

NATURAL GAS TAX CREDIT APPLICATION

 under the *Income Tax Act*

GENERAL INQUIRIES

Victoria: 250 387-3332

Toll-free: 1 877 387-3332

 Email: ITBTaxQuestions@gov.bc.ca

Income Tax Act – The information on this form is collected for the purpose of administering the *Income Tax Act* under the authority of section 183 of the Act. Questions about the collection or use of this information can be directed to the Manager, Intergovernmental Relations, PO Box 9444 Stn Prov Govt, Victoria BC V8W 9W8 (telephone: Victoria at 250 387-3332 or toll-free at 1 877 387-3332 and ask to be redirected). Email: ITBTaxQuestions@gov.bc.ca

INSTRUCTIONS

Use this form to:

- apply for the natural gas tax credit under the *Income Tax Act*, or
- amend a *Natural Gas Tax Credit Application* submitted previously.

This application must be filed within 18 months of the corporation's taxation year end.

This credit is only available to qualifying corporations if they own natural gas immediately after the natural gas passed through a liquefied natural gas (LNG) facility inlet meter for a major LNG facility.

 See our [website](#) for further program details including definitions and examples of recommended worksheets to support [Part 4](#).

AMENDMENTS

If your *T2 Corporate Income Tax Return* has been assessed or reassessed on a different basis than it was filed, you may need to amend your *Natural Gas Tax Credit Application* for the taxation year and send us a copy of your most recent *Notice of Assessment*. Penalties may be applied if you do not notify us within 90 days after the notice was issued. If additional corporate income tax is payable, you will be required to submit proof of payment.

FOR OFFICE USE ONLY

 DATE RECEIVED
 YYYY / MM / DD

PART 1 – APPLICANT INFORMATION

FULL LEGAL NAME OF CORPORATION		NAME UNDER WHICH BUSINESS IS CONDUCTED	BUSINESS NUMBER (9 digits)
MAILING ADDRESS (include street or PO box, city, province/state/territory and country)			POSTAL CODE / ZIP CODE
CONTACT NAME	POSITION (if a company contact)	EMAIL ADDRESS	TELEPHONE NUMBER ()

PART 2 – ELIGIBILITY

1. Was the applicant a qualifying corporation during this taxation year? YES NO
2. Did the applicant own natural gas immediately after the natural gas passed through an LNG facility inlet meter for a major LNG facility during this taxation year? YES NO

PART 3 – APPLICATION PERIOD

START OF TAXATION YEAR YYYY / MM / DD	END OF TAXATION YEAR YYYY / MM / DD	Is this an amended application? <input type="checkbox"/> YES <input type="checkbox"/> NO	If YES , provide reason below
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If this is an amended application, check (✓) the reason:

- T2 Corporate Income Tax Return Reassessment*
 Cost of Gas amendment
 Other (specify): _____

Is payment enclosed (if applicable)? <input type="checkbox"/> YES <input type="checkbox"/> NO	If YES , provide the amount of payment: _____
Is this the first taxation year after an amalgamation? <input type="checkbox"/> YES <input type="checkbox"/> NO	Does this application period include a wind-up as described under subsection 88(1) of the <i>Income Tax Act</i> (Canada)? <input type="checkbox"/> YES <input type="checkbox"/> NO

PART 4 – CALCULATION OF ANNUAL NATURAL GAS TAX CREDIT

Eligible Cost of Natural Gas for the Taxation Year

A. The eligible cost of natural gas is a calculated amount for all natural gas notionally acquired in the taxation year by the corporation at an LNG facility inlet meter for a major LNG facility. You must maintain monthly records to support your claim. See our [website](#) for a worksheet template with calculations.

MAJOR LNG FACILITY NAME	LNG FACILITY NUMBER	TOTAL ELIGIBLE COST OF NATURAL GAS FOR THE TAXATION YEAR
TOTAL		A

B. Annual natural gas tax credit from a qualifying corporation's activities

Box A x 3%

B

C. ADD: Your portion of any annual natural gas tax credit allocated from partnerships. Complete the table below and include only the cost of natural gas incurred during the partnership's fiscal period that ends within the corporation's taxation year.

You must maintain monthly records to support your claim. See the [website](#) for a worksheet template with calculations. If you are claiming any amounts in Box C, attach a letter from each partnership confirming your allocation of the partnership's annual natural gas tax credit. Indicate in the letter if the amount has been amended for this period.

PARTNERSHIP LEGAL NAME	PARTNERSHIP FISCAL PERIOD END (YYYY/MM/DD)	TOTAL ELIGIBLE COST OF NATURAL GAS FOR THE FISCAL PERIOD FROM THE PARTNERSHIP	MULTIPLY BY	TOTAL PARTNERSHIP'S ANNUAL NATURAL GAS TAX CREDIT	YOUR PORTION OF THE PARTNERSHIP'S ANNUAL NATURAL GAS TAX CREDIT (per confirmation letter)
			3%		
			3%		
			3%		
			3%		
TOTAL				C	

D. Annual natural gas tax credit for the taxation year

Box B + Box C

D

PART 5 – CALCULATION OF MAXIMUM CREDIT FOR THE TAXATION YEAR

Complete this section using amounts from your federal *T2 Corporate Income Tax Return*, *T2SCH427 British Columbia Corporation Tax Calculation* and *T2SCH5 Tax Calculation Supplementary – Corporations*.

E. Enter the amount from Box S, **Part 7** of the previous taxation year's *Natural Gas Tax Credit Application (FIN 515)* in Box E, unless one of the following exceptions apply.

Enter 0 in Box E if:

- this is the first taxation year you are claiming this credit,
- you claimed this credit for a previous year but did not have a permanent establishment in BC in the last taxation year, or
- there was a loss restriction event in the last taxation year for which the credit was claimed.

If this is the first taxation year after an amalgamation:

- in Box E, enter the sum of all predecessor amounts from Box S, **Part 7** of the *Natural Gas Tax Credit Application (FIN 515)* for the last taxation year before the amalgamation, and
- attach a list to this application listing the legal names of the predecessors, their business numbers and each predecessor's amounts from Box S, **Part 7** of the *Natural Gas Tax Credit Application (FIN 515)* for the last taxation year before the amalgamation.

Unused amount eligible for credit (see instructions above)

E

PART 5 – CALCULATION OF MAXIMUM CREDIT FOR THE TAXATION YEAR (CONTINUED)

F. If the applicant is a parent corporation that wound up a subsidiary under subsection 88(1) of the *Income Tax Act* (Canada), enter the amount from Box S, **Part 7** from the subsidiary's final natural gas tax credit application's *Notice of Determination*. Attach a letter listing the subsidiary's name, business number, taxation year end and the date the subsidiary was wound up.

ADD: Adjustment for the unused amount of a subsidiary that was wound up as described under subsection 88(1) of the *Income Tax Act* (Canada)

F

G. **ADD:** Annual natural gas tax credit for the taxation year

From Box D G

H. Amount eligible for credit

Box E + Box F + Box G H

TO BOX Q IN PART 7

I. Income subject to BC higher tax rate

Amount from Part 1 of T2SCH427 I

J. Annual credit limit

Box I x 3% J

K. BC tax otherwise payable

Amount from Line 760 of T2, or the greater of T2SCH5 Line 244 or 0 if you have permanent establishments in multiple jurisdictions, or are claiming provincial tax credits

K

L. Natural gas tax credit claimable

Lesser of Box H, J or K L

PART 6 – CALCULATION OF TAX CREDIT OR TAX CREDIT ADJUSTMENT PAYABLE

M. Natural gas tax credit claimable

From Box L M

N. Tax credit claimed on this application

Amount not to exceed the amount in Box M N

O. **LESS:** If this is an amended application, enter the tax credit last claimed for this taxation year

O

P. Tax credit/(balance owing from taxpayer)

Box N – Box O P

If this amount is negative, and you are enclosing payment with this amended application, note the amount of the payment in **Part 3**.

PART 7 – CALCULATION OF UNUSED AMOUNT ELIGIBLE FOR CREDIT FOR FUTURE TAXATION YEARS

Q. Amount eligible for credit

From Box H Q

R. **LESS:** Tax credit claimed

From Box N R

S. Unused amount eligible for credit for future taxation years

Box Q – Box R S

PART 8 – SUPPORTING DOCUMENTS

Required – You must attach these documents with your application:

- T. Copies of all notices of assessment or reassessment issued by the Canada Revenue Agency (CRA) for this taxation year.
- U. If you are claiming any amounts in Box C in **Part 4**, attach a copy of a letter from each partnership confirming your allocation of the partnership's annual natural gas tax credit. Indicate in the letter if the amount has been amended for this period.
- V. If it is the first taxation year after an amalgamation, provide a list of predecessors, business numbers and amounts to support Box E in **Part 5**.
- W. If you are claiming any amounts in Box F in **Part 5**, attach a letter listing the subsidiary's name, business number, taxation year end and the date the subsidiary was wound up.

PART 8 – SUPPORTING DOCUMENTS (CONTINUED)

Required – You must submit this document before your tax credit can be paid:

- X. A copy of the *Statement of Account* issued by the CRA showing the tax payable for this taxation year has been paid. You are not eligible for the tax credit unless you submit this proof of payment within 3 years of the taxation year end.

Optional:

- Y. If you would like to authorize or cancel the authorization for a third party to correspond with the ministry on your behalf, attach an *Authorization or Cancellation of a Representative* (FIN 146).

PART 9 – CERTIFICATION

I certify that I am an authorized signing authority and to the best of my knowledge and belief, all of the information given in this application, including any supporting documentation, is true, correct and complete in every respect.

SIGNATURE	FULL LEGAL NAME OF SIGNING AUTHORITY	POSITION/TITLE	DATE SIGNED YYYY / MM / DD
X			