



Finance, Energy and  
Municipal Affairs  
Taxation and  
Property Records

PO Box 1330  
Charlottetown PE C1A 7N1

# Financial Corporation Capital Tax Return

Fiscal Year End			Date Due			Account Number		
D	M	Y	D	M	Y			

**Freedom of Information and Protection of Privacy**  
 Personal information on this form is collected under the authority of Section 31(c) of the *Freedom of Information and Protection of Privacy Act* and will be used for the purposes of tax administration and enforcement. Questions on the collection and use of this information can be directed to the Manager, Corporate and Tax Administration Services, PO Box 2000, Charlottetown, PE C1A 7N8 (902) 368-5137.

<b>Name of Financial Corporation</b>								
<b>Mailing Address</b>								
	Street, PO Box		City		Province		Postal Code	
<b>Address of Principal Place of Business in PEI</b>								
	Street, PO Box		City		Province		Postal Code	
<b>Official to Contact</b>		Email:			Telephone			
<b>City and Jurisdiction of Head Office</b>								

**Calculation of Tax**

Taxable Paid-up Capital or Taxable Paid-up Capital Employed in Canada as determined in Schedule 1 or 5	→	\$	X	Rate 5%	X	No. of days in fiscal year ÷ 365	=	Tax payable \$
							Less amount paid by installments	\$ _____
							Balance	\$ _____
			Refund \$		Remittance \$			
<input type="checkbox"/> Claimed			<input type="checkbox"/> Apply to Subsequent Year			<input type="checkbox"/> Submitted with Return		

This return, together with payment of any tax remaining unpaid, is due on or before the last day of the month that ends six months after the close of the fiscal year of a financial corporation.

**Certification**

Name of Officer (in BLOCK LETTERS) \_\_\_\_\_

Rank of Officer \_\_\_\_\_

Full Resident Address \_\_\_\_\_

\_\_\_\_\_

I am an authorized signing officer of the financial corporation. I certify that this return, including accompanying schedules and statements has been examined by me and is a true, correct and complete return. I further certify that the allocation of the taxable paid-up capital as set out in Schedule 1 (or taxable paid-up capital employed in Canada as set out in Schedule 5) of this return has been made in accordance with the provisions of the *Financial Corporation Capital Tax Act* and regulations.

Date \_\_\_\_\_ 20\_\_\_\_ Signature \_\_\_\_\_

**Schedule 1**  
**Computation of Taxable Paid-up Capital**

(Only financial corporations resident in Canada complete this schedule)

1.	Paid-up capital stock (net of premium and/or discount)	\$
2.	(Banks only) – <b>General Reserve</b>	\$
	– <b>Appropriation for Contingencies</b>	\$

**Surpluses**

3.	Earned (if deficit, deduct)	\$
4.	Capital	\$
5.	Appraisal	\$
6.	Contributed	\$
7.	Other (specify)	\$

**Reserves**

8.	Special reserves as per balance sheet (include the amount of the reserve deducted from income under paragraph (20)(1)(n) and subparagraph 40(1)(a)(iii) of the <i>Income Tax Act.</i> )	\$
9.	Contingent, investment and other like reserves	\$
10.	Deferred income taxes and other deferred taxes payable	\$
11.	Reserves, the excess of which are not allowed as a deduction from taxable income (include the amount by which the undepreciated capital costs of depreciable assets for income tax purposes exceeds net book value excluding appraisals)	\$
12.	Taxable Paid-up Capital (add Lines 1 to 11 inclusive)	\$
13.	Standard deduction	\$ 2,000,000
14.	Taxable Paid-up Capital (all jurisdictions) (subtract Line 13 from Line 12)	\$
15.	Percentage of amount taxable used by a financial corporation in Prince Edward Island calculated to four decimal places (Schedule 2 for banks or Schedule 3 for a trust company or a loan company, as applicable)	Bank      Trust Co. Or Loan Co.      %
16.	Taxable Paid-up Capital used by a financial corporation in Prince Edward Island (multiply Line 14 by Line 15)	\$

## Schedule 2

### Percentage of Amount Taxable Used by a Bank in Prince Edward Island

Aggregate of the salaries and wages paid in a fiscal year by a bank to employees of its permanent establishments in jurisdictions outside Prince Edward Island	\$	A
Aggregate of the salaries and wages paid in a fiscal year by a bank to its employees in all jurisdictions	\$	B
	$A + B = C$	%
Aggregate amount of loans made by the permanent establishments of a bank in jurisdictions outside Prince Edward Island in a fiscal year  (A from Schedule 4) _____ x 2 = D	\$	D
Aggregate amount of deposits with the permanent establishments of a bank in jurisdictions outside Prince Edward Island in a fiscal year  (C from Schedule 4) _____ x 2 = E	\$	E
	$D + E = F$	\$
Aggregate amount of loans made by, and the amount of deposits with, a bank in all jurisdictions for a fiscal year  (B + D from Schedule 4)	\$	G
	$F + G = H$	%
Percentage of amount taxable that is used by a bank in jurisdictions outside Prince Edward Island  $1/3 (C+H) = I$	%	I
Percentage of amount taxable used by a bank in Prince Edward Island  $100\% - I = J$	%	J

*Transfer figure on Line J to Line 15 of Schedule 1 or Line 18 of Schedule 5*

## Schedule 3

### Percentage of Amount Taxable Used by a Trust Company or a Loan Company in Prince Edward Island

Gross revenue for a fiscal year arising from loans secured outside Prince Edward Island	\$	A
Gross revenue for a fiscal year arising from loans not secured by real property and made to persons residing outside Prince Edward Island	\$	B
Gross revenue for a fiscal year arising from business conducted at the permanent establishments of a trust company or a loan company in jurisdictions outside Prince Edward Island other than revenue arising from loans	\$	C
	$A + B + C = D$	\$
Total gross revenues of a trust company or a loan company in all jurisdictions for a fiscal year	\$	E
Percentage of amount taxable used by a trust company or a loan company in jurisdictions outside Prince Edward Island  $D + E = F$	%	F
Percentage of amount taxable used by a trust company or a loan company in Prince Edward Island  $100\% - F = G$	%	G

*Transfer figure on Line G to Line 15 of Schedule 1 or Line 18 of Schedule 5*

**Schedule 4**  
**Aggregate Amount of Loans and Amount of Deposits**

	Amounts outstanding on loans made by a bank (Note 1)		Amounts on deposit with a bank (Note 1)	
	Outside PEI	All Jurisdictions	Outside PEI	All Jurisdictions
1 <sup>st</sup> Month End				
2 <sup>nd</sup> Month End				
3 <sup>rd</sup> Month End				
4 <sup>th</sup> Month End				
5 <sup>th</sup> Month End				
6 <sup>th</sup> Month End				
7 <sup>th</sup> Month End				
8 <sup>th</sup> Month End				
9 <sup>th</sup> Month End				
10 <sup>th</sup> Month End				
11 <sup>th</sup> Month End				
12 <sup>th</sup> Month End				
Total				
Total ÷ 12				

A

B

C

D

*Transfer totals to appropriate lines on Schedule 2*

- Note 1 – “loans” does not include bonds, stocks, debentures, items in transit and deposits in favor of Her Majesty the Queen in right of Canada
- “deposits” does not include bonds, stocks, debentures, items in transit and deposits in favor of Her Majesty the Queen in right of Canada

## Schedule 5 Taxable Paid-up Capital Employed in Canada

(Only financial corporations not resident in Canada complete this Schedule)

Paid up Capital Employed in Canada is the amount equal to the greater of Calculation 1 or Calculation II determined as follows:

### Calculation I

Taxable income earned in Canada as determined under the <i>Income Tax Act</i> times 12.5	
Taxable Income _____ x 12.5 =	\$

### Calculation II

Total Assets: (Report Canadian Assets Only)

1.	Total assets as per balance sheet	\$
2.	Special reserves as per balance sheet (include the amount of reserve deducted from income under paragraph 20(1)(n) and subparagraph 40(1)(a)(iii) of the <i>Income Tax Act</i> )	\$
3.	Contingent, investment and other like reserves	\$
4.	Reserves, the excess of which are not allowed as a deduction from taxable income (include the amount by which the undepreciated capital costs of depreciable assets for income tax purposes exceeds net book value excluding appraisals)	\$
5.	Mortgages deducted directly from assets	\$
6.	Amounts by which assets have been written down and are not deductible under the <i>Income Tax Act</i>	\$
7.	Other (Specify)	\$
8.	Sub-total - Assets (add lines 1 to 7 inclusive)	\$

### Deductions

9.	Amounts by which net book value of depreciable assets excluding appraisals exceeds the undepreciated capital costs for income tax purposes	\$
10.	Other (specify)	\$
11.	Total deductions (add Lines 9 and 10 inclusive)	\$
12.	Total assets (subtract Line 11 from Line 8)	\$
13.	Indebtedness of the non-resident financial corporation <b>Excluding</b> (a) any amounts that are advanced or loaned to its permanent establishments in Canada (i) by the non-resident financial corporation, (ii) by its shareholders directly or indirectly, (iii) by any person related to any of its shareholders, or (iv) by any other corporation, and  (b) any other indebtedness that is represented by bonds, bond mortgages, debentures, mortgages, lien notes or any other securities to which any part of the property in Canada is subject	\$
14.	Value for Calculation II (subtract Line 13 from Line 12)	\$

**Schedule 5 (continued)**

**Taxable Paid-up Capital**

15.	Total Paid-up Capital Employed in Canada (greater of Calculation I or Calculation II)	\$
16.	Standard deduction	\$ 2,000,000
17.	Taxable Paid-up Capital Employed in Canada (subtract Line 16 from Line 15)	\$
18.	Percentage of taxable paid-up capital employed in Canada used by a financial corporation in Prince Edward Island calculated to four decimal places (Schedule 2 for banks or Schedule 3 for a trust company or a loan company, as applicable)	Bank                  Trust Co. Or Loan Co.  %
19.	Amount taxable (multiply Line 17 by Line 18)	\$