

Part 2 – Income from active business when there is partnership income

Complete this part only if the corporation is a member of a partnership.

Period before January 1, 2019

If there are days in the tax year in the period mentioned above, calculate the income from active business as follows:

Amount U from Part 5 of Schedule 7 5
 Amount from line 530 from Part 5 of Schedule 7 6
 Subtotal (amount 5 **minus** amount 6) **▶** K

Amount M from Part 4 of Schedule 7 L

| | M Amounts from column F1 in Part 3 of Schedule 7 | N Amounts from column H1 in Part 3 of Schedule 7 multiplied by 450,000 500,000 | O Column M minus column N (if negative, enter "0") | P Lesser of columns M and N (if column M is negative, enter "0") |
|----|---|---|--|--|
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |
| | Totals | | Q | R |

Amount on line 370 from Part 3 of Schedule 7 S

Amount on line 380 from Part 3 of Schedule 7 T

Subtotal (amount S **plus** amount T) U

Enter amount Q or amount U, whichever is less V

Specified partnership income (amount R **plus** amount V) **▶** W

Partnership income not eligible for small business deduction (amount L **minus** amount W) **▶** X

Income from active business (amount K **minus** amount X) Y

Enter the amount from amount Y at amount B1 in Part 1.

Part 3 – Manitoba tax before credits

Manitoba tax at the lower rate is zero. Calculate the Manitoba tax at the higher rate only.

Manitoba tax at the higher rate:

Amount I1 $\times \frac{\text{Number of days in the tax year before January 1, 2019}}{\text{Number of days in the tax year}} = \dots\dots\dots 7$

Amount J $\times \frac{\text{Number of days in the tax year after December 31, 2018}}{\text{Number of days in the tax year}} = \dots\dots\dots 8$

Subtotal (amount 7 **plus** amount 8) 9

Manitoba tax before credits (amount 9 **multiplied by** 12%) * Z

* If the corporation has a permanent establishment in more than one jurisdiction or is claiming a Manitoba tax credit, enter amount Z on line 230 of Schedule 5. Otherwise, enter it on line 760 of the T2 return.