Corporate Taxprep®

Release Notes

Corporate Taxprep 2015 v.2.2 (January 2013 – May 2016)

Contents

Overview - Version 2015 2.2

Updated Forms

* Note that these forms were updated according to the latest version issued by the applicable tax authority.

Federal

Integration with the CCH iFirm Portal

Starting with this version, *Corporate Taxprep* integrates with the *CCH iFirm* **Portal** module. This integration allows you to send income tax returns, forms or letters in PDF format to all *CCH iFirm* contacts, for whom a portal is activated, directly from *Taxprep*. Note that this module is available for free to all *Taxprep* clients until December 1, 2016.

For more information on the modifications made as a result of this integration, consult the "Technical Changes" section.

Schedule 3, Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation (Jump Code: 3)

A diagnostic has been added to prompt you to complete column FF to enable the Part IV tax calculations in column I of Part 1 and in field "Part IV tax before deductions (amount J in Part 1)" of Part 2. This diagnostic will display if an amount is entered in column F (line 240) and the period during which this amount has been received is not specified in column FF.

RC59, Business Consent (Jump Code: RC59)

The following modifications have been made in accordance with the CRA's requirements under a pilot project with respect to the printing of bar codes on this schedule.

Several messages and validations have been added to the form to meet government requirements.

Moreover, the lines *First name of individual* and *Last name of individual* now replace the lines *Name of individual* in Parts 2 and 4. When opening a client file prepared with a prior version of *Corporate Taxprep* in which the name of the individual had been entered in either one of Parts 2 and 4, this name will not be retained, and the lines *First name of individual* and *Last name of individual* will have to be completed manually.

Note

If you choose to transmit Form RC59 to the CRA by fax, ensure that you select the **Super Fine** setting for digitization and use a **400 dpi** minimum resolution to fax quality documents meeting the CRA standards.

Preparer Profiles

The same modifications as those made to Form RC59 (Jump Code: **RC59**) have been integrated into the preparer profiles, on the line *Contact name* of the **PROFILE** and **AUTHORIZATION FORMS** tabs.

When opening a client file prepared with a prior version of *Corporate Taxprep* in which the name of a

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contact person had been entered under the **PROFILE** or **AUTHORIZATION FORMS** tab, the name entered will not be retained, and the lines *First name* and *Last name* will have to be completed manually.

New Brunswick

Schedule 366, New Brunswick Corporation Tax Calculation (Jump Code: 366)

As a result of the tabling, on February 3, 2016, of New Brunswick Bill 18, to amend the *New Brunswick Income Tax Act*, a *Taxprep* line has been added to take into account the change in the higher tax rate, which will increase from 12% to 14% on April 1, 2016.

NB-Capital Tax, Financial Corporation Capital Tax Return (Jump Code: NB-CAP TAX)

As a result of the tabling, on February 3, 2016, of New Brunswick Bill 18, to amend the *Financial Corporation Capital Tax Act*, the calculation of the "Rate" field on line 2 has been modified to take into account the change in the financial corporation capital tax rate for banks, which will increase from 4% to 5% on April 1, 2016.

Corrected Calculations

The following problem has been corrected in *Corporate Taxprep* 2015 v.2.2:

Québec

- CO-1029.8.36.IN, *Tax Credit for Investment* (Jump Code: **1029836IN**) — Incorrect calculation on line 31a in certain circumstances and incorrect text of four diagnostics

Overview - Version 2015 2.1

Corporate Taxprep 2015 v.2.1 includes some tax changes and an integration with our *CCH iFirm* firm management solution. Here is a description of the changes made.

Integration to CCH iFirm

Wolters Kluwer Canada is happy to announce that *Taxprep* now integrates with *CCH iFirm*. As a *Taxprep* customer, you are entitled to **have CCH iFirm's Contacts and Portal modules FREE until December 1, 2016**. This way, you will be able to create, in a few clicks, your list of contacts in *CCH iFirm* from your **Client Manager** in *Taxprep*. Then, you will be able to synchronize your taxpayers' information in *Taxprep* with the contact information in *CCH iFirm*. This integration will significantly reduce the time required to prepare returns.

For more information on the modifications made as a result of this integration, consult the "Technical Changes" section.

What is CCH iFirm?

CCH iFirm is more than a simple application. It is a system that offers dynamic and integrated cloud solutions designed to simplify and automate firm management. Its integrated management modules — of contacts, jobs & billing, documents, portal, capacity planning and Intranet, perfectly meet the management requirements of accounting firms. *CCH iFirm* helps you work efficiently, whether you are at the office, at home or visiting clients.

Click here for more information on *CCH iFirm*.

Tax Changes

Québec corporation income tax returns

Version 2015 2.1 of *Corporate Taxprep* is certified by *Revenu Québec* and can be used to file a corporate income tax return to the Québec government. The certification covers the electronic filing as well as the two-dimensional bar code production of the corporate tax returns which can be submitted with the paper forms.

Updated Forms

* Note that these forms were updated according to the latest version issued by the applicable tax authority.

Federal

Schedule 200, T2 Corporation Income Tax Return (Jump Code: J)

As a result of the tabling by the federal government of Bill C-2 to amend the *Income Tax Act* on December 9, 2015, the calculation of lines A, C, H and L, that relates to the refundable portion of Part 1 tax, the calculation of line S that relates to dividend refund and the calculation on line 604 have been modified to take into account the adjustments to the different applicable rates.

These modifications apply to taxation years that end after 2015. For taxation years beginning before 2016, the adjustments to the various rates are prorated according to the number of days in the taxation year that are after 2015.

Schedule 3, Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation (Jump Code: 3)

As a result of the tabling by the federal government of Bill C-2 to amend the *Income Tax Act* on December 9, 2015, the Part IV tax rate as well as the percentage of non-capital losses and farm losses that can be applied to reduce Part IV tax increase from 33 1/3% to 38 1/3%

for a taxation year ending after December 31, 2015. In Part 1, column FF has been added so you can indicate if the dividends have been received before January 1, 2016, or after December 31, 2015. This information is required to determine the appropriate rate for the Part IV tax calculation.

In addition, on screen only, there are now two Part 2: one for dividends received after December 31, 2015, and the other for dividends received before January 1, 2016. This change is necessary to calculate the total non-capital losses and farm losses to be deducted from Part IV tax with the appropriate rate depending on the period during which the dividends have been received. For a taxation year that straddles January 1, 2016, the losses applicable to reduce Part IV tax are first applied to reduce tax payable on assessable dividends subject to the 38 1/3% rate.

When opening a client file prepared with a prior version of *Corporate Taxprep*, code 1 will be selected in the new FF column of Part 1 to indicate that the dividends have been received before January 1, 2016, and Part 2 for the period before January 1, 2016, will be completed. In addition, if there were overridden amounts, they will be retained in Part 2.

Schedule 4, Corporation Loss Continuity and Application (Jump Code: 4)

As a result of the tabling by the federal government of Bill C-2 to amend the *Income Tax Act* on December 9, 2015, the percentage of non-capital losses and farm losses that can be applied to reduce Part IV tax increases from 33 1/3% to 38 1/3% for a taxation year ending after December 31, 2015. When rolling forward a client file, in Parts 1 and 3, the adjusted Part IV tax amount on line 911 and line 931 will take this change into account.

Schedule 53, General Rate Income Pool (GRIP) Calculation (Jump Code: 53)

With version 2.0 of *Corporate Taxprep 2015*, when opening or rolling forward a client file prepared with a prior version, in the history copies of Schedule 53 covering years prior to 2012, *Taxprep* displayed the rates used for the calculations on lines 500, 520 and 540 in overridden fields, which was incorrect.

This problem has been corrected in version 2.1. As a result, when opening a client file prepared with version 2.0 that was affected by this problem, the overrides will be cancelled on the above-mentioned lines.

T1135, Foreign Income Verification Statement (Jump Code: 1135)*

A new version of Form T1135 has been implemented in *Corporate Taxprep*. This version must be used for corporation whose taxation year ends after December 31, 2014.

The question located at the top of the form that allows you to determine which version of the form to use has been adjusted to take the new version of the form into account. The program will select the appropriate box to this question based on the taxation year-end date indicated in Form Identification (Jump Code: **ID**).

The filing requirements for Form T1135 have been simplified for taxpayers who owned specified foreign property with a cost amount of more than $100,000, but less than $250,000 at any time during the year. If the taxpayer is in this situation, you can complete either Part A, “Simplified reporting method” or Part B, “Detailed reporting method.” The detailed reporting method must be used if the taxpayer owned specified foreign property with a total cost of $250,000 or more at any time during the year. When the simplified reporting method is used, no data is transferred from Schedule 6 (Jump Code: **6**), Form ACB (Jump Code: **ACB**) and Form RENTAL (Jump Code: **RENTAL**).

Québec

RD-1029.7, Tax Credit for Salaries and Wages (R&D) (Jump Code: 10297)*

CO-1029.8.36.TM, Tax Credit for Multimedia Titles (Jump Code: 1029836TM)

We have removed lines 54a and 54b in Part 5, because *Revenu Québec* chose not to include them in their final version of the form.

When opening a client file prepared with a prior version of *Corporate Taxprep*, if an amount was entered on lines 54a and 54b, it will not be retained.

Corrected Calculations

The following problem has been corrected in *Corporate Taxprep* 2015 v.2.1:

Technical Problem

- Incorrect change in the date and time of a client file

Overview - Version 2015 2.0

Corporate Taxprep 2015 v.2.0 includes several technical and tax changes. Here is a summary of the main topics addressed in this document.

Québec corporation income tax returns

Because of delays in *Revenu Québec’s* certification process, the version 2.0 of *Corporate Taxprep* does not have the authorizations required to be able to transmit corporate income tax returns with the Québec government. A certified version by *Revenu Québec* should be available in mid-December 2015, and you will be able to use this version to file income tax returns with the Québec government. Until this version is available, you can start completing the appropriate Québec schedules, but you must not try to transmit them to *Revenu Québec*. Note that this situation only affects income tax returns that must be submitted to the Québec government: the software program is certified for the transmission of tax returns and forms to the other tax authorities.

Taxation year covered

The CRA assessment system update for the spring of 2016 will be performed one month later than usual. Version 1.0 of *Corporate Taxprep* is generally available around mid-May. However, as a result of this change, *Corporate Taxprep* 2016 v.1.0 might be released later this year. For these reasons, version 2015 2.0 of *Corporate Taxprep* can be used to prepare the returns covering taxation years ending on or before May 31, 2016, rather than on or before April 30, 2016. Please note that because this situation will occur every year, each version 1.0 of *Corporate Taxprep* will be released later than usual.

Covering Letter to Accompany a Payment of Income Tax to the CRA (Jump Code: LETTER P)

The covering letter is now linked to the new Letter template “Payment to CRA – Paiement à l’ARC.” This way, you will be able to modify the letter according to your needs. For more information, please consult the note about this form.

Alberta tax rates modifications

Changes concerning the increase of the basic tax rate and the increase in the small business deduction rate have been integrated to this version of *Corporate Taxprep*. For more information, please consult the note about this subject.

New Forms

The following forms have been added to the program:

- Schedule 308, *Newfoundland and Labrador Venture Capital Tax Credit* (Jump Code: **308**);
- Schedule 367, *New Brunswick Small Business Investor Tax Credit* (Jump Code: **367**);
- CO-156.EN, *Agreement Concerning the Regional Caps Relating to the Additional Deduction for Transportation Costs of Remote Manufacturing SMEs* (Jump Code: **156EN**);
- CO-156.TR, *Additional Deduction for Transportation Costs of Remote Manufacturing SMEs* (Jump Code: **156TR**);
- Resources, *Amount Respecting Resources for Québec* (Jump Code: **Q12**).

Improve Your Productivity

Preparer Profiles

We have standardized the behaviour of form fields that are updated with the information contained in the applicable preparer profile. As a result, when a preparer profile is selected for a client file, all of these fields will now be automatically updated from the preparer profile, regardless of whether or not information with respect to these fields has been entered in the profile. If no preparer profile is selected for a client file, these fields will be input fields.

In addition, the fields whose update depends on a check box **Update the information on the form based on the preparer profile selected in the Identification form** will now only be updated if the box is selected. However, the fields updated with the information from the **EFILE** and **CLIENT LETTERS** tabs will always be updated.

PROFILE Tab

Subsection 12 has been added to Section B. This new subsection allows you to indicate to the program which amount to use on line 121 (non-deductible meals and entertainment expenses) of Schedule 1 (Jump Code: **1**) for all your client files. To do so, select the appropriate check box (by default, no box is selected in this subsection). However, you will be able to modify this choice for a particular client using an override on line 121 of Schedule 1.

Note that because of this addition, former subsection 12 has been renumbered and now corresponds to subsection 13.

CLIENT LETTER Tab

The check box that was at point 3, “Covering letter to accompany a payment of corporate income tax” in Section C, “Options – Other forms” of the **PROFILE** tab has been moved. This box is now at point 2 in the **CLIENT LETTER** tab.

Client Letter Worksheet (Jump Code: LW)

A “Balances to be carried forward” section has been added to the form. This section contains cells used to calculate the balances of available losses excluding any losses expired in the current year based on federal Schedule 4 (Jump Code: **4**), Alberta Schedule 21 (Jump Code: **A21**) and Québec Form CO-17.S.4 (Jump Code: **Q4C**). The GRIP balance is also calculated, taking into account any eligible dividends paid during the current year. Cells in the “Balances to be carried forward” section can be used to prepare your customized client letters.

Covering Letter to Accompany a Payment of Income Tax to the CRA (Jump Code: LETTER P)

The covering letter is now linked to the new Letter template "Payment to CRA – Paiement à l'ARC." In addition, a new section relating to this letter has been added to the *Client Letter Worksheet* (Jump Code: **LW**).

When opening a client file prepared with a prior version of *Corporate Taxprep*, any information that had been entered directly in the fields of Form Letter P will be retained in the boxes added to the *Client Letter Worksheet*.

Federal

Schedule 1, Net Income (Loss) for Income Tax Purposes (Jump Code: 1)

A section has been added on screen in Schedule 1 so you can select the representing amount of non-deductible meals and entertainment expenses to be used on line 121. This modification is similar to the modification already made to lines 112 (charitable donations and gifts) and 118 (scientific research expenditures deducted per financial statements).

On line 121, two check boxes have been added so you can indicate how the amount of non-deductible meals and entertainment expenses should be calculated. These boxes allow you to use the amount from line 8523 of the GIFI (Jump Code: **G9367**) or any other amount. The program will calculate the amount relating to the first box, and you will have to specify the desired amount if you select the second box. Note that none of these boxes is selected by default. When a choice is indicated, it will be retained during roll forward of the client file. This option applies to the active client file only, but you will be able to choose the amount to include on line 121 for all your client files, whether new or existing, by selecting the appropriate check box in the preparer profile you are using. For more information, consult the "Preparer Profiles" section.

Also note that the lines *Line 8522 of the GIFI*, *Line 9282 of the GIFI* and *Line 8523 of the GIFI* will no longer be completed when the answer to the question *Do you want to transfer GIFI amounts to the applicable return and schedules?* of Form Identification (Jump Code: **ID**) is "No."

When opening a client file prepared with a prior version of *Corporate Taxprep*, if the answer to the question *Do you want to transfer GIFI amounts to the applicable return and schedules?* of Form Identification was "No" and if, in Schedule 1, there is an amount entered on the line totalling all lines 8523 of the GIFI, this amount will be transferred to the line *Other amount (specify)* and the check box corresponding to this line will be selected. In addition, if amounts were entered on lines *Line 8522 of the GIFI* and *Line 9282 of the GIFI*, they will now display on these lines as input amounts.

If the answer to the question *Do you want to transfer GIFI amounts to the applicable return and schedules?* of the Identification form is "Yes" and if, in Schedule 1, the amount on the line totalling all lines 8523 of the GIFI is overridden, the amount will be transferred to the line *Other amount (specify)* and the check box corresponding to this line will be selected.

If the answer to the question *Do you want to transfer GIFI amounts to the applicable return and schedules?* of the Identification form is "Yes" and if, in Schedule 1, the amount on the line totalling all lines 8523 of the GIFI is not overridden, the check box *Line 8523 of the GIFI* will be selected.

AUTO LEASE, Automobile Expenses – Non-Deductible Leasing Costs and Other Expenses (Jump Code: AUTO LEASE)

A section has been added so you can choose to calculate the leasing costs and other non-deductible expenses based on the actual leasing costs paid or based on the leasing costs deducted in the GIFI. When an amount is entered on line 15 of the form, the non-deductible leasing costs calculated on line 17 will be transferred to Form *Summary of Non-Deductible Automobile Expenses for Passenger Vehicles* (Jump Code: **SAUTOMOBILE**).

Schedule 4, Corporation Loss Continuity and Application (Jump Code: 4)

Six fields have been added, on screen only, at lines 911 to 913 of Part 1 and lines 931 to 933 of Part 3. These fields allow you to keep track of the Part IV tax amount for the three previous years for the carryback of losses incurred in the current taxation year. When opening a client file prepared with a prior version of *Corporate Taxprep*, the program calculates the amounts in the new fields with the amounts on the line *Part IV* of the "Federal taxes" section of Form *Five-Year Summary* (Jump Code: **SUM 5**) that have been multiplied by 3. We advise you to verify the amounts in those fields for each previous year: each amount should correspond to the Part IV tax paid for each period multiplied by 3. When rolling forward the client file, *Taxprep* will roll forward, to the next line, the adjusted Part IV tax amount reduced from loss carrybacks that have been claimed in the period in question.

In addition, three fields have been added, on screen only, at lines 921 to 923 of Part 3. These fields allow you to keep track of the taxable income for the previous three years. The adjusted taxable income amounts will be displayed when opening a client file prepared with a prior version of *Corporate Taxprep*.

Schedule 8, Capital Cost Allowance (CCA) (Jump Code: 8)

A sort function has been added to this schedule for sorting the CCA classes in ascending order based on their capital cost allowance (CCA) rate. If the same CCA rate is found more than once, a second sort will automatically be performed: items belonging to the same CCA rate will be sorted in ascending order based on the **Class number** column. If the same class number is found more than once, a third sort will automatically be performed: items from the same CCA class number will be sorted in alphabetical order according to the information in the **Description** column. When adding classes, you will have to repeat the process to sort them.

Note that the **Sort** buttons are also included in Forms CO-130.A (Jump Code: **Q8**) and the Alberta Schedule 13 (Jump Code: **A13**). Any sort requested from any one of these three forms will automatically be applied to the two other forms as well.

RENTAL, Statement of Real Estate Rental Properties (Regulation 1100(11)) (Jump Code: RENTAL)

To facilitate the review, a total line has been added for columns 2, 3, 4, 5 and 7 of the “Calculation of capital cost allowance (CCA)” section.

Schedule 31, Investment Tax Credit - Corporations (Jump Code: 31)

The calculation on line 385 has been modified. The answer to the question on this line will now be “No” when a Canadian-controlled private corporation (CCPC) is not associated with another CCPC for the purpose of calculating the scientific research and experimental development (SR&ED) expenditure limit.

Schedule 89, Capital Dividend Account Balance Calculation Worksheet (Jump Code: 89)

The calculation of the line *Deduct: capital dividends that previously became payable* (line J) is now made up of the total dividends for prior years plus the dividends paid or payable for the year. In addition, the calculation of the CDA balance at the end of the taxation year (line M) has been modified with regards to the eligible capital property in order for the balance at the end of the taxation year to reflect the balance at the beginning of the next taxation year.

RC366, Direct Deposit Request for Businesses (Jump Code: RC366)

The list of financial institutions of fields “Institution name” and “Institution number” have been updated.

The following financial institutions have been added to the list:

Institution Name	Institution Number
Continental Bank of Canada	364
China Construction Bank Toronto Branch	366

The following institutions have been removed from the list:

Institution Name	Institution Number
Crédit Suisse First Boston Canada	258
Cho Hung Bank of Canada	304
HSBC Bank USA, National Association	333
Dexia Crédit Local S.A.	348
Am. Exp. Comp. Cdn. $ Travellers Cheques	369
Home Savings and Loans Limited	535
AGF Trust Company	560
ResMor Trust Company	620
DUCA Financial Services Credit Union Ltd	806
Communication Technologies Credit Union Ltd	807

When opening a client file prepared with a prior version of *Corporate Taxprep*, if a removed financial institution had been selected, the data will be retained even though it is no longer present on the list.

T1134, Information Return Relating to Controlled and Not-Controlled Foreign Affiliates (Jump Code: 1134)

In Section 3 of Part I, the number of characters that can be entered has been increased to 60 characters for the columns **Name of foreign affiliate**, **Name of other foreign affiliate**, **Name of partner**, **Address of partner, Address of partnership** and **Foreign affiliate**.

Five-Year Comparative Summary (Jump Code: SUM 5)

New lines for loss carrybacks to reduce taxable dividends subject to Part IV tax have been added to the “Federal information (T2)” section. In this section, the program will calculate the Part IV tax adjusted as a result of loss carrybacks for each year.

If, in the prior years, you have claimed loss carrybacks and did not adjust the Part IV tax indicated a little further down the form, you can enter the amounts claimed in the fields of the "Loss carrybacks requested in prior years to reduce taxable dividends subject to Part IV tax" subsection.

The current-year loss amounts carried back to prior years are calculated with Schedule 4 (Jump Code: **4**).

When rolling forward the client file, *Taxprep* will add the amounts of the different types of current-year losses carried back to each of the prior years to the amounts of loss carrybacks of the same type that have been claimed in each previous year. The accumulation of these amounts will be rolled forward in the previous column of the "Loss carrybacks requested in prior years to reduce taxable dividends subject to Part IV tax" subsection.

Ontario

Schedule 510, Ontario Corporate Minimum Tax (Jump Code: 510)

The values on lines 224, *Equity losses from corporations*, and 324, *Equity income from corporations*, are now calculated based on the information shown respectively on lines 110, *Loss in equity of subsidiaries and affiliates*, and 306, *Equity in income from subsidiaries or affiliates*, of Schedule 1 (Jump Code: **1**).

When opening a client file prepared with a prior version of *Corporate Taxprep*, if amounts had been entered on those lines in Schedule 510, they will be retained as overridden amounts.

Québec

CO-17S.39, Québec Foreign Non-Business Income Tax Credit (Jump Code: Q21)

In order for the Québec foreign non-business income tax credit to be calculated correctly in certain situations, the value in the field of the **1-Foreign tax** column can now be overridden.

CO-130.A, Capital Cost Allowance (Jump Code: Q8)

A new sort function has been added to this schedule for sorting the CCA classes in ascending order based on the capital cost allowance (CCA) rate. For more information, consult the note about Schedule 8.

CO-771, Calculation of the Income Tax of a Corporation (Jump Code: 771)

The calculations done on lines 180 to 186 have been modified in accordance to *Revenu Québec* requirements. If the corporation is considered to be a small manufacturing corporation as per federal Schedule 27 (Jump Code: **27**), the fields of lines 180, 181, 183 and 184 will be input fields, and the capital and labour costs will have to be entered to calculate the proportion of manufacturing and processing activities.

When opening a client file prepared with a prior version of *Corporate Taxprep*, if the value on line 186 was "100," it will be retained as an overridden value, and a diagnostic will display to prompt you to complete lines 180, 181, 183 and 184.

Alberta

Alberta Schedule 13, Alberta Capital Cost Allowance (Jump Code: A13)

A new sort function has been added to this schedule for sorting the CCA classes in ascending order based on the capital cost allowance (CCA) rate. For more information, consult the note about Schedule 8.

AB AT100, Preparing and Filing the Alberta Corporate Income Tax Return (Jump Code: A100)

A *Taxprep* field has been added under point 2 of the "Requirement to file the AT1 return" section so you can indicate that the corporation is exempt from tax, if applicable, and that it is not required to file a return under section 35 of the *Alberta Corporate Tax Act*. Form AT100 will be applicable if the new field is not empty or if the answer to all statements in the "Exemption criteria" section is "Yes."

New Forms

Québec

Resources, Amount Respecting Resources for Québec (Jump Code: Q12)

This form has been added to allow you to enter amounts specific to Québec that are different from those entered in Schedule 12 (Jump Code: **12**), with regards to the calculation of the amount respecting resources done in Form CO-17.A.1 (Jump code: **Q1**).

This form is only available with the **Specialized Information** (SI) module.

CO-156.EN, Agreement Concerning the Regional Caps Relating to the Additional Deduction for Transportation Costs of Remote Manufacturing SMEs (Jump Code: 156EN)

This form allows you to allocate the percentages relating to the regional caps for associated manufacturing corporations. For a taxation year that starts after December 31, 2014, a manufacturing corporation that is associated with one or more manufacturing corporations and claims the additional deduction for transportation costs of remote manufacturing SMEs in Form CO-156.TR (Jump Code: **156TR**) must complete this form.

Note that all of the information used to complete this form comes from Schedule 9 (Jump Code: **9 WORKCHART**).

CO-156.TR, Additional Deduction for Transportation Costs of Remote Manufacturing SMEs (Jump Code: 156TR)

Canadian-controlled private corporations whose proportion of manufacturing and processing activities for the year is at least 25% and whose paid-up capital is less than $15 million can claim an additional deduction in calculating their net income to reflect the higher transportation costs attributable to the distance of certain regions from Québec's large urban centres.

For a taxation year that ends after June 4, 2014, the amount that a corporation may claim pursuant to this additional deduction varies based on a number of parameters, i.e. the region where it carries out its manufacturing activities, the proportion of its manufacturing activities, its size, its gross income for the taxation year, as well as a regional cap.

If the corporation is associated with one or more corporations, it must complete Form CO-156.EN (Jump Code: **156EN**) to allocate the regional caps relating to the additional deduction for transportation costs of remote manufacturing SMEs.

New Brunswick

Schedule 367, New Brunswick Small Business Investor Tax Credit (Jump Code: 367)

Use this schedule to claim a New Brunswick Small Business Investor Tax Credit (NBSBITC) under section 61.1 of the *New Brunswick Income Tax Act*.

The NBSBITC is a non-refundable credit for eligible investors equal to 15% of all amounts, up to $500,000, paid by those investors during the tax year, to a corporation registered under the New Brunswick *Small Business Investor Tax Credit Act* for eligible shares issued by the corporation as part of a specified issue.

A corporation that maintained a permanent establishment in New Brunswick at any time during the tax year, and received a New Brunswick Small Business Investor Tax Credit Certificate for the tax year is considered to be an eligible investor.

When opening a client file prepared with a prior version of *Corporate Taxprep*, if an amount was entered on line 578 of Schedule 5 (Jump Code: **5**), it will be retained as an overridden amount. You will then have to complete Schedule 367 and remove the override on line 578 of Schedule 5 in order for the credit calculated in Schedule 367 to update to Schedule 5.

Newfoundland and Labrador

Schedule 308, Newfoundland and Labrador Venture Capital Tax Credit (Jump Code: 308)

Use this schedule to claim a Newfoundland and Labrador venture capital tax credit under section 46.2 of the Newfoundland and Labrador *Income Tax Act*.

This credit is applicable to qualifying investments acquired on or after January 1, 2014. Any unused credit can be carried forward seven years or back to one of the three previous taxation years ending after 2013.

The maximum lifetime credit that a qualifying investor can claim is $75,000, with regards to qualifying investments totalling $250,000.

When opening a client file prepared with a prior version of *Corporate Taxprep*, if an amount was entered on line 504 of Schedule 5 (Jump Code: **5**), it will be retained as an overridden amount. You will then have to complete Schedule 308 and remove the override on line 504 of Schedule 5 in order for the credit calculated in Schedule 308 to update to Schedule 5.

Updated Forms

* Note that these forms were updated according to the latest version issued by the applicable tax authority.

Federal

Schedule T183, Information Return for Corporations Filing Electronically (Jump Code: T183)*

Schedule 200, T2 Corporation Income Tax Return (Jump Code: J)*

As a result of the update of this form, two lines have been added to the "Small business deduction" section to take into account the 2015 federal budget measures. For 2016, the small business deduction rate is established at 17.5%. Note that this deduction will be calculated on a pro rata basis if the taxation year straddles January 1, 2016.

Schedule 3, Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation (Jump Code: 3)

Column F3 in Part 1, which was used to determine if the dividends had been received before December 21, 2012 or after December 20, 2012, has been removed.

When opening a client file prepared with a prior version of *Corporate Taxprep*, any data entered in this column will not be retained, but the calculation will not be affected.

Schedule 5, Tax Calculation Supplementary - Corporations (Jump Code: 5)*

The following three lines have been added to the form:

- *Certificate* number (this line is located under line *Newfoundland and Labrador interactive digital media tax credit*);
- *Nova Scotia digital animation tax credit*;
- *Certificate number* (this line is located under line *Nova Scotia digital animation tax credit*).

Yukon political contribution tax credit, line 675

The credit granted for contributions to territorial political parties will increase on an ongoing basis to match the federal limits. For 2016, a 75% territorial credit will be granted on the first $400 contributed (up from $100), a 50% credit will be granted on the next $350 (down from $450) and a 33-1/3% credit will be granted on the next $525 (down from $600). The maximum credit in 2016 will be $650, earned on a contribution of $1,275 ($500 on a contribution of $1,150 prior to 2016).

Schedule 7, Aggregate Investment Income and Active Business Income (Jump Code: 7)*

In addition to the changes made to reflect the update of the form by the government, two *Taxprep* lines have been added: one to calculate Canadian-source dividend losses and the other to calculate foreign-source dividend losses.

When opening a client file prepared with a prior version of *Corporate Taxprep*, if you had entered an amount representing a dividend loss on the line *Other property losses* in Section 2A and/or Section 2, ensure that this amount is not doubled.

Schedule 8 WORKCHART, Capital Cost Allowance (CCA) Workchart (Jump Code: 8 WORKCHART)

The federal government introduced a new class, i.e. class 53, with a 50% CCA rate on the undepreciated capital cost. This class relates to additions, acquired after 2015, but before 2026, for property that could otherwise be included in class 29.

Therefore, the list of CCA classes included in the program has been modified accordingly.

Schedule 9, Related and Associated Corporations Workchart (Jump Code: 9 WORKCHART)

A new section has been added to indicate the percentage allocated relating to the regional caps for associated manufacturing corporations that will be updated to Form CO-156.EN (Jump Code: **156EN**). In addition, the question *Is the corporation a manufacturing corporation with an applicable regional cap?* has been added to indicate whether or not each associated corporation qualifies for the additional deduction for transportation costs of remote manufacturing SMEs.

In addition, Section “Québec RD-1029.7.8 – Agreement between associated corporations regarding the expenditure limit” has been renamed “Québec – Research and development tax credits.” This section groups subsections related to the tax credit for salaries and wages (R&D) (Jump Code: **10297**), the tax credit for university research or research carried out by a public research centre or a research consortium (Jump Code: **102986**), the tax credit for fees and dues paid to a research consortium (Jump Code: **10298903**), the tax credit for private partnership pre-competitive research (Jump Code: **10298161**). Each of these subsections contains fields to allow you to indicate if the corporation is associated and specify the corporation’s total expenditure limit, the expenditure limit allocated to the corporation, the title or position of the authorized representative, as well as the date of signature of the authorized representative. The filing corporation’s expenditure limit is now calculated automatically. The limit allocated to corporations other than the filing corporation must, however, be entered.

The check box **The corporation is associated to other corporations for the purpose of claiming the tax credit for salaries and wages (R&D).**, which was located in Section “Québec RD-1029.7.8 – Agreement between associated corporations regarding the expenditure limit” has been renamed **The corporation is associated with other corporations for the purpose of research and development tax credits.** In addition, it has been moved at the top of the section relating to the Québec research and development tax credits. The status of this check box (selected or cleared) will be applied to each check box in subsections relating to Québec research and development tax credits, to indicate if the corporation is associated. For more information, consult the Help with respect to Form RD-1029.7.8, *Agreement Between Associated Corporations Regarding the Expenditure Limit* (Jump Code: **102978**).

T1135, Foreign Income Verification Statement (Jump Code: 1135)

The CRA has indicated that it was presently developing a simplified return method for Form T1135, as announced in the 2015 budget, but the new version of the T1135 had not yet been released at the time that version 2.0 was finalized. It will be added in an update to *Corporate Taxprep* once it is available. Continue using the current version of the form for any taxpayer who has to file Form T1135 before the release of the updated form.

Schedule 16, Patronage Dividend Deduction (Jump Code: 16)*

Schedule 17, Credit Union Deductions (Jump Code: 17)

The rate used to calculate the small business deduction (SBD) has been modified in the 2015 Federal Budget and will be 17.5% for 2016. Because the additional deduction is the same as the one used to calculate the SBD rate, two *Taxprep* lines have been added between lines F and 650 of Part 3 so that the additional credit is prorated when the taxation year straddles January 1, 2016. The calculation on line H of Part 4 has also been modified to take the rate change into account.

For more information, please consult the note about Schedule 200.

T661, Scientific Research and Experimental Development (SR&ED) Expenditures Claim (Jump Code: 661)

The year's maximum pensionable earnings amount for purposes of the Canada pension plan has been updated for the 2016 calendar year (and is now $54,900). This amount is used to determine the specified employees' salary or wages when the proxy method is selected to calculate the SR&ED expenditures.

Schedule 27, Calculation of Canadian Manufacturing and Processing Profits Deduction (Jump Code: 27)*

The fields that related to taxation years starting before 2012 have been removed from Part 9 and Part 13.

Schedule 33, Taxable Capital Employed in Canada – Large Corporations (Jump Code: 33)*

Schedule 53, General Rate Income Pool (GRIP) Calculation (Jump Code: 53)*

Important modifications have been made to Part 4, under line GG. The old subsection "Unused and unexpired losses at the end of the corporation's previous/last tax year" has been split in two subsections.

The first of these subsections is named "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."

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

When opening a client file prepared with a prior version of *Corporate Taxprep*, data in the old subsection will be retained in the first of the new subsections, on lines a to e. Verify the amounts shown in this subsection and make the required adjustments, if applicable.

Schedule 54, Low Rate Income Pool (LRIP) Calculation (Jump Code: 54)*

Important modifications have been made under lines 2 in Parts 4, 5 and 6. In these parts, the old subsection "Unused and unexpired losses at the end of the corporation's previous tax year" has been split in two.

Part 4 now includes the following subsections:

- "Total of subsection 111(1) losses that would have been deductible in computing the corporation's taxable income for the previous 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 tax year"; and
- "Total of all amounts deducted under subsection 111(1) in computing the corporation's taxable income for the previous tax year."

Part 5 now includes the following subsections:

- "Total of subsection 111(1) losses that would have been deductible in computing the predecessor's taxable income for its last tax year if the predecessor had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for its last tax year"; and
- "Total of all amounts deducted under subsection 111(1) in computing the predecessor's taxable income for its last tax year."

Part 6 now includes the following subsections:

- "Total of subsection 111(1) losses that would have been deductible in computing the subsidiary's taxable income for its last tax year if the subsidiary had had unlimited income from each business carried on and each property held and had realized an unlimited amount of capital gains for its last tax year"; and
- "Total of all amounts deducted under subsection 111(1) in computing the subsidiary's taxable income for the last tax year."

When opening a client file prepared with a prior version of *Corporate Taxprep*, data in each of the old subsections will be retained on lines 3 to 7 of the first corresponding new subsection. Verify the amounts retained and make the required adjustments, if applicable.

Schedule 55, Part III.1 Tax on Excessive Eligible Dividend Designations (Jump Code: 55)*

Inducement, Inducement Calculation Workchart (Jump Code: INDUCEMENT)

The fields "Nova Scotia digital animation tax credit" and "Tax credit for interest on a loan granted by a seller-lender and guaranteed by *La Financière agricole du Québec*" have been added to the "Tax credits whose amount should be added to income" section.

In addition, the field "Manitoba co-op education and apprenticeship tax credit" has been renamed as follows: "Manitoba paid work experience tax credit."

Finally, the field "Capital tax credit for investment" has been removed from the "Tax credits whose amount should reduce the capital cost of property" section. When opening a client file prepared with a prior version of *Corporate Taxprep*, if a value was entered in that field, it will be retained in the "Other amounts" section.

AgriStability and AgriInvest – Programs (Jump Code: AGRI/HAGRI) -Alberta*

AgriStability and AgriInvest Programs (Jump Code: AGRI/HAGRI) – Ontario*

<u>New participant</u>

Several changes have been made to the supplementary form for new participants.

- The following modifications have been made to Section A:
    - The line *Partner in a partnership* has been added for the business structure.
    - The lines *Name a corporate representative, When did you first file a Statement of Farming Activities to Canada Revenue Agency?, AgriStability / AgriInvest PIN (if applicable)* and *Production Insurance customer number (if applicable)* have been removed from the form.
    - The line *Did you start farming within the last six years?* has been moved to the new Section B.
    - Three boxes have been added so you can indicate the situation of the corporation concerning its registration in the AgriStability program.
- The "Shareholder information (corporations only)" section has been renamed and is now entitled "Corporate structure (corporations only)." The following modifications have been made to that section:
    - The columns **Social Insurance Number, Production Insurance Number (if applicable)** and **Involved in other farm activities?** have been removed.
    - The column **Phone number** has been added.
- The "Partnership information (partnerships only)" section has been renamed and is now entitled "Partner information (partnerships only)." The column **Production Insurance Number (if applicable)** has been removed from that section.
- The "Information about related agricultural businesses (all participants)" section has been removed from the form.
- Section B, "Farming activities," has been added in order for the corporation to be able to provide the information that relates to its current farming operation.
- A "Notes" section has been added in order for the corporation to be able to provide detailed information with regards to the answers indicated in Section B, "Farming activities."
- In Section C, "Agreement and signature," the line *Signature of* and the four boxes relating to this line have been removed.
- The check box **Farming history** has been added at the top of the form. Select this box to file the *Farming History* form.

When the corporation files the *New Participant Form*, verify with Agricorp if it has to also file the *Farming History* form. This form corresponds to the former "Information about this farm" section and displays under the Statement A or under the supplementary form for new participants, depending on the corporation's situation. Here are the modifications included in the *Farming History* form:

- Section A, "Customer information," has been added. The fields in this section are completed automatically.
- The line *Method of accounting for your financial statements* has been removed.
- The opening balances of the five preceding years have been removed from the "Inventory summary" section, which now corresponds to Section D, "Inventory summary."
- Section E, "Agreement and signature," has been added.

When opening a client file prepared with a prior version of *Corporate Taxprep*, data that was in the fields that have been deleted will not be retained. However, verify if adjustments are required.

Existing participants

Under the update of the supplementary form for existing participants, the form has been completely reengineered.

The following sections have been removed from the form:

- Section B, "Main farm location";
- Section D, "For partnerships";
- Section E, "Involvement in other farming business";
- Section F, "Farming activity";
- "Financial reporting summary";
- "Production summary (Schedule 1)"; and
- "Livestock production inventory (Schedule 2)."

When opening a client file prepared with a prior version of *Corporate Taxprep*, certain data will be retained:

- Many data items in Section A, "Customer information," will be retained in Section A of the new version of the form.
- Information about shareholders in former Section C, "For corporations" will be retained in Section A.
- Information entered in former Section "Option to receive farm analysis report" will be retained in Section F, "Agreement and signature."
- The types of crops and the units entered in former Section "Homegrown crop production and inventory (Schedule 2)" will be retained in Section C, "Production and sales."
- The types of input and the ending inventory of former Section "Purchased inputs and crop-in-ground inventory (Schedule 2)" will be retained in sub-section "Purchased inputs and crops-in-ground" of Section D.
- The list of accounts receivable and the ending inventory of former Section "Accounts receivable for allowable income (Schedule 2)" will be retained in subsection "Accounts receivable" of Section D.
- The list of accounts payable and the ending total of former Section "Accounts payable for allowable expenses (Schedule 2)" will be retained in subsection "Accounts payable" of Section D.

Make sure that the information retained is accurate.

AgriStability and AgriInvest Additional Information and Adjustment Request (Jump Code: HAGRI ADD)*

AgriStability and AgriInvest Programs (Jump Code: AGRI/HAGRI) - Harmonized provinces* and British Columbia*

AgriStability and AgriInvest Programs (Jump Code: AGRI/HAGRI) – Saskatchewan*

Summary – Corporate Taxpayer Summary (Jump Code: SUM)

The section "Summary of resource carryforward" has been renamed "Summary of resource-related amounts available for carryforward." This section now displays relevant information from federal Schedule 12 (Jump Code: **12**), Alberta's Schedule 15 (Jump Code: **A15**) and Form *Amount Respecting Resources for Québec* (Jump Code: **Q12**) when these forms are applicable.

Note that this section of the summary is only available with the **Specialized Information (SI)** module.

In addition, a new line with regards to the tax credit for the development of e-business has been added to the "Summary of provincial carryforward amounts" section in the "Québec" subsection.

Client Letter, Client Letter Worksheet (Jump Code: LW)

The check box **CO-1029.8.36.DA** has been added to the "CO-17 – Paper format," and "CO-17 – Internet filing" sections. When this check box is selected, the paragraphs related to Form CO-1029.8.36.DA (Jump Code: **1029836DA**) will be included in the client letter *Filing Instructions* (Jump Code: **CLF**). Note that this check box will be selected automatically in the appropriate section if Form CO-1029.8.36.DA is applicable.

Ontario

Schedule 552, Ontario Apprenticeship Training Tax Credit (Jump Code: 552)*

This form includes new items relating to apprenticeship contracts that began after April 23, 2015: a subsection has been added to Part 3 to calculate the specified percentage determined and two columns (4H and 4J) have been added to Part 4 to allow you to input the number of days in the taxation year and the eligible expenditures incurred for such an apprenticeship contract. Therefore, the question *Is the data entered in this copy related to an apprenticeship program that commenced after April 23, 2015?*, which appeared on screen, has been removed.

When opening a client file prepared with a prior version of *Corporate Taxprep*, in which the original registration date of an apprenticeship contract is after April 23, 2015, the numbers of days and the amounts entered on lines 442 and 452 for this contract will be included in new columns 4H and 4J. However, the answer to the removed question will not be retained.

Québec

Québec corporation income tax returns

Because of delays in *Revenu Québec's* certification process, the version 2015 2.0 of *Corporate Taxprep* does not have the authorizations required to be able to transmit corporate income tax returns with the Québec government. A certified version by *Revenu Québec* should be available in mid-December 2015, and you will be able to use this version to file income tax returns with the Québec government. Until this version is available, you can start completing the appropriate Québec schedules, but you must not try to transmit them to *Revenu Québec*. Note that this situation only affects income tax returns that must be submitted to the Québec government: the software program is certified for the transmission of tax returns and forms to the other tax authorities.

CO-17, Corporation Income Tax Return (Jump Code: QJ)*

Three lines have been added under "Deductions in the calculation of income tax" in Section 4.1. In addition, Section 4.4 has been removed, as well as the tax rates that were used to calculate the amounts on lines 432aa and 432b. These lines are now calculated in Form CO-1167 (Jump Code: **1167**).

Also note that the following two special taxes can now be selected on lines 425ai and 425bi:

- 86, *Income from funds invested in a tax-free reserve by a qualified shipowner*; and
- 87, *Interest on a loan granted by a seller-lender and guaranteed by La FADQ.*

When opening a client file prepared with a prior version of *Corporate Taxprep* in which data was entered in Section 4.4, this data will not be retained.

The amount of registration fees for corporations, mutual insurance companies or other, entered on line 441b, will be indexed on January 1, 2016. The amount will be increased from $85 to $86. The amount of registration fees for cooperatives as well as the amount for non-profit legal persons (incorporated association), syndicate of co-ownerships and fraternal benefit societies will remain at $40 and $34 respectively.

COR-17.X, Keying Summary for Form CO-130.A (Jump code: QKSX)*

COR-17.Y, Keying Summary for Form CO-771.1.3 (Jump code: QKSY)*

COR-17.Z, Keying Summary for Form CO-1137.E (Jump code: QKSZ)*

QC L265-266 – Deductions from Taxable Income (Jump Code: L265/266)

Line 15, *Income from funds invested in a tax-free reserve by a qualified shipowner*, has been added to this form.

QC L421B-421C, Deduction in the tax calculation (Jump Code: L421B)

The following codes have been added to the form:

- 306, *Deduction related to the e-business development tax credit – current year*;
- 307, *Deduction related to the e-business development tax credit – previous year*;
- 308, *Deduction related to the e-business development tax credit – subsequent year*;
- 309, *Deduction related to the tax credit for salaries and wages – IFC – current year*;
- 310, *Deduction related to the tax credit for salaries and wages – IFC – previous year*; and
- 311, *Deduction related to the tax credit for salaries and wages – IFC – subsequent year*.

QC L440-Y, Additional Québec Credits (Jump Code: L440P)

The following code has been added to the form:

- 100, *Tax credit for interest on a loan granted by a seller-lender and guaranteed by La Financière agricole du Québec*.

Q1 L70A, Taxable Tax Credits (Jump Code: L70A)

Code 100, *Tax credit for interest on a loan granted by a seller-lender and guaranteed by La Financière agricole du Québec* has been added to the form. You can enter this credit amount in this form, if you have to include it in the corporation's net income. This amount will be updated to one of lines 70a to 70j of Form CO-17.A.1 (Jump Code: **Q1**).

Q1 L140A, Non-Taxable Tax Credits (Jump Code: L140A)

Code 100, *Tax credit for interest on a loan granted by a seller-lender and guaranteed by La Financière agricole du Québec*, has been added to the form. You can enter this credit amount in this form if you have to deduct it in the corporation's net income. This amount will be updated to one of lines 140a to 140j of Form CO-17.A.1 (Jump Code: **Q1**).

CO-130.A, Capital Cost Allowance (Jump Code: Q8)*

CO-1029.8.33.6, Tax Credit for an On-the-Job Training Period (Jump Code: 10298336)*

CO-1029.8.33.13, Tax Credit for the Reporting of Tips (Jump Code: 102983313)*

This form has been updated in order to integrate the various applicable rates for 2015.

CO-1029.8.35, Tax Credit for Québec Film Productions (Jump Code: 1029835)*

As a result of the update of the form, boxes 10b and 10c, which related to the description of the property, as well as the *Taxprep* box AA and the question *If you checked box AA, is the eligible production adapted from a foreign format?* have been removed. In addition, box 10g, which relates to the description of the property, as well as lines 93 and 94, relating to the increased eligible labour expenditures calculation, have been added in accordance with the update. Finally, the base credit calculations and the increase without public financial support have been split in Section 7.1 of the form.

When opening a client file prepared with a prior version of *Corporate Taxprep*, box 10a will be selected if box 10b was selected in the client file. However, if box 10c was selected, this information will not be retained. When rolling forward the client file, box 10a will be selected if box 10b was selected, and the values in boxes 10e, 10f and AA will be retained.

CO-1029.8.36.DA, Tax Credit for the Development of E-Business (Jump Code: 1029836DA)*

As a result of the update of the form, lines 21a and 21b have been added in order to remove, from the salaries and wages, the portion attributable to work carried out by the employee under an agreement between the corporation and a government body. Lines 68c and 68d have been deleted, and the repayment of assistance must now be entered only on line 68b.

The 6% non-refundable deduction on salaries and wages incurred after March 26, 2015, is calculated in Part 6:

- Section 6.1 calculates the deduction relating to a previous year;
- Section 6.2 enables the calculation of the deduction relating to the particular year; and
- Section 6.3 enables the calculation of the deduction that can be carried back (as per the income tax payable for that year) or carried forward.

The deduction amounts used in the year to reduce the tax payable are updated to code 306 or 307 of Form QC L421B-421C (Jump Code: **L421B**). The non-refundable deduction can be carried forward 20 years. A table had been added, on screen only, to make it easier to keep track of the balances to carry forward.

The form must be duly completed and signed by the authorized representative of the corporation. Part 7 has been added for that purpose.

CO-1029.8.36.DF, Tax Credit for Film Dubbing (Jump Code: 1029836DF)*

CO-1029.8.36.EL, Tax Credit for Book Publishing (Jump Code: 1029836EL)*

CO-1029.8.36.FM, Tax Credit for Training in the Manufacturing, Forestry and Mining Sectors (Jump Code: 1029836FM)*

CO-1029.8.36.IN, Tax Credit for Investment (Jump Code: 1029836IN)*

<u>Parts 2 and 3</u>

Parts 2 and 3 of the form are now grouped. Henceforward, Part 2 allows you to enter data for three qualified properties and Part 3, to enter data relating to the calculation of the eligible expenses incurred in respect of these three properties. The calculation of the excluded expenses amount under the rules relating to the exclusion threshold for property acquired after December 2, 2014, is done per property on lines 19a to 19d of Part 3.

Lines a1 to a8 in Part 2, lines b1 to b3 in Section 5.1 and lines c1 to c3 in Section 5.2, which were used to calculate the amount of qualified investments for a qualified property acquired after December 2, 2014, have been removed and replaced by lines 19a to 19e in Part 3. When opening a client file prepared with a prior version of *Corporate Taxprep*, the data entered on the removed lines will be retained on the appropriate line among lines 19a to 19e.

In addition, line 20 now accrues the eligible expenses incurred in the same period (either before June 5, 2014, or after June 4, 2014), with respect to all eligible properties acquired in the same region or RCM by the same entity (corporation, partnership or joint venture).

To simplify data entry in *Corporate Taxprep*, Parts 2 and 3 now allow you to do multiple entries so you can indicate the information related to all properties that have been acquired by the same entity in the same region or RCM for which eligible expenses have been incurred in the same period.

When opening a client file prepared with a prior version of *Corporate Taxprep*, for a corporation party to a joint venture, the amounts on lines 10, 14 and 15 will be calculated by multiplying the data that had been entered on those lines by the percentage interest on line 27 calculated in the previous version, to retain the eligible expenses amount calculated on line 31.

Part 4

In Part 4, data relating to joint ventures, as well as the percentage interest calculation, have been removed.

Part 6

In Part 6, line 38j has been renamed and now relates to eligible expenses incurred in the year by the partnership or the parties to a joint venture instead of the corporation's share in these eligible expenses. As a result, lines 38ja, that relates to the corporation's percentage interest in the partnership or joint venture, and line 38jb, which represents the result of the multiplication of lines 38j and 38ja, have been added. For a corporation party to a joint venture, line 38g will now be an input line. When opening a client file prepared with a prior version of *Corporate Taxprep*, data that had been entered on lines 38g and 38j will be retained.

Part 7

In Part 7, two columns have been added to indicate the number of properties acquired and the eligible expenses related to these properties for each region or RCM.

Managing copies when opening a client file prepared with a prior version

When opening a client file prepared with a prior version of *Corporate Taxprep*, data in the copies of the form that relate to the same entity, the same region and the same period will be grouped on a single copy and the original copies will be deleted. Make sure that the information in Parts 2, 3 and 6 of the form is correct.

CO-1029.8.36.PM, Tax Credit for Corporations Specialized in the Production of Multimedia Titles (Jump Code: 1029836PM)

The calculation of the $100,000 annual limit per eligible employee has been modified: this limit is now prorated according to the number of days in the taxation year after March 26, 2015, and during which the employee was an eligible employee. Thereby, lines LL and MM have been removed. Therefore, the subsequent lines have been renumbered accordingly.

In addition, the calculation of the limit has been adjusted for situations where an annual limit applies to an employee and where the wages that give entitlement (or could give entitlement) to another tax credit. For this reason, *Taxprep* lines NN to RR have been added to the form, on screen only.

CO-1029.8.36.RO, Tax Credit for Job Creation in the Resource Regions, Vallée de l'Aluminium, Gaspésie and Certain Maritime Regions of Québec (Jump Code: 1029836RO)*

As a result of the tabling of the Québec Budget on March 26, 2015, the eligibility period for the tax credit was extended to the end of calendar year 2020 for Gaspésie and certain maritime regions of Québec only. Therefore, the tax credit will be calculated only for these regions with respect to taxation years in which a calendar year after 2015 ends. In addition, the tax rate applicable for this extended period is 15%.

As a result of the update of this form, lines 96 to 100 in Section 5.3.2, that related to the tax assistance election for 2010, have been removed. This section is now only used to calculate the tax credit.

CO-1029.8.36.RP, Agreement Respecting the Base Amount for Assistance Granted in the Resource Regions (Jump Code: 1029836RP)*

CO-1029.8.36.RQ, Agreement Respecting the Tax Credit for Job Creation in the Resource Regions, the Vallée de l'Aluminium, Gaspésie and Certain Maritime Regions of Québec (Jump Code: 1029836RQ)*

CO-1029.8.36.SM, Tax Credit for the Production of Performances (Jump Code: 1029836SM)

In Part 2, box 10a and 10b have been replaced by box 10c to 10f to determine the rate of the applicable tax credit according to the date on which the application for an advance ruling or a certificate was filed with SODEC and according to the qualifying period(s) covered. Boxes 10g to 10i have also been added so you can indicate the type of performance to which the expenses incurred relate.

When box 10e is selected, Parts 3 and 4 must be completed for each eligible period covered. Therefore, Parts 3 and 4 related to the eligibility periods of boxes 07 and 08 will display on a separate form and you will need to allocate the expenses and the amounts relevant to each part depending on whether they have been incurred during the first or the second qualifying period of the performance in order to determine the amount of eligible expenses for each period.

Finally, in Part 5, lines 74 to 76a have been added to provide the calculation details of the 35% and the 28% tax credit.

When opening a client file prepared with a prior version of *Corporate Taxprep*, the relevant boxes of Part 2 will automatically be selected according to the information that was contained in Part 2 of the initial client file. In addition, the amounts that were displayed in Parts 3 and 4 of the form will update to the corresponding lines in the first occurrence of Parts 3 and 4. Therefore, you will have to make sure that you allocate these amounts according to the qualifying periods in order for the calculated tax credit to be correct.

When printing the form, as requested by *Revenu Québec*, the version of the form completed on screen will print as a supporting document, detailing the calculation of the tax credit, which will print on version 2014-09 of the form, where only boxes 01a to 09 as well as line 91 (amount V) will be completed.

CO-1029.8.36.SP, Tax Credit for Film Production Services (Jump Code: 1029836SP)*

CO-1029.8.36.TM, Tax Credit for Multimedia Titles (Jump Code: 1029836TM)

You must complete a separate copy of Form CO 1029.8.36.TM for each multimedia title based on the period during which the labour expenditures have been incurred by the corporation or during which the contract providing for such expenditures has been entered into. However, for each multimedia title, you must now complete Form CO-1029.8.36.TM PART 3 for each eligible employee or for each eligible employee of a subcontractor not dealing at arm's length with the corporation for whom the corporation is claiming the tax credit. In addition, Section 3.3 must now be completed only when the labour expenditures have been incurred by the corporation after March 26, 2015, or under a contract entered into after that date (line 09a). Finally, note that Section 3.5.2, "Reduced qualified wages," has been added to the form.

You can access Form CO-1029.8.36.TM PART 3 from Part 3 or Part 4 of Form CO-1029.8.36.TM.

Part 4, "Total amount of qualified wages," is a new part completed by *Corporate Taxprep* using the information entered in Form CO-1029.8.36.TM PART 3. Parts 4, 5 and 6 of Form CO-1029.8.36.TM must be completed only once per period covered for each multimedia title.

When opening a client file prepared with a prior version of *Corporate Taxprep*, a separate copy of the form will be created for each multimedia title based on the period covered, and the data from former Parts 1 and 2 of each copy will be transferred to Part 3, with the exception of the amounts in column C, which will be transferred to Part 5. If you had selected the box on line 08 or 09 in the prior version, the program will transfer the data entered to columns A and B in separate copies of Form CO-1029.8.36.TM PART 3 and you will have to allocate the amounts between each eligible employee. If amounts were entered on lines 20b and 20c, they will be added and their total will be transferred to line 58a. If amounts were entered in Section 3.2, "Tax credit attributable to the repayment of assistance" of the prior version of the form, they will be added and their total will be transferred to line 75 of the copy covering the multimedia title concerned. However, we suggest that you revise the data, because several sections of the form changed.

When printing the form, as requested by *Revenu Québec*, the version of the form completed on screen will print as a supporting document, detailing the calculation of the tax credit, which will print on version 2014-09 of the form, where only boxes 01a to 09 as well as line 80 (amount V) will be completed.

CO-1159.2, Compensation Tax for Financial Institutions (Jump Code: 11592)*

Columns D have been added to Parts 2.2, 4 and 7. The first line of these columns must be used to enter the salaries and wages paid after March 31, 2017, and before April 1, 2019. Note that the first line of columns C of these parts now have to be used to enter the salaries and wages paid after December 2, 2014, and before April 1, 2017. In addition, the first line of columns B now has to be used to enter the salaries and wages paid after December 31, 2012, and before December 3, 2014. Finally, the first line of columns A now have to be used to enter the salaries and wages paid before January 1, 2013.

In Part 8, lines 71a to 71c and 72, which related to the calculation of the rate applicable to premiums for the days in the taxation year before March 31, 2010, have been deleted. However, cells have been added to this part to calculate the rate applicable to premiums for the days in the taxation year after March 31, 2017, and before April 1, 2019.

RD-1029.7, Tax Credit for Salaries and Wages (R&D) (Jump Code: 10297)*

As a result of the update of the form, lines 151 and 152 have been removed from Part 3. The amount of assistance, benefit or advantage related to salaries and wages or a consideration paid in a prior taxation year that has been repaid in the year must now be entered on the new line 233 of Section 7.1.2. Box 69, **Qualified R&D expenditures incurred by the taxpayer for a taxation year that begins after December 2, 2014, with respect to R&D work carried out after that date**, has also been deleted in Part 3. Moreover, note that line 152a in Part 3, Part 4, line 170a in Part 5 and line 208f in Section 6.2, that relate to the amount of excluded expenditures, are now completed automatically when the taxation year starts after December 2, 2014.

In Section 4.1, lines 156h to 156k have been added in order for the exclusion threshold to be prorated in the cases where the taxation year is shortened.

In Part 5, line 170a has been added in order for the amount of excluded expenditures to be subtracted from the expenditure limit.

A new section has been added to the form, i.e. Section 6.2. This section allows you to calculate the qualified expenditures of a taxpayer member of a partnership.

Finally, the description of lines 212, 216, 231 and 244 in Part 7 has been adjusted as a result of the deletion of line 69.

When opening a client file prepared with a prior version of *Corporate Taxprep*, in which box 69 was selected, the program will select box 64 to indicate that the qualified R&D expenditures have been incurred by the taxpayer for a taxation year starting after December 2, 2014. In addition, because lines 159 to 161 of Section 4.2 are now calculated, if those lines contained values, they will be retained as overridden amounts only if they differ from the calculated amount. Note that because of the aforementioned changes, it is possible that, in certain situations, the results differ from the results that were calculated in the prior version.

RD-1029.7.8, Agreement Between Associated Corporations Regarding the Expenditure Limit (Jump Code: 102978)*

This form is now used to allocate the $3,000,000 expenditure limit between the associated corporations for each Québec research and development tax credit. This form is now a multiple copy form of which a copy has to be completed for each of the following tax credits that the corporation is claiming:

- the tax credit for salaries and wages (R&D) (Jump Code: **10297**),
- the tax credit for university research or research carried out by a public research centre or a research consortium (Jump Code: **102986**),
- the tax credit for fees and dues paid to a research consortium (Jump Code: **10298903**), and
- the tax credit for private partnership pre-competitive research (Jump Code: **10298161**).

Furthermore, a $3,000,000 expenditure limit must be allocated between the associated corporations for each research and development tax credit, and the allocation of this limit can differ for each agreement. The name of the tax credit covered by this form will display at the end of the title of the form as well as on line 10 to allow you to easily identify the copy or copies to complete. The fields in Parts 2 and 3 of each copy of the form are completed automatically using the information provided on each tax credit in Section "Québec – Research and development tax credits" of Schedule 9 WORKCHART (Jump Code: **9 WORKCHART**). For more information, consult the note relating to Schedule 9 WORKCHART.

You can use the **T2 Data Connection** in each copy of the form to help you effectively allocate the expenditure limit for each tax credit.

Finally, note that column 4A, which indicated the total expenditure limit, has been removed from the copy of the form relating to the tax credit for salaries and wages (R&D). The allocation of the expenditure limit of the filing corporation will now be calculated in column D. When opening a client file prepared with a prior version of *Corporate Taxprep*, if an amount was entered in column 4 for the filing corporation and this amount differs from the amount calculated by *Taxprep*, it will be retained as overridden amount in column D.

RD-1029.8.6, Tax Credit for University Research or Research Carried Out by a Public Research Centre or a Research Consortium (Jump Code: 102986)*

This form has been updated in accordance with the measures announced in the Information Bulletin 2014-11 published by the *Ministère des Finances du Québec* on December 2, 2014. Here are the principal changes made to the form:

- You now have to complete a separate copy of Form RD-1029.8.6 PART 2 for each research contract with regards to which an entity (corporation partnership, interposed partnership) is claiming the tax credit. To complete Part 2 for each research contract, access Form RD-1029.8.6 PART 2 from Part 2 of this form.
- Check boxes 05a, 05b and AA, which were in Part 1, have been replaced by lines 121 to 123 and a *Taxprep* question, located in Section 2.2. When the eligible entity is a corporation, the program automatically answers the question *If you checked box 123, does the corporation's taxation year or the partnership's fiscal period start after December 2, 2014?* If the entity is a partnership or an interposed partnership, you will have to answer this question in order for the calculations to be done correctly.
- Complete Parts 3 to 7 on a single copy for all research contracts of a particular entity (corporation, partnership or interposed partnership).
- Line 151 has been removed from Part 3. The amount of assistance, benefit or advantage repaid (or deemed repaid) by the taxpayer in the year and related to costs of a previous year must now be entered on the new line 233 of Section 7.1.2.
- A new part has been added to the form, i.e. Part 4, "Amount of excluded expenditures." Section 4.1 allows you to calculate the exclusion threshold used to determine the amount of excluded expenditures in Section 4.2. The amount of excluded expenditures is then subtracted from the amount of qualified expenditures on the new

line 153 of Part 3. For purposes of Section 4.2, the expenditures giving rise to the following tax credits must be taken into account: the tax credit for salaries and wages (R&D), the tax credit for private partnership pre-competitive research and the tax credit for fees and dues paid to a research consortium.

- *Taxprep* Sections 3AA "Qualified expenditures giving rise to the higher rate of the tax credit", 5AA "Higher rate of the tax credit" and 5BB "Tax Credit" have been replaced by Sections 5, 7.1.1 and 7.1.2.
- A new section has been added to the form, i.e. Section 6.2. This section allows you to calculate the qualified expenditures of a taxpayer member of a partnership.

When opening a client file prepared with a prior version of *Corporate Taxprep* in which you had selected box 05a, 05b or 5AA, the program will select the appropriate box (lines 121 to 123) depending on when the qualified expenditures have been incurred. In addition, a separate copy of the form will be created for each entity (corporation, partnership or interposed partnership). Data in former Parts 2 and 3 will be transferred to Part 2 of Form RD-1029.8.6 PART 2. If more than copy one had been created for a contract entered into by a particular entity, the corresponding number of Parts 2 will be created, because *Taxprep* is not able to determine if this is the same contract. As indicated in the important information shown at the top of the form, Part 2 must be completed only once for each research contract with regards to which the taxpayer is claiming the tax credit. Therefore, we invite you to verify if adjustments are required. Note that because of the aforementioned changes, it is possible that, in certain situations, the results differ from the results that were calculated in the prior version.

RD-1029.8.9.03, Tax Credit for Fees and Dues Paid to a Research Consortium (Jump Code: 10298903)*

This form has been updated in accordance with the measures announced in the Information Bulletin 2014-11 published by the *Ministère des Finances du Québec* on December 2, 2014. Here are the principal changes made to the form:

- Only one copy of the form should now be completed, regardless of the period(s) during which the scientific research and experimental development (R&D) expenditures have been incurred by the research consortium. Select the *Taxprep* box(es) (AA, BB or CC) for that purpose in the "Identification" section. These boxes replace boxes 05a, 05b and AA. When the eligible entity is a corporation, the program automatically selects box CC, **The tax credit is claimed for a taxation year or a fiscal year that begins after December 2, 2014, for R&D expenditures incurred by the research consortium with respect to R&D work carried out after that date,** if the taxation year begins after December 2, 2014. If the entity is a partnership or an interposed partnership, select the appropriate box in order for the calculations to be done correctly.
- You now have to complete a separate copy of Form RD-1029.8.9.03 PART 2 for each research consortium with regards to which an entity (corporation, partnership, interposed partnership) is claiming the tax credit. To complete Part 2 for each research consortium, access Form RD-1029.8.9.03 PART 2 from Part 2 of Form RD-1029.8.9.03.
- The amount on line 139 is now calculated from the amount on line 115.
- The amount of assistance, benefit or advantage, or any contract payment, in respect of the amount on line 142 should now be entered only on line 148. As a result, lines 149 and 150 have been removed from the form.
- Line 152 has been removed from Part 3. The amount that has been repaid in the year in respect of assistance, benefits or advantages related to salaries or any consideration paid in a prior taxation year must now be entered either on line 217a in Section 7.1.2, if the corporation's taxation year begins before December 3, 2014, or on line 236 in Section 7.2.2, if the taxation year begins after December 2, 2014.
- A new part has been added to the form, i.e. Part 4, "Amount of excluded expenditures." Section 4.1 allows you to calculate the exclusion threshold used to determine the amount of excluded expenditures in Section 4.2. The amount of excluded expenditures is then subtracted from the amount of eligible fees and dues on line 156 of Part 3. For purposes of Section 4.2, the expenditures giving rise to the following tax credits must be taken into account: the tax credit for salaries and wages (R&D), the tax credit for university research or research carried out by a public research centre or a research consortium, and the tax credit for private partnership pre-competitive research.
- *Taxprep* sections 3AA, 5AA and 5BB, which related to taxation years beginning after December 2, 2014, have been replaced by Sections 5, 7.2.1 and 7.2.2.
- Section 7.1 must be completed to calculate the tax credit for a taxation year that begins before December 3, 2014. Section 7.1.1 must be used for R&D expenditures that have been incurred before

June 5, 2014, and Section 7.1.2, for R&D expenditures that have been incurred after June 4, 2014. If box AA or BB is selected, the amounts on lines 214a and 215 will be calculated from the amounts on lines H or I, as applicable. If boxes AA and BB are both selected, the fields of lines 214a and 215 will be input fields and amounts will have to be entered manually in those fields. A diagnostic has been added to prompt you to complete these lines when they are input fields and they are empty.
- A new section has been added to the form, i.e. Section 6.2. This section allows you to calculate the eligible expenses of a taxpayer that is a member of a partnership.

When opening a client file prepared with a prior version of *Corporate Taxprep* in which you had selected box 05a, 05b or AA, the program will select the appropriate box (AA, BB or CC) depending on when the qualified expenditures have been incurred. In addition, a separate copy of the form will be created for each entity (corporation, partnership or interposed partnership). Data of former Parts 2 and 3 will be transferred to Part 2 of Form RD-1029.8.9.03 PART 2. If the same identification number of the consortium (line 112c) or the same NEQ (line 112b) was entered on different copies on which the same entity was selected (in the "Identification" section), data from lines 114, 115, 117, 118 and 133 of these different copies will be added and the total of each of these lines will be entered on the corresponding line in PART 2. Finally, the amount that was on line 150 will be retained on line 148, while the amount that was on line 152 will not be retained.

After opening of a client file in which this form had been completed with a prior version of the program, make sure that the information contained in the form is accurate.

RD-1029.8.16.1, Tax Credit for Private Partnership Pre-Competitive Research (Jump Code: 10298161)*

This form has been updated in accordance with the measures announced in the Information Bulletin 2014-11 published by the *Ministère des Finances du Québec* on December 2, 2014. Here are the principal changes made to the form:

- The check boxes 05a, 05b and AA, which were in Part 1, have been removed.
- You now have to complete a separate copy of Form RD-1029.8.16.1 PART 2 for each partnership agreement with regards to which an entity is claiming the tax credit. To complete Part 2 for each partnership agreement, access Form RD-1029.8.16.1 PART 2 from Part 2 of this form.
- Complete Parts 3 to 7 on a single copy for all partnership agreements of a particular entity (corporation, partnership or interposed partnership).
- Line 151 has been removed from Part 3. The amount of assistance, benefit or advantage repaid (or deemed repaid) by the taxpayer in the year and related to costs of a previous year must now be entered on the new line 233 of Section 7.1.2.
- A new part has been added to the form, i.e. Part 4, “Amount of excluded expenditures.” Section 4.1 allows you to calculate the exclusion threshold used to determine the amount of excluded expenditures in Section 4.2. The amount of excluded expenditures is then subtracted from the amount of qualified expenditures on the new line 153 of Part 3. For purposes of Section 4.2, the expenditures giving rise to the following tax credits must be taken into account: the tax credit for salaries and wages (R&D), the tax credit for university research or research carried out by a public research centre or a research consortium, and the tax credit for fees and dues paid to a research consortium.
- *Taxprep* sections 3AA, “Qualified expenditures giving to the higher rate of the tax credit,” 5AA, “Higher rate of the tax credit” and 5BB, “Tax Credit,” have been replaced by Sections 5, 7.1.1 and 7.1.2.
- A new section has been added to the form, i.e. Section 6.2. This section allows you to calculate the qualified expenditures of a taxpayer member of a partnership.

When opening a client file prepared with a prior version of *Corporate Taxprep* a separate copy of the form will be created for each entity (corporation, partnership or interposed partnership). Data in former Parts 2 and 3 will be transferred to Part 2 of Form RD-1029.8.16.1 PART 2 based on the date on which the agreement was entered into. If the date on which the agreement was entered into is the same, data on lines 125 to 150 of former Section 3.1, will be added per columns. Note that because of the aforementioned changes, it is possible that, in certain situations, the results differ from the results that were calculated in the prior version.

CO-1167, Insurance Corporations (Jump Code: 1167)*

Lines have been added to allow for the calculation of tax on premiums for insurance of persons or uninsured employee benefits plans and the tax on premiums for damage insurance. These amounts were previously calculated in the CO-17 return.

Alberta

AT1, Alberta Corporate Income Tax Return (Jump Code: AT1)*

The basic tax rate increased to 12% from 10% for taxation years ending after June 30, 2015. Therefore, the rate used for purposes of calculating line 068 has been modified. If the instructions of the troubleshooting memo T22015-005 have been followed, when opening a client file prepared with version 1.0 or 1.1 of *Corporate Taxprep* 2015, cancel the override in the field “2006-04-01” relating to the percentage of Section “AT1 – Alberta corporate income tax return” in the *Table of Rates and Values Used in the Provincial Returns* (Jump Code: **RTS PROV**).

AT1 Schedule 1, Alberta Small Business Deduction (Jump Code: A1)*

Saskatchewan

Schedule 403, Saskatchewan Research and Development Tax Credit (Jump Code: 403)*

As a result of the update of this schedule, lines 210, 220, 230 and 240, which related to the calculation of the refundable credit earned before April 1, 2012, have been removed. When opening a client file prepared with a prior version of *Corporate Taxprep*, if data was entered on these lines, it will not be retained.

Manitoba

Schedule 380, Manitoba Research and Development Tax Credit (Jump Code: 380)

We have reviewed the summary and analysis table relating to the carryforward of credits of Schedule 380 in order to add the carryforward over 20 years to this table for situations where carryforward is possible.

The credits expire after 10 years, if the taxation year during which they were earned is ending in 2005, and after 20 years if the taxation year during which they were earned is ending after December 31, 2005. When rolling forward a client file, the expired credits are automatically removed from the summary and analysis table.

Schedule 383, Manitoba Corporation Tax Calculation (Jump Code: 383)

The $425,000 business limit will be increased to $450,000 on January 1, 2016. Parts 1 to 3 of Schedule 383 have been modified accordingly.

Schedule 384, Manitoba Paid Work Experience Tax Credit (Jump Code: 384)*

As a result of the update of the schedule, Parts 2 to 9 have been added, in accordance with section 10.1 of the *Manitoba Income Tax Act*. As a result, former Parts 2 and 3 have been renumbered and now correspond to Parts 10 and 11. In addition, columns have been added to Parts 2 to 8 to calculate the maximum amount of each credit.

For more information, consult the Help.

Schedule 393, Manitoba Nutrient Management Tax Credit (Jump Code: 393)*

Schedule 394, Manitoba Rental Housing Construction Tax Credit (Jump Code: 394)*

Schedule 388, Manitoba Film and Video Production Tax Credit (Jump Code: 388)*

British Columbia

Schedule 422 (T1196), British Columbia Film and Television Tax Credit (Jump Code: 1196)

The question *Does the principal photography of the production begin after February 28, 2010?* has been removed from the form on screen.

When opening a client file prepared with a prior version of *Corporate Taxprep*, the answer to this question will not be retained.

Line A1 line, which was used to enter the qualified British Columbia labour expenditures attributable to digital post-production activities for productions whose principal photography began after February 28, 2015, has been removed from Part 6. The details of these expenditures must now be entered on lines S to Z of Part 6. When opening a client file prepared with a prior version of *Corporate Taxprep*, the value entered on line A1 will not be retained, and you will need to enter the details of the expenditures on line S to Z.

Because the principal photography relating to a production whose expenditures give entitlement to the tax credit for digital animation, visual effects and post-production will now always start after February 28, 2010, the rates in Part 11 have been merged into a single rate of 17.5%. Expenditures eligible for this rate are calculated in Part 6 of the form.

Schedule 423 (T1197), British Columbia Production Services Tax Credit (Jump Code: 1197)*

The question *Does the principal photography of the production begin after February 28, 2010?* has been removed for the form on screen.

When opening a client file prepared with a prior version of *Corporate Taxprep*, the answer to this question will not be retained.

Line A1, which was used to enter the accredited qualified British Columbia labour expenditure attributable to digital post-production activities for productions whose principal photography began after February 28, 2015, has been removed from Part 5. The detail of this expenditure now has to be entered on lines I to O of Part 5. Line A2, which was used to calculate the credit related to the expenditures entered on line A1, has also been removed from Part 9. The credit relating to the expenditure attributable to digital post-production activities for productions whose principal photography began after February 28, 2015, will be calculated on the two other lines of Part 9. When opening a client file prepared with a prior version of *Corporate Taxprep*, the values that were on lines A1 and A2 will not be retained, and you will need to enter the detail of the expenditure on lines I to O.

A field used to indicate the accredited qualified British Columbia labour expenditure incurred outside the designated Vancouver area has been added to Part 7. This field is to be used when the corporation is claiming the regional production services tax credit for an animated production that starts key animation after June 26, 2015, and that is not an episodic production.

If the corporation is claiming the distant location production services tax credit for an animated production that start key animation after June 26, 2015, and that is not an episodic productions, it must indicate the accredited qualified British Columbia labour expenditure incurred in a distant location in the field of Part 8 that has been added for that purpose.

Two new worksheets have been added. They are to be used if the corporation is claiming the regional production services tax credit for animated episodic productions that start key animation after June 26, 2015, (worksheet 2) or the distant location production services tax credit for animated episodic productions that start key animation after June 26, 2015 (worksheet 4).

Schedule 425 (T666), British Columbia (BC) Scientific Research and Experimental Development Tax Credit (Jump Code: 425)*

Part 8 now contains only the amounts applied. The other information that was shown in this section is now in the table *Summary and analysis of the credit*, which has been added to the bottom of the form and display on screen only. When opening a client file prepared with a prior version of *Corporate Taxprep*, you will have to apportion the amount on line F, *Tax credit transferred on amalgamation or windup*, among the appropriate preceding years in the **Transfer** column of this section and cancel the override on this line.

Schedule 427, British Columbia Corporation Tax Calculation (Jump Code: 427)*

In Section 1, five lines have been added to take into account the gradual elimination over a five-year period, starting in 2016, of the preferential income tax treatment for credit unions.

Schedule 429, British Columbia Interactive Digital Media Tax Credit (Jump Code: 429)*

Newfoundland and Labrador

Schedule 305, Newfoundland and Labrador Capital Tax On Financial Institutions (Jump Code: 305)*

Guides

Updated Guides

AgriStability and AgriInvest

- 2015 AgriStability and AgriInvest Program, Corporation/Co-operative and Special Individual Harmonized Form and Guide
- Alberta AgriStability Supplementary Forms (2015) Guide

Québec

- CO-17.G, *Guide de la déclaration de revenus pour les sociétés* (available in French only)

New Guide

Saskatchewan

- 2014 Commodity Code Guide

Technical Changes

Integration with the CCH iFirm Portal

The *CCH iFirm* **Portal** module is a secure space that allows you to communicate with your clients online, and securely exchange documents, data and reports. Note that this module is available for free to all *Taxprep* clients until December 1, 2016.

The integration between *Taxprep* and the *CCH iFirm* **Portal** module allows you to send income tax returns, forms or letters in PDF format to all *CCH iFirm* contacts, for whom a portal is activated, directly from *Taxprep*.

CCH iFirm Portal configuration

To enable the publication of PDF files on the portal of *CCH iFirm* contact, the “Portal” section has been added to the **CCH iFirm** pane in the **Options ad Settings** dialog box. This new section allows you to enter the destination folder for the publication of PDF files on *CCH iFirm* portals.

Consult the Help to view the complete list of options available in that dialog box.

Configuring the integration with CCH iFirm

To enable the integration between *Taxprep* and *CCH iFirm*, the **CCH iFirm** pane has been added in the **Options and Settings** dialog box. In particular, the "General" section allows you to enter the address of your firm's *CCH iFirm* Web site required to configure the integration.

Consult the Help to view the entire list of options available for this dialog box.

Addition for the integration with CCH iFirm

The **CCH iFirm** menu has been added to the **Advanced** toolbar. Available in the **Tax Return** and **Client Manager** views, this new menu allows you to perform the following operations:

- Link a taxpayer with a contact in *CCH iFirm*;
- Synchronize a taxpayer with a *CCH iFirm* contact;
- Delete the link between a taxpayer and a *CCH iFirm* contact;
- Access a contact or the list of contacts in *CCH iFirm*;
- Login to firm's *CCH iFirm* Web site.

In addition, two diagnostics have been added to facilitate the integration. The first displays when a return contains enough data to launch the search for a contact to link. The second displays when a taxpayer is linked with a contact and *Taxprep* detects data to synchronize.

Finally the *CCH iFirm* filter has been added to the **Client Manager** to allow you to quickly know whether or not a taxpayer is linked with a contact in *CCH iFirm*.

Corporate Identification and Other Identification (Jump Code: ID)

The "CCH iFirm" section has been added for integration purposes between *Corporate Taxprep* and *CCH iFirm*. This new section includes fields displaying additional information from the *CCH iFirm* linked contact; the content of some of those fields is synchronized between *Taxprep* and *CCH iFirm*. The field "Client code," in which you can enter the client code allocated to the taxpayer is part of these fields. It will be used to search for corresponding contacts and for creating contacts in *CCH iFirm*. However, it is possible to configure another field for searching and creating contacts to use in cases where no value is shown in the "Client code" field.

In addition, in the "Corporate addresses" section, five lines have been added above line 011 as well as above line 021. It consists of the lines *Number*, *Avenue, boulevard, street*, *Apt. or suite*, PO Box and *RR* which allow you to enter the address in the format it is presented in *CCH iFirm*. These lines display only when the taxpayer whose return is being prepared is linked to a *CCH iFirm* contact.

For more information, consult the Help.

Use the screen resolution for PDF printing

The check box **Use the screen resolution for PDF printing** has been added to the **Advanced** pane of the "Options" section in the **Options and settings** dialog box. This box is selected by default and enables the use of the screen resolution when printing PDF files rather than the resolution defined for the printer. This change has been made to correct the problem that caused the generated PDF files to sometimes be of a smaller dimension than what was expected (e.g. the file was sometimes printed in the upper left portion of the page).

Using a proxy server to access InfoConnect

You may now display data available via the **InfoConnect** functionality when a proxy server is used to access the Internet.

If such a server is used for Internet connection and you want, among other things, to take advantage of content accessible via **InfoConnect**, define the connection settings to the proxy server in the **Options and Settings** dialog box, under **Electronic Services/Proxy Server**.

Identify the author of an attached note

To facilitate the review of returns, Form *Attached Notes Summary* (Jump Code: **ATTN**) now displays, for each note, the name of the author as well as the date on which the note has been added to the form. This information is also included in the attached notes hover message and will be kept during roll forward if the check box **Keep this note when rolling forward the file** is selected. This information will only be available for notes created or modified with the current version of *Taxprep* or a future version.

Retrieving credentials required to access to Revenu Québec's electronic services

Because the credentials for *Revenu Québec's* NetFile Québec and Clic Revenu services can now be permanent, *Corporate Taxprep* retrieves the Clic Revenu password as well as the NetFile Québec access code when the configuration of a prior version of the program is converted.

Therefore, if you retrieve the prior version configuration, you are no longer required to enter this information, provided it has not changed.

Updating the different viewers integrated with Taxprep for tax research

IntelliConnect is Wolters Kluwer's new generation research platform. Because this platform replaces the

CCH Online platform, we have ended the integration of *CCH Online* with *Corporate Taxprep*.

Enhancement of the performance for operations on client files requiring opening or saving

In Windows Server 2012 Terminal Services environments where the *Fair Share* policy is enabled, the performances of the program during operations requiring the opening or the saving of one or more client files (e.g. a batch recalculation from the **Client Manager**) has been enhanced significantly.

Practitioner's Collection

Note that subscribers to the *Practitioner's Collection* must use only Internet Explorer as a Web browser.

For information on how to modify your default browser, consult the Microsoft Web site at the following address:

http://windows.microsoft.com/en-US/internet-explorer/make-ie-default-browser.

Converting Templates

Converting Template Files

All templates (i.e. client letter templates, client filters, preparer profiles and print formats) created in a prior version must be converted to be used with *Corporate Taxprep* 2015 v.2.2.

Templates can be converted using the **Convert** function which is available in each template view.

Corrected Calculations

The following problems have been corrected in *Corporate Taxprep* 2015 v.2.0:

Federal

- Instalment - *Federal Tax Instalments* (Jump Code: **IFED**) – Instalment method not specified when a preparer profile is used and a client file is created or rolled forward.

Ontario

- Schedule 558, *Ontario Production Services Tax Credit* (Jump Code: **558**) – Transitional amendment relating to the rate applicable to qualifying production expenditures incurred after April 23, 2015
- Schedule 554, *Ontario Computer Animation and Special Effects Tax Credit* (Jump Code: **554**) – Transitional amendment relating to the rate applicable to qualifying labour expenditures incurred after April 23, 2015

Alberta

- AB Sch. 10 – *Alberta Loss Carry-Back Application* (Jump code: **A10**) – Transmission error when a zip code or foreign postal code is entered in field 068
- AT1, *Alberta Corporate Income Tax Return* (Jump Code: **AT1**) – Increase in the basic tax rate and increase in the small business deduction rate for taxation years ending after June 30, 2015

Manitoba

- Schedule 384, *Manitoba Co-op Education and Apprenticeship Tax Credit* (Jump Code: **384**) – Diagnostic R3840005 and eligibility of the return for EFILE

Electronic Transmission

- Electronic transmission of returns to the federal, Québec and Alberta governments

Essential Program Information

Taxation Years Covered

Corporate Taxprep 2015 v.2.2 is designed to process corporate tax returns with taxation years beginning on or after January 1, 2013, and ending on or before May 31, 2016.

You must use the appropriate prior version of *Corporate Taxprep* to prepare returns relating to a taxation year that begins before that period. To obtain a list of prior *Corporate Taxprep* versions and corresponding taxation years, consult the "Version Coverage" topic available in the program's Help.

Default Taxation Year

The default taxation year for a new client file is January 1, 2015 to December 31, 2015.

Specialized Information, Advanced Network and Corporation Internet Filing Modules

The modules **Specialized Information** (SI), **Advanced Network** and **Corporation Internet Filing** are options sold separately from the program.

Where to Find Help

If you have any questions regarding the installation or use of the program, there are several options for getting help. Refer to the *QuickStart Guide* in the **Professional Centre** for tips and useful information on how to use the program. If you are in the program and need help, press F1 to get help on a specific topic.

Taxprep e-Bulletin

For your convenience, you are automatically subscribed to **Taxprep e-Bulletin**, a free e-mail service that ensures you receive up-to-date information about the latest version of *Corporate Taxprep*. If you wish to review your subscription to **Taxprep e-Bulletin**, visit www.taxprep.com and click **My e-Bulletin** in the "e-Bulletin" section. You can also send an e-mail to cservice@wolterskluwer.com to indicate the products for which you wish to receive general information or information on our CCH software (*Personal Taxprep*, *Corporate Taxprep*, *Taxprep for Trusts*, *Taxprep Forms* or *CCH Accountants' Suite*).

How to Reach Us

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