



SASKATCHEWAN CORPORATE TAX REDUCTION FOR NEW SMALL BUSINESSES

Name of corporation, Account number, Taxation year-end (Day, Month, Year)

- The Saskatchewan corporate tax reduction for new small businesses applies to the first two taxation years for qualifying corporations that incorporated in Saskatchewan and commenced business after March 26, 1986 and before April 1, 1992.
A corporation that incorporated outside Saskatchewan and commenced business after December 31, 1988 and before April 1, 1992 is also eligible for the reduction when all other requirements are met.
In this form the word "corporation" refers to Canadian-controlled private corporations, cooperative corporations and credit unions.
The Saskatchewan Department of Finance administers the eligibility requirements. Corporations claiming the reduction have to apply to the Saskatchewan Minister of Finance for a Confirmation Notice.
The corporation has to maintain a permanent establishment in Saskatchewan at any time during the year.
The tax reduction is based upon the portion of an eligible corporation's taxable income earned in the year in Saskatchewan.
The reduction is only available to a corporation that qualifies for the federal small business deduction for the year.
The corporation can never have been associated with any other corporation since the date of incorporation. However, associated corporations may have their ineligibility waived by the Saskatchewan Minister of Finance.
File one completed copy of this form and the Confirmation Notice issued by the province with the T2 Corporation Income Tax Return.

Calculation of Saskatchewan corporate tax reduction for new small businesses

Least of amounts from lines 223, 225, and 227 of the federal small business deduction calculation on page 3 of the T2 return (A)
Amount (A) X Taxable income earned in Saskatchewan / Taxable income earned in all provinces = (B)
Amount (B) X Number of days in the taxation year before Jan. 1, 1992 / Number of days in the taxation year X 10% = (C)
Amount (B) X Number of days in the taxation year after Dec. 31, 1991 and before Jan 1, 1993 / Number of days in the taxation year X 9.5% = (D)
Amount (B) X Number of days in the taxation year after Dec. 31, 1992 and before Jan 1, 1994 / Number of days in the taxation year X 9% = (E)
Amount (B) X Number of days in the taxation year after Dec. 31, 1993 and before Jan 1, 1995 / Number of days in the taxation year X 8.5% = (F)
Saskatchewan corporate tax reduction - Total of amounts C, D, E and F. (G)
Enter amount G on line 674 of Schedule T2S-TC.

Certification

Signature only required if this form is filed separately from signed T2 return.
I, (Please print), certify that the information given on this form is, to the best of my knowledge, correct and complete.
Date, Signature of authorized person, Position or office