

SASKATCHEWAN MANUFACTURING AND PROCESSING INVESTMENT TAX CREDIT Application

Corporation Name:			
Address:			
City:		Province:	
Postal Code:		Taxation Year End:	DD MM YYYY
Primary Contact:		Telephone:	

Part 1 – Qualified property (acquired in the current tax year) eligible for the credit

CCA Class No.	Description of qualified property	Acquisition Date			Capital cost*
		Day	Month	Year	

Total capital cost (attach an additional schedule if space is insufficient) _____ **A**

* Capital cost is to include the amount of PST paid on qualified property

Part 2 – Calculation of Investment Tax Credit Claim

	Property acquired before March 23, 2017	Property acquired on or after March 23, 2017
Qualified property acquired by the corporation (line A)	_____	_____
Corporation's share of qualified property acquired as a member of a partnership	_____	_____
Corporation's share of qualified property acquired as a beneficiary of a trust	_____	_____
Total qualified property acquired in the current year	_____ B	_____ C
Credit earned before March 23, 2017 (B times 5%)	_____ D	
Credit earned after March 23, 2017 (C times 6%)		_____ E
Tax credit carryforward claimed (See Part 3 for calculation)		_____ F
Total Investment Tax Credit Applied for (D + E + F)		_____ G

INSTRUCTIONS

- For use by corporations with a permanent establishment in Saskatchewan who have acquired qualified used property and want to claim a Saskatchewan manufacturing and processing investment tax credit on used equipment or amend a prior year claim. See Information Bulletin MP-2 Saskatchewan Investment Tax Credit for Manufacturing and Processing for complete credit details.
- Qualified used property means:
 - Property that does not qualify for the Saskatchewan manufacturing and processing investment tax credit for new assets.
 - Qualified property is generally defined within the meaning of subsections 127(9), (11) and (11.1) of the *Income Tax Act* (Canada), but excluding the requirement the property has not been used, or acquired for use or lease, for any purpose whatsoever before it was acquired by the corporation.
 - The federal definition of qualified property is altered for the purpose of the Saskatchewan investment tax credit by including property eligible under class 43.1 of Schedule 11 of the federal Income Tax Regulations by virtue of paragraph (c.1).
 - Property acquired in Saskatchewan, or brought into Saskatchewan, by the corporation resulting in the corporation being subject to *The Provincial Sales Tax Act* and property used in Saskatchewan by the corporation primarily for manufacturing or processing goods for sale or lease.
 - Manufacturing or processing is generally defined in subsection 125.1(3) of the federal Act and includes qualified activities as defined by section 5202 of the federal Income Tax Regulations. The federal definition of manufacturing and processing is altered for the purposes of the Saskatchewan investment tax credit by excluding paragraph (h) of that definition.
- The credit is calculated on the sum of the following values:
 - the value of the equipment on which the Provincial Sales Tax has been paid;
 - other expenses incurred to install or make the equipment initially available for use. This also includes the amount of Provincial Sales Tax paid.
- Corporations acquiring property under a capital lease will be eligible for a credit on the total lease costs, including the Provincial Sales Tax.
- Prior to 2006, the credit was a non-refundable tax credit. Corporations with unused credits that have not expired on April 6, 2006, have a carryforward period of 10 years.
- The non-refundable credit may be renounced but must include all current year credits; partial renouncements are not permitted. The renouncement must be filed on or before the filing date of the federal *T2 Corporation Income Tax Return*.
- Use this form to show a credit transfer following an amalgamation or wind-up of a subsidiary as described under subsections 87(1) and 88(1) of the *Income Tax Act* (Canada).

PLEASE ENSURE THE FOLLOWING INFORMATION IS SUBMITTED WITH YOUR APPLICATION:

- A complete set of all statements, schedules, returns and other information submitted with the T2 Corporation Income Tax Returns for the purposes of the *Income Tax Act* (Canada), including the T2 return.
- Documentation to verify the purchase price of the asset, proof that Provincial Sales Tax has been paid, and supporting documentation of other expenses incurred to install or make the property initially available for use must be available for audit verification.
- A brief description of what each piece of qualified property is used for.

FOR FURTHER INFORMATION

Write: Ministry of Finance
Revenue Division
PO Box 200
REGINA SK S4P 2Z6

Telephone: Toll Free 1-800-667-6102
Regina 306-787-6604

Email: sask.tax.info@gov.sk.ca

Fax: 306-787-0241

Internet: <http://www.finance.gov.sk.ca/programs-services/mpitc/>