincial or territorial tax otherwise payable." If you paid tax to more than one jurisdiction in 2011, add the amounts from lines 11 and 12 in Section ON428MJ in Part 4 of Form T2203 to the amount from line 28 and continue the calculation. The amount from line 41 is your "provincial or territorial tax otherwise payable."

If you were a resident of **Alberta**, calculate your "provincial or territorial tax otherwise payable" by adding the amounts from lines 35 and 36 to the amount from line 41 of Form AB428 or the total of lines 7, 8, and 26 in Section AB428MJ of Form T2203.

If you were a resident of **British Columbia**, your "provincial or territorial tax otherwise payable" is the amount of tax calculated **before** determining the provincial and territorial foreign tax credit minus any British Columbia additional tax for minimum tax purposes from Form BC428 or Section BC428MJ of Form T2203.

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## Note

If you were a resident of **British Columbia** and subject to minimum tax, follow the instruction for line 2 as if you were not subject to minimum tax.

If you were a resident of another province or territory, and are subject to minimum tax for 2011, enter on line 2 the part of the special foreign tax credit (line 88 of Form T691, "Alternative Minimum Tax") that relates to non-business income taxes you paid to a foreign country for 2011.

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