

The Alberta Corporate Tax Act adopts most rules of the federal Income Tax Act for determining income and taxable income. However, some of the rules are elective and allow corporations to claim different amounts for Alberta purposes than they have for federal purposes. This results in different discretionary Alberta and federal tax account balances. The differences between the Alberta and federal resource tax regimes from 2003 onwards also lead to different income federally and for Alberta purposes. **If the corporation elects to differ its claim for Alberta purposes in the current year, if the opening balances for Alberta and federal purposes differ, or if the corporation has crown charges, Alberta Royalty Tax Credit claims or resource allowance in 2003 and onwards, then Schedule 12 MUST be completed and submitted with the applicable supporting Alberta schedule(s).**
Report all monetary amounts in dollars; DO NOT indicate cents. Show negative amounts in brackets ().

AREA A - NET INCOME FOR ALBERTA CORPORATE INCOME TAX PURPOSES

002

Net Income (Loss) for federal purposes from T2 line 300

Only specify the federal and Alberta amount of the items that are calculated differently for Alberta purposes or where the opening balance for Alberta purposes differs from the federal opening balance.

If these amounts are the **same**, DO NOT indicate the amount for either federal or Alberta purposes.

Federal Dollar Amount

Alberta Dollar Amount

		Federal Schedule 1 line 403		Schedule 13 line 027
Capital Cost Allowance	005	—	004	
Recapture of CCA	007	+	006	
Terminal Loss	009	—	008	
Cumulative Eligible Capital Deduction	011	—	010	
Gain on Sale of Eligible Capital Property	013	+	012	
Farming Inventory:		Federal Schedule 1 line 224		
- Mandatory inventory adjustment included in current year	015	+	014	
- Mandatory inventory adjustment included in prior year	017	—	016	
- Optional value of inventory included in current year	019	+	018	
- Optional value of inventory included in prior year	021	—	020	
	023	Federal Schedule 1 line 344	022	Schedule 15 lines 007 + 019 + 031
Depletion	027	Federal Schedule 1 line 341	026	Schedule 15 lines 061 + 081
Canadian Exploration Expenses (CEE)	029	Federal Schedule 1 line 340	028	Schedule 15 lines 115 + 141
Canadian Development Expenses (CDE)	031	Federal Schedule 1 line 345	030	Schedule 15 lines 209 + 221 + I + R + JJ + SS
Foreign Exploration and Development Expenses	033	Federal Schedule 1 line 342	032	Schedule 15 lines 169 + 189
Canadian Oil and Gas Property Expenses (COGPE)	035	— Federal Schedule 1 line 411 + Federal Schedule 1 line 231	034	Schedule 16 line 016 OR line 020
Scientific Research Expenses claimed in year	037	Federal Schedule 1 line 125	036	Schedule 17 line 091
Tax Reserves deducted in prior year	039	Federal Schedule 1 line 413	038	Schedule 17 line 081
Tax Reserves claimed in current year			042	Capital tax liability in other provinces
Capital Tax Liability in other provinces	041	+ Fed Schedule 1 line 113 minus 406 + Fed Schedule 1 Other Additions — Fed Schedule 21 Part 1 column D — Fed Schedule 1 line 218	040	+ Schedule 18 line 076 + 094 + Schedule 15 AREAs C, D, F, G & H — ACTA subsection 8(2.2) deduction + Foreign affiliate property income after ITA s.152(6.1) adjustment
Other - Attach supporting schedule				
Total Federal Amount:	050		Total Alberta Amount:	052
				054

Net Income (Loss) for Alberta purposes: Line 002 - line 050 + line 052

If amount in Line 040, provide explanation:

048

AREA B - TAXABLE INCOME FOR ALBERTA

For this section, all of the following items that determine taxable income must be specified. If the opening balance or the claim for the current year for donations, gifts or losses are different for Alberta purposes than for federal purposes, complete the applicable Alberta schedule(s) and enter the amount from those schedule(s) below. Otherwise, enter the amounts from the federal T2 for these items and any other applicable line items.

	Federal	Alberta
Net Income (Loss) for carried forward from page 1:	002	054
Deduct:	Federal Dollar Amount of Deduction	Alberta Dollar Amount of Deduction
Charitable Donations	<input type="checkbox"/> 057 T2 line 311	<input type="checkbox"/> 056 Schedule 20 line 016
Gifts to Canada or a province, cultural gifts and ecological gifts	<input type="checkbox"/> 059 T2 lines 312 + 313 + 314	<input type="checkbox"/> 058 Schedule 20 line 076
Taxable dividends deductible under ITA section 112, 113 or 138(6)	<input type="checkbox"/> 061 T2 line 320	<input type="checkbox"/> 060 T2 line 320
Part VI.1 tax deduction	<input type="checkbox"/> 063 T2 line 325	<input type="checkbox"/> 062 T2 line 325
Non-capital losses of preceding taxation years	<input type="checkbox"/> 065 T2 line 331	<input type="checkbox"/> 064 Schedule 21 line 041
Net-capital losses of preceding taxation years (See Guide for the Inclusion Rate calculation)	<input type="checkbox"/> 067 T2 line 332	<input type="checkbox"/> 066 Schedule 21 line 061 x Inclusion Rate
Restricted farm losses of preceding taxation years	<input type="checkbox"/> 069 T2 line 333	<input type="checkbox"/> 068 Schedule 21 line 099
Farm losses of preceding taxation years	<input type="checkbox"/> 071 T2 line 334	<input type="checkbox"/> 070 Schedule 21 line 079
Limited partnership losses of preceding taxation years	<input type="checkbox"/> 073 T2 line 335	<input type="checkbox"/> 072 Schedule 21 total of column 139
Taxable capital gains or taxable dividends allocated from a central credit union	<input type="checkbox"/> 075 T2 line 340	<input type="checkbox"/> 074 T2 line 340
Prospector's and grubstaker's shares	<input type="checkbox"/> 079 T2 line 350	<input type="checkbox"/> 078 T2 line 350
Subtotal:	<input type="checkbox"/> 081	<input type="checkbox"/> 080
Add: ITA section 110.5 and/or subparagraph 115(1)(a)(vii) additions (see Guide)	<input type="checkbox"/> 083 T2 line 355	<input type="checkbox"/> 082 Schedule 21 line 017
Taxable Income for Federal purposes or (Loss) Lines 002 - 081 + 083	<input type="checkbox"/> 091	
If there is an amount at line 083 and line 002 - line 081 is negative, then line 091 must equal line 083		
Taxable Income for Alberta purposes or (Loss) Lines 054 - 080 + 082		<input type="checkbox"/> 090
If there is an amount at line 082 and line 054 - line 080 is negative, then line 090 must equal line 082		
Enter this amount on AT1 page 2, line 062		

To be completed only by **insurers of farmers and fishermen**:
Income exempt under ITA paragraph 149(1)(t)

<input type="checkbox"/> 092	T2 line 370
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Reconciliation of Active Business Income (ABI):

Does the corporation's calculation of ABI for Alberta purposes differ from its federal ABI?

<input type="checkbox"/> 100	Yes	No
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If "Yes", complete the following to reconcile the two amounts

Active Business Income from Federal Schedule 7, the calculated value *
of amount "Q" or federal Schedule 16, line 124

* If the calculated amount is negative, enter the negative amount in brackets (). If this includes specified partnership income, ensure the correct Alberta small business threshold is used (See Guide)

Adjustment to ABI for Alberta purposes due to discretionary items (See Guide)

Active Business Income for Alberta purposes (ABI)

Line 102 + 104 (if negative, enter "0")

This amount is to be used for Schedule 1, line 003

<input type="checkbox"/> 102	
<input type="checkbox"/> 104	
106	