



Corporate Taxprep®

Release Notes

Corporate Taxprep 2011 v.2.0

(January 2009 - April 2012)

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Overview

Corporate Taxprep 2011 v.2.0 includes several technical and tax changes. Here is a summary of the main topics addressed in this document.

Mandatory NAICS code

Starting with this version, you will have to specify the corporation's main business activity in returns prepared with *Corporate Taxprep*, because the CRA now requires that corporation tax returns prepared using tax software include this information. The corporation's main business activity can be indicated by selecting the applicable North American Industry Classification System (NAICS) code. Please consult the [note](#) on the Identification form.

New form for partnerships

A new multiple copy form has been integrated into the program to take into account the new federal tax measure which proposes to eliminate the deferral of corporate tax through a partnership that has a fiscal period different from the corporation's taxation year. Please consult the [note](#) on this topic.

New Québec forms

The following Québec forms have been added to the program:

- CO-1029.8.36.DA - Tax Credit for the Development of E-Business (Jump Code: [1029836DA](#))
- CO-1029.8.36.DC - Election Respecting the Tax Credit for the Development of E-Business (Jump Code: [1029836DC](#))
- CO-1029.8.36.EL - Tax Credit for Book Publishing (Jump Code: [1029836EL](#))
- CO-1029.8.36.ES - Tax Credit for the Production of Sound Recordings (Jump Code: [1029836ES](#))
- CO-1029.8.36.PM - Tax Credit for Corporations Specialized in the Production of Multimedia Titles (Jump Code: [1029836PM](#))*
- CO-1029.8.36.SM - Tax Credit for the Production of Performances (Jump Code: [1029836SM](#))*

These forms are only available with the **Specialized Information Module**.

Webinars

Attend a Webinar to learn about *Corporate Taxprep* and to interact with our experienced trainers without leaving your office!

Webinar topics include *Corporate Taxprep* Overview for new users, *Corporate Taxprep* Update, Corporate EFILE and SR&ED in *Corporate Taxprep*.

To consult a list of the various Webinars available, click the following link: cch.ca/2011-TaxprepWebinars.

New Forms

Federal

[PARTNERSHIPS - Partnerships Workchart - Additional Income Inclusion/Deduction \(Jump Code: PARTNERSHIPS\)](#)

Québec

[CO-1029.8.36.DA - Tax Credit for the Development of E-Business \(Jump Code: 1029836DA\)](#)

[CO-1029.8.36.DC - Election Respecting the Tax Credit for the Development of E-Business \(Jump Code: 1029836DC\)](#)

[CO-1029.8.36.EL - Tax Credit for Book Publishing \(Jump Code: 1029836EL\)](#)

[CO-1029.8.36.ES - Tax Credit for the Production of Sound Recordings \(Jump Code: 1029836ES\)](#)

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

[CO-1029.8.36.SM - Tax Credit for the Production of Performances \(Jump Code: 1029836SM\)](#)

Manitoba

[Schedule 390 WORKCHART - Manitoba Cooperative Development Tax Credit Workchart \(Jump Code: 390 WORKCHART\)](#)

Updated Forms

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

Federal

[Identification - Corporate Identification and Other Information \(Jump Code: ID\)](#)

[T183 CORP - Information Return for Corporations Filing Electronically \(Jump Code: T183\)](#)

[Schedule 3849 - Retained Earnings/Deficit \(Jump Code: G3849\)](#)

[Schedule 141 - Notes Checklist \(Jump Code: G141\)*](#)

[Schedule 200 - T2 - Corporation Income Tax Return \(Jump Code: J\)*](#)

[Schedule 1 - Net Income \(Loss\) for Income Tax Purposes \(Jump Code: 1\)](#)

[Schedule 3 - Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation \(Jump Code: 3\)](#)

[Schedule 5 - Tax Calculation Supplementary - Corporations \(Jump Code: 5\)*](#)

[Schedule 6 - Summary of Dispositions of Capital Property \(Jump Code: 6\)](#)

[Schedule 7 - Calculation of Aggregate Investment Income and Active Business Income \(Jump Code: 7\)](#)

[Schedule 8 - Capital Cost Allowance \(CCA\) \(Jump Code: 8\)*](#)

[Schedule 8 WORKCHART - Capital Cost Allowance \(CCA\) Workchart \(Jump Code: 8 WORKCHART\)](#)

[Schedule 8REC - Fixed Assets Reconciliation \(Jump Code: 8REC\)](#)

[Schedule 9 - Related and Associated Corporations \(Jump Code: 9\)*](#)

[Schedule 9 WORKCHART - Related and Associated Corporations Workchart \(Jump Code: 9 WORKCHART\)](#)

[Schedule 13 - Continuity of Reserves \(Jump Code: 13\)*](#)

[Schedule 22 - Non-Resident Discretionary Trust \(Jump Code: 22\)*](#)

[Schedule 27 - Calculation of Canadian Manufacturing and Processing Profits Deduction \(Jump Code: 27\)*](#)

[Schedule 31 - Investment Tax Credit - Corporations \(Jump Code: 31\)*](#)

[T661 - Scientific Research and Experimental Development \(SR&ED\) Expenditures Claim \(Jump Code: 661\)](#)

[Schedule 49 - Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Expenditure Limit \(Jump Code: 49\)*](#)

[Schedule 53 - General Rate Income Pool \(GRIP\) Calculation \(Jump Code: 53\)](#)

[Schedule T1044 - Non-Profit Organization \(NPO\) Information Return \(Jump Code: 1044\)*](#)

[RC59 - Business Consent form \(Jump Code: RC59\)*](#)

[T106 - T106 Slip \(Jump Code: 106\)*](#)

[T106 Summary - Information Return of Non-Arm's Length Transactions with Non-Residents \(Jump Code: 106S\)*](#)

[Schedule 20 - Part XIV - Additional Tax on Non-Resident Corporations \(Jump Code: 20\)*](#)

[Schedule 43 - Calculation of parts IV.1 and VI.1 Taxes \(Jump Code: 43\)*](#)

AgriStability and AgriInvest

[AgriStability and AgriInvest Programs \(Jump Code: AGRI/HAGRI\) - Ontario*](#)

Ontario

[Schedule 500 - Ontario Corporation Tax Calculation \(Jump Code: 500\)*](#)

[Schedule 506 - Ontario Transitional Tax Debits and Credits \(Jump Code: 506\)*](#)

[Schedule 508 - Ontario Research and Development Tax Credit \(Jump Code: 508\)](#)

[Schedule 525 - Ontario Political Contributions Tax Credit \(Jump Code: 525\)*](#)

[Schedules 546 and 547 - Corporations Information Act Annual Return for Ontario Corporations \(Jump Codes: 546 and 547\)](#)

[Schedule 564 - Ontario Book Publishing Tax Credit \(Jump Code: 564\)*](#)

Québec

[CO-17 - Corporation Income Tax Return \(Jump Code: QJ\)*](#)

[CO-17.SP - Information and Income Tax Return for Non-Profit Corporations \(Jump Code: QJSP\)*](#)

[QC L440P-Y - Additional Québec Credits \(Jump Code: L440P\)](#)

[CO-17.A.1 - Net Income for Income Tax Purposes \(Jump Code: Q1\)*](#)

[CO-17S.11 - Continuity of Reserves \(Jump Code: Q13\)](#)

[CO-130.A - Capital Cost Allowance \(Jump Code: Q8\)*](#)

[CO-130.B - Deduction Respecting Incorporeal Capital Property \(Jump Code: Q10\)*](#)

[CO-771 - Calculation of the Income Tax of a Corporation \(Jump Code: 771\)*](#)

[CO-771.1.3 - Associated Corporations' Agreement Respecting the Allocation of the Business Limit and Calculation of the Business Limit \(Jump Code: 77113\)*](#)

[CO-771.R.3 - Proportion of Business Carried On in Québec and Elsewhere \(Jump Code: 771R3\)*](#)

[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 \(Jump Code: 102983313\)*](#)

[CO-1029.8.36.IN - Tax Credit for Investment \(Jump Code: 1029836IN\)*](#)

[CO-1029.8.36.PC - Tax Credit for Major Employment-Generating Projects \(Jump Code: 1029836PC\)*](#)

[CO-1029.8.36.RV - Tax Credit for Job Creation in a Designated Region \(Jump Code: 1029836RV\)*](#)

[CO-1029.8.36.RX - Agreement Respecting the Tax Credit for Job Creation in a Designated Region \(Jump Code: 1029836RX\)*](#)

[CO-1029.8.36.5 - Tax Credit for a Design Activity Carried Out by an Outside Consultant \(Jump Code: 10298365\)*](#)

[CO-1029.8.36.7 - Tax Credit for an In-House Design Activity \(Jump Code: 10298367\)*](#)

[CO-1136 - Calculation of Paid-Up Capital \(Jump Code: 1136\)](#)

[CO-1136.CS - Paid-Up Capital for Purposes of Calculating the Income Tax of Certain Corporations \(Jump Code: 1136CS\)*](#)

[CO-1159.2 - Compensation Tax for Financial Institutions \(Jump Code: 11592\)*](#)

[RD-222 - Deduction Respecting Scientific Research and Experimental Development Expenditures \(Jump Code: Q222\)*](#)

[RD-1029.7 - Tax Credit for Salaries and Wages \(R&D\) \(Jump Code: 10297\)*](#)

[FM-220.3 - Forest Producer's Application for a Property Tax Refund \(Jump Code: FM2203\)*](#)

[CO-771.R.14 - Proportion of Business Carried On in Québec and Elsewhere by an Insurance Corporation \(Jump Code: 771R14\)*](#)

[CO-786 - Patronage Dividend Deduction \(Jump Code: Q16\)*](#)

[CO-1029.8.35 - Tax Credit for Québec Film Productions \(Jump Code: 1029835\)*](#)

[CO-1029.8.36.SP - Tax Credit for Film Production Services \(Jump Code: 1029836SP\)*](#)

[CO-1140.A - Paid-Up Capital to Be Used for Purposes Other Than the Calculation of the Tax on Capital \(Jump Code: 1140A\)*](#)

[CO-1167 - Insurance Corporation \(Jump Code: 1167\)*](#)

[CO-1175.4 - Life Insurance Corporation \(Jump Code: 11754\)*](#)

Alberta

[AT1 - Alberta Corporate Income Tax Return \(Jump Code: AJ\)*](#)

[AT1 Schedule 10 - Alberta Loss Carry-Back Application \(Jump Code: A10\)*](#)

[AT100 - Preparing and Filing the Alberta Corporate Income Tax Return - AT1 and Schedules \(Jump Code: A100\)*](#)

Saskatchewan

[Schedule 404 - Saskatchewan Manufacturing and Processing Profits Tax Reduction \(Jump Code: 404\)*](#)

[Schedule 411 - Saskatchewan Corporation Tax Calculation \(Jump Code: 411\)*](#)

Manitoba

[Schedule 384 - Manitoba Co-op Education and Apprenticeship Tax Credit \(Jump Code: 384\)*](#)

[Schedule 388 - Manitoba Film and Video Production Tax Credit \(Jump Code: 388\)*](#)

British Columbia

[Schedule 427 - British Columbia Corporation Tax Calculation \(Jump Code: 427\)*](#)

[Schedule 428 - British Columbia Training Tax Credit \(Jump Code: 428\)*](#)

Nova Scotia

[Schedule 341 - Nova Scotia Corporate Tax Reduction for New Small Businesses \(Jump Code: 341\)*](#)

[Schedule 346 - Nova Scotia Corporation Tax Calculation \(Jump Code: 346\)*](#)

New Brunswick

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

Yukon

Schedule 443 - Yukon Corporation Tax Calculation (Jump Code: 443)*

Letters

[Changes to the "Filing - Production" predefined letter template](#)

Tax Changes

Federal

Identification, Corporate Identification and Other Information (Jump Code: ID)

Both the Identification form and Schedule 200 have been modified as a result of the update of Schedule 200 (Jump Code: J).

In the "Tax year information" section, line 064, *Is the date on line 061 a deemed tax year-end in accordance with subparagraph 88(2)a(iv)?* has been added.

In the "Corporate addresses" section, the question *Has this address changed since the last time you filed your T2 return?* on lines 010 (Address of head office), 020 (Mailing address), and 030 (Location of books and records), has been changed for the following: *Has this address changed since the last time we were notified?*

Moreover, note that the "c/o" indicator is no longer accepted on the address lines of the T2 return. Therefore, when an indicator is included in an address, this indicator should not be entered; only the person's name should be entered. A new diagnostic of "mandatory modification" type from the RSI-Bar codes group will advise you of this requirement. This diagnostic will also be integrated into the next version of *Corporate Taxprep* for all address lines of the federal forms.

When opening a client file prepared with a previous version of *Corporate Taxprep*, if an address line of the T2 return contains the "c/o" indicator, a diagnostic will prompt you to remove this indicator.

The following lines have been removed from the "Additional information" section, because they are no longer part of the T2 tax return:

Line 281, *Has the major business activity changed since the last return was filed?*

Line 282, *If yes, what is the corporation's major business activity?*

Line 283, *If the major activity involves the resale of goods, show whether it is wholesale or retail*

As a result of the removal of line 282, the field on line *Nature of business* in the MCT1 (Jump Code: MJ) is now a data entry line.

A new line, *What is the corporation's main revenue-generating business activity?*, has been added to this section. On this line, you should indicate the corporation's main business activity by selecting the applicable North American Industry Classification System (NAICS) code.

An NAICS code is required for all corporations, except for an inactive corporation. According to the new CRA requirements, this code is **mandatory** when the tax return is filed using tax software. Therefore, if the NAICS code is missing, it will not be possible to EFILE the return or to print it in bar code format. For more information on this topic, please consult the Help.

Since an NAICS code is required for any active corporation, a diagnostic will ask you to provide this information.

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

The EFILE number entered in the Tools/Options and Settings dialog box under **Electronic Services/Identification/Federal** is now automatically carried over to the "Electronic filer number" field of Form T183 CORP, when applicable.

Moreover, the form's calculations will now be locked when the T2 EFILE status value of the return is "Transmitted" or "Accepted." This is to prevent the information on the form from being modified once these T2 EFILE status values have been defined for the return.

Schedule 3849, Retained Earnings/Deficit (Jump Code: G3849)

The fields "Deemed dividends," "Dividends declared but not paid this year" and "Dividends declared in a prior year but paid this year" have been added to the form to allow you to keep better track of the dividends that must be entered in Schedule 3 (Jump Code: 3).

Schedule 141, Notes Checklist (Jump Code: G141)

Lines 102, 103 and 109 have been deleted. Moreover, new information is now requested in Part 4 with regards to impairment and fair value changes, financial instruments and adjustments to opening equity.

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

The rates relating to taxation years ending before 2008 have been removed from the Sections "Small business deduction" and "General tax reduction" since

Corporate Taxprep 2011 v.2.0 does not cover those years.

The name of line 765, *Provincial tax on large corporations* as well as the calculation performed on this line have been adjusted and no longer take into account the provincial tax on large corporations for New Brunswick since this tax has been abolished on January 1, 2009.

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

This form has been modified to take into account the new CRA requirements with regards to the inclusion or deduction of additional income for a corporate member of a partnership. In accordance with these new requirements, the Stub Period Accrual, the Alignment Income and the Transitional Reserve must be entered in the "Miscellaneous other additions" and "Miscellaneous other deductions" sections of Schedule 1. The lines 601, 602 and 702 now include a description for these various types of inclusions or deductions. As for the amounts related to these descriptions, they must now be displayed on lines 291, 292 and 392. When you complete the new Form *Partnerships Workchart* (Jump Code: PARTNERSHIPS), the amounts will be carried over to the appropriate lines in Schedule 1.

When opening a client file prepared with a previous version of *Corporate Taxprep*, the descriptions that were previously entered on lines 601 and 602 as well as their respective amounts on lines 291 and 292 will be moved to lines 604 and 294. Also, the description previously entered on line 702 and the related amount on line 392 will be moved to lines 704 and 394.

PARTNERSHIPS, Partnerships Workchart - Additional Income Inclusion/Deduction (Jump Code: PARTNERSHIPS)

This new multiple copy form has been integrated into the program to take into account the new tax measure from the CRA which proposes to eliminate the deferral of corporate tax through a partnership that has a fiscal period different from the corporation's taxation year. A copy of this form must be completed for each partnership affected by this new measure in which the filing corporation has a significant interest.

This form is used to determine the Stub Period Accrual and identify the Eligible Alignment Income. The form is also used to calculate and keep track of the Transitional Reserve. The various amounts in this new form are carried forward to specific lines in Schedule 1 (Jump Code: 1), according to CRA guidelines.

Please refer to the [note](#) on Schedule 1 for more details. Moreover, we invite you to consult the Help and federal Bill C-13 before completing the form.

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

Two new check boxes entitled **Select this box if you want to roll forward data in this section** have been added to Parts 1 and 3 of the form, on screen only, to allow you to roll forward data in those parts. When rolling forward the client file, the value in those boxes will be retained.

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

The line *Other Manitoba refundable tax credits* was renamed *Manitoba cultural industries printing tax credit*. As for line *Other Manitoba tax credit*, it was renamed *Manitoba neighbourhoods alive! tax credit*.

Make sure the amounts on those lines reflect those changes.

Schedule 6, Summary of Dispositions of Capital Property (Jump Code: 6)

This form has been modified to take into account the changes to clauses a)(i)(A) and a)(ii)(A) of subsection 89(1) of the ITA announced in the October 2011 federal Legislative Proposals related to income tax and the sales and excise tax. Two new lines with input cells have been added to Part 8, "Determining capital gains or losses."


The lines are the following: *Amount from a deemed gain pursuant to paragraph 40(3.1)(a) of the ITA for dispositions made after October 2011* and *Amount from a deemed loss pursuant to subsection 40(3.12) of the ITA for dispositions made after October 2011*.

The amounts that you enter on those lines will be used in Form CDA (Jump Code: CDA), to calculate the non-taxable portion of capital gains for the year and the non-taxable portion of capital losses for the year.

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

The reference to associated corporations has been removed from line 207 of Schedule 200 (Jump Code: J). The applicability of Schedule 7 has been modified to take this change into account.

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

The sort function associated to the  button has been modified. If the same class is found twice or more, a second sort is now performed: items from a same category are classified in alphabetical order according to information in the **Description** column.

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

The rolling forward process for property history data (Section "Prior year additions") has been modified with regards to classes 13 and 14. From now on, when the end balance for all items in any of these classes is \$0, and at least one termination date of the lease or the franchise is subsequent to the taxation year end date, the history of all properties in the class is retained at the time of roll forward.

Schedule 8REC, Fixed Assets Reconciliation (Jump Code: 8REC)

The amount on line *Opening net book value* is now part of the rolled forward data. Because, in prior versions of the program, the form's applicability was partly based on data input on this line, the following question has been added: *Do you want Form Fixed Assets Reconciliation to be applicable?* Note that no value is defined by default for this question and that a diagnostic will ask you to answer this question as soon as an input is performed in this form.

When opening a client file prepared with a prior version of *Corporate Taxprep*, if an amount had been entered on the line *Opening net book value*, the box "Yes" will be selected to answer the new question.

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

A new check box entitled **The corporation is a cooperative or a credit union eligible for the SBD** has been added to the "General information" section. This check box has to be selected for corporations for which the association code 4 (Associated non-CCPC) has been defined in order for the calculation with respect to the business limit for purposes of the small business deduction to be selected in Schedule 23 as well as in Form CO-771.1.3 and Alberta Schedule 1. Note that if you select this box, its status will be retained during roll forward.

When opening a client file prepared with a previous version of *Corporate Taxprep*, verify if the box should be selected.

In Section "Schedule 515 - Ontario capital tax on other than financial institutions" in the copy of the form completed for the filing corporation, the calculation of the taxable capital employed in Canada for the year has been modified to account for the differences between the *Taxation Act, 2007* (Ontario) and the *Income Tax Act* (federal). Instead of taking into account the taxable capital employed in Canada indicated in Section "General information - Filing corporation" of Schedule 9 Workchart, the calculation of the taxable capital is now performed based on the amount from line 120 of Schedule 515. Furthermore, in the "Schedule 515 - Ontario capital tax on other than

financial institutions" section, the cell on the line *Taxable capital employed in Canada for the year* is now an input cell for the associated corporations. When opening a client file prepared with a previous version of *Corporate Taxprep*, if amounts were entered on the line *Taxable capital employed in Canada for the year* for the associated corporations, they will not be retained.

The Section "Québec CO-1029.8.36.DC - Election respecting the tax credit for the development of e-business" has been added to Schedule 9 WORKCHART to show the title or position of the authorized representative as well as the date of signature.

Schedule 13, Continuity of Reserves (Jump Code: 13)

The line *Reserve for December 31, 1995 income* including codes 170, 175 and 180 has been removed.

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

Line 103, *Contributions to agricultural organizations for SR&ED*, has been added to Part 3. The amount on this line is calculated using the information required with respect to this topic in Part 8.

As for line 395, *Enter your reduced business limit for the current tax year*, it has been removed from Part 9 as well as calculations 1 and 3 from Part 10. These data items are no longer required, because they were used to calculate the SR&ED expenditure limit for a taxation year that was straddling February 26, 2008, and this period is not covered by *Corporate Taxprep* 2011 v.2.0.

In addition, lines *Amount A* and *Amount B* have been added to Part 9. These lines are to be completed when the corporation's taxation straddles January 1, 2010. When opening a client file prepared with a previous version of *Corporate Taxprep*, if the taxation year straddles January 1, 2010, a diagnostic will prompt you to complete the new lines for amounts A and B, if applicable.

For more information on these changes, consult the Help and the form.

In regards to the amounts on lines 550 and 655, *Credit allocated from a partnership*, which respectively display in Part 12 (SR&ED expenditures) and Part 22 (job creation expenditures), they are now taken into account when calculating the **Addition current year** column for the different related classes on the 31S worksheet (Jump Code: 31S).

Moreover, the form has been modified with the result that it is now possible to print all or only the sections containing at least one value. The question *Do you want to print all sections?* has been added to allow you to print all sections of the form. By default, the answer to this question is "Yes".

Furthermore, the order in which the investment tax credits can be claimed has been revised to maximize the investment tax credit refund at line 780 of Schedule 200 (Jump Code: J).

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

In Part 5, "Calculation of prescribed proxy amount (PPA)," the maximum pensionable earnings for the year giving entitlement to the Canada pension plan for the 2012 fiscal year (i.e. \$50,100) has been updated. 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 49, Agreement Among Associated Canadian-Controlled Private Corporations to Allocate the Expenditure Limit (Jump Code: 49)

Line 450, *Amount B*, which represented the total of all reduced business limits for the year, and line 475, *Amount C*, which corresponded to the total of all business limits allocated to each associated corporation, have been removed as well as calculations 1 and 3. These data items are no longer required, because they were used to calculate the SR&ED expenditure limit of the filing corporation when the taxation year of this corporation was straddling February 26, 2008. *Corporate Taxprep* 2011 v.2.0 does not cover this period for the filing corporation. For associated corporations, however, those data items are retained because they are still required to calculate the SR&ED expenditure limit of a corporation whose taxation year ended in the 2009 calendar year and straddles February 26, 2008.

Line 495, *Amount D*, which represented the total of all taxable capital employed in Canada of all associated corporations, has been renamed *Amount B*.

Moreover, lines *Amount C* and *Amount D* have been added. These lines are required to calculate the expenditure limit if the taxation year of any corporation in the group straddles January 1, 2010.

For more information on how to calculate these amounts, consult the Help and the form.

When opening a client file prepared with a previous version of *Corporate Taxprep*, if at least one of the taxation years of a corporation in the group straddles January 1, 2010, a diagnostic will prompt you to complete the new lines for amounts C and D, if applicable.

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

Modifications have been made to the calculations on lines 500, 520 and 540 to ensure that the general rate factor used is the current taxation year general rate

factor. Previously, the general rate factor used in those calculations corresponded to the factor of the year in which the loss was carried back.

These modifications will have an impact on the history of Schedule 53. Make sure they correspond to your situation and perform the appropriate modifications, if applicable.

Schedule T1044, Non-Profit Organization (NPO) Information Return (Jump Code: 1044)

Line 123, *Total remuneration*, has been removed from Part 4.

RC59, Business Consent form (Jump Code: RC59)

A new line has been added to Part 4, "Cancel one or more authorizations," to allow you to enter the telephone number.

Schedule 20, Part XIV - Additional Tax on Non-Resident Corporations (Jump Code: 20)

Part 6 has been added to allow an authorized foreign bank to calculate its allowance for investments in property in Canada claimed for the year. Note that lines 209 and 220 have been removed from the form, because the paragraphs of the *Income Tax Act* relating to these lines have been repealed in November 2009.

Henceforth, the amount on line 201 will be calculated using Schedule 8 (Jump Code: 8). When opening a client file prepared with a previous version of *Corporate Taxprep*, if an amount was entered on line 201, it will not be retained.

AgriStability and AgriInvest

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

The form for new participants has been added to the program. As a result of this change, a new section allowing you to state the filing corporation's situation (new participant or previous year's participant) has been added to the top of the form for cases where the province selected is "Ontario." Depending on the chosen situation, the appropriate forms will be displayed.

In the official update of Statement A, certain fields were moved and new information is required (in particular the emergency number and the name of the accounting firm). Moreover, new check boxes have been added to the "Income" and "Expenses" sections of this statement to allow you to indicate whether the corporation has amounts to report in those sections.

New columns have been added to charts A and B of the *Supplemental Forms*. Furthermore, the column **Market Revenue Number** has been removed from charts A, B and C of this form.

The various charts in Section "Schedule 1 - Production Summary" now include columns to record units. In Section "Schedule 2 - Inventory, A/R, A/P," the chart *Type of breeding livestock* has been added. Finally, in this same section, new check boxes located above each of the existing charts now allow you to indicate whether the corporation has information to report in the relevant chart.

Ontario

Schedule 508, Ontario Research and Development Tax Credit (Jump Code: 508)

Two new lines have been added to provide detail on line 105. The program automatically carries the Ontario innovation tax credit amount to the first of these lines, *Ontario Innovation Tax Credit (OITC)*. The second line *Other government assistance, non-government assistance or contract payment*, is used to manually enter any other amount of assistance received for eligible expenditures. For more information, consult the Help.

When opening a client file prepared with a prior version of *Corporate Taxprep*, the amount entered on line 105 will be retained as an overridden amount.

Schedules 546 and 547, Corporations Information Act Annual Return for Ontario Corporations (Jump Codes: 546 and 547)

The question *Were Schedules 546 and 547 filed or will they be filed electronically with the Ontario Ministry of Government Services (MGS)?* has been added because corporations that must complete Schedules 546 and 547 can send these schedules electronically directly to the Ontario government instead of including them with the T2 return. Therefore, if the corporation answers "Yes" to this question and is submitting the schedules directly to MGS, Schedules 546 and 547 should not be completed in *Corporate Taxprep* since they will not be applicable.

For more information, consult the Help.

Québec

Non-Negative Values

In accordance with *Revenu Québec* requirements, the following forms were modified so that only positive values can be entered on certain lines. Note that if a negative value was entered on one of these lines, it will not be retained.

- CO-726.30, Deduction for Income-Averaging for Forest Producers
- CO-771, Calculation of the Income Tax of a Corporation
- CO-771.2.1.2, Income from an Eligible Business Carried On in Canada by a Member of a Partnership

- CO-1136.CS, Paid-Up Capital for Purposes of Calculating the Income Tax of Certain Corporations
- RD-222, Deduction Respecting SR&ED Expenditures
- CO-771.R.14, Proportion of Business Carried on in Québec and Elsewhere by Insurance Corporation
- CO-786, Patronage Dividend Deduction
- CO-1140, Calculation of the Paid-Up Capital of a Financial Institution
- CO-1140.A, Paid-up Capital to Be Used for Purposes Other Than the Calculation of the Tax on Capital

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

Line 5a, *Is the end date (line 05) the same as on the federal income tax return?* as well as line 42c *Was the tax attributes of the wound-up Canadian subsidiary or subsidiaries been transferred to the corporation?* have been added. On line 207, *SIN, NEQ or identification number*, a field has been added to allow you to enter the identification number of a trust as information about the main shareholders.

Furthermore, a new *Taxprep* box has been added, on screen only, above line 441b of this form. This box allows you to enter the date of registration with the Enterprise Registrar in order to keep better track of the period of exemption from registration fee. The value in this box will be retained on roll forward.

CO-17.SP, Information and Income Tax Return for Non-Profit Corporations (Jump Code: QJSP)

Line 5a, *Is the end date (line 05) the same as on the federal income tax return?* has been added.

Furthermore, a new *Taxprep* box has been added, on screen only, above line 441b of this form. This box allows you to enter the date of registration with the Enterprise Registrar in order to keep better track of the period of exemption from registration fee. The value in this box will be retained on roll forward.

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

The following credit was added to the form:

- 090 - Tax credit for the production of cellulosic ethanol.

The following tax credit codes were removed from this form:

- 025 - Tax credit for period of apprenticeship of specialized employees - IFC;
- 027 - Tax credit relating to fund managers;
- 040 - Tax credit with respect to eligible customs brokerage contracts - MITZM;

- 044 - Tax credit for the apprenticeship period of employees working at the Cité de l'Optique;
- 051 - Tax credit for hiring junior financial analysts;
- 061 - Tax credit for hiring junior financial analysts - FD;
- 063 - Tax credit for e-business activities carried out in certain designated sites;
- 067 - Tax credit for job creation in innovation centres.

CO-17.A.1, Net Income for Income Tax Purposes (Jump Code: Q1)

Lines 14 and 17 have been respectively renamed *Gifts* and *Gifts of cultural property, gifts of property with heritage value, ecological gifts, gifts of musical instruments and medical gifts*.

Moreover, line 57, *Previous year provision related to income eligible for the tax relief for a partnership (form CO-17.B)*, has been added to Section 2.1 and line 128, *Current year provision related to income eligible for the tax relief for a partnership (form CO-17.B)*, has been added to Section 2.2.

Please also note that lines 80b, 80c and 150c are now input cells and the data from federal Schedule 1 that was previously posted to these lines will now update to lines 80f and 150e. When opening a client file prepared with a previous version of *Corporate Taxprep*, if lines 80b, 80c and/or 150c had been overridden, this data will be retained in the new input cells. However, ensure that the amounts from the federal schedule that were moved to lines 80f and 150e are correct and make the appropriate changes, if required.

The **Prior year** column has been added so you can keep track of the changes to the various items making up the filing corporation's net income. When carrying forward a client file, this column will be completed with the data from the **Current year** column.

CO-17S.11, Continuity of Reserves (Jump Code: Q13)

As a result of the changes made to Schedule 13 (Jump Code: 13), the line *Reserve for December 31, 1995 income* has been removed from the form.

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

The calculation of the amount giving entitlement to the temporary five-year exemption and all of the sections relating to a corporation whose taxation year began before February 21, 2007, have been removed from the form.

Moreover, Section 7.1 became Section 6 and Section 7.2, Section 7.

Finally, the calculation of tax on a financial institution or an oil refining corporation has been moved to Section 8 while the calculation of tax on other corporations has been moved to Section 9.

CO-771.R.3, Proportion of Business Carried On in Québec and Elsewhere (Jump Code: 771R3)

The lines *specify* in columns A and C have been replaced by lines 09a and 09c to allow you to enter corporation type codes. *Corporate Taxprep* will determine the code that corresponds to the code selected on line 100 of Schedule 5 (Jump Code: 5).

The two lines *Other:* have been replaced by the line *Outside Canada*. When opening a client file prepared with a previous version of *Corporate Taxprep*, the line *Outside Canada* will be overridden, where applicable, with the total of the two lines *Other:* from columns A and C. If amounts were entered for offshore regions in Schedule 5, they will be added to the amounts of the corresponding provinces in the form.

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

The Québec government changed the manner that the form has to be completed in its most recent update and, therefore, when opening a client file prepared with a previous version of *Corporate Taxprep*, data from Part 3 will not be retained. Thus, entering details for qualified expenditures for each week of training is no longer required. Furthermore, make sure to complete Part 3 if one of the following situations arises, in the taxation year, for a same trainee:

- all the weeks of training are identical, and the corporation is only claiming the tax credit for an on-the-job training period;
- all the weeks of training are identical, and the corporation is claiming the tax credit for an on-the-job training period as well as another tax credit;
- there are two identical groups of weeks of training, and the corporation is claiming the tax credit for an on-the-job training period for both groups as well as another tax credit for one of the groups.

If Part 3 is not applicable, you must complete the workcharts in the new Part 4. Note that each column in these workcharts corresponds to a line in Part 3. The checkbox **Does a portion of the salary or wages paid and covered by this form entitle the corporation to another refundable tax credit that was in Part 3** has been replaced by the new Part "Additional information" which is located at the bottom of Part 2.1. It is important to complete this part to activate the calculations. Carefully read the form's instructions and consult the Help in order to complete the form correctly.

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

This form has been updated in order to take into account the various rates applicable for 2011. Moreover, lines 52 to 56 have been added to Section 2.7, because for the 2011 calendar year, the employer's contribution to the CSST is calculated based on the actual amount of tips.

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

This form can be used by a qualified corporation claiming the tax credit for the development of e-business. Parts 2 and 3 are multiple copy sections and must be completed for each eligible employee for whom the corporation is claiming the credit.

Note that a corporation can only claim this tax credit if it irrevocably elects not to claim certain other tax credits. Also, if the corporation is a member of a group of associated corporations, all the corporations in the group must make the same election.

Complete Form CO-1029.8.36.DC (Jump Code: 1029836DC) to file the election.

CO-1029.8.36.DC, Election Respecting the Tax Credit for the Development of E-Business (Jump Code: 1029836DC)

This form is used by the filing corporation and the associated group of corporations, to irrevocably elect, for the current and all subsequent taxation years, not to claim certain tax credits so that the corporation can claim the tax credit for the development of e-business (Jump Code: 1029836DA).

At the top of the form is a question concerning whether this form has already been filed for the corporate group. This should be answered every year so that you can avoid submitting the form if it has already been filed by any member of the associated group. Note that all the information used to complete this form comes from Schedule 9 WORKCHART (Jump Code: 9 WORKCHART).

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

This multiple copy form is for corporations that are claiming the tax credit for book publishing. For further information about this refundable credit, consult the Help.

CO-1029.8.36.ES, Tax Credit for the Production of Sound Recordings (Jump Code: 1029836ES)

This multiple copy form is for any corporation that, in the taxation year, has an establishment in Québec where it carries out a sound recording production business. Under certain conditions, this corporation can claim a tax credit for qualified labour expenditures that it incurred to carry out certain stages in the

production of qualified property, from the initial design to the production of the master. The rate for this credit varies between 29.1667% and 35%. You must complete a copy of this form for each qualified property for which the corporation is claiming the tax credit.

CO-1029.8.36.PC, Tax Credit for Major Employment-Generating Projects (Jump Code: 1029836PC)

In Part "Qualified wages" of each employee, fields have been added to allow you to indicate the date where the qualification certificate has been issued as well as the period covered by the certificate.

Moreover, the question *Does a portion of the salary or wages paid and covered by this form entitle the corporation to another tax credit?* has been removed from the form. Line 28, which was used, in the previous version of the form, to indicate the salary or wages taken into account in the calculation of another tax credit, has been replaced by lines 36 and 37.

Line 203, *Amount of tax credit receivable for the repayment of assistance, benefit or advantage*, has been moved and renamed line 76, *Assistance, benefit or advantage relating to wages from a previous year that was repaid (or deemed repaid) by the corporation in the year*. You must now enter on this line the amount before application of the 25% rate.

When opening a client file prepared with a previous version of *Corporate Taxprep*, the amounts that were posted to line 28 will be retained as overwritten amounts on line 38, *Wages that gave or could give entitlement to another tax credit*. Please allocate these amounts between line 36 and 37. As for the amounts that were posted to line 203, they will be adjusted and retained on line 76.

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

This form is to be used by a corporation that is claiming the tax credit for corporations specialized in the production of multimedia titles. To qualify for the refundable tax credit, the corporation must have an establishment in Québec and all or substantially all of the activities (90% or more) it carries out should consist in producing eligible multimedia titles or eligible related multimedia titles for itself or on behalf of others and, where applicable, in carrying out R&D connected with such titles. Each year, specialized corporations must obtain an annual qualification certificate from Investissement Québec confirming that they meet all the eligibility conditions. The amount of tax assistance an eligible corporation may receive is determined by applying a certain percentage to the corporation's qualified labour expenditures. The percentage, which is between 26.25% and 37.5%, varies

according to the category of multimedia titles primarily produced by the corporation. This information appears on the annual eligibility certificate issued by Investissement Québec.

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

This multiple copy form is for any corporation that, in the taxation year, has an establishment in Québec where it carries on a performance production business.

Such corporation can, under certain conditions, claim a tax credit for qualified labour expenditures it incurred for the periods covering the pre-production stage through the third year following the first performance before an audience. The rate of this credit varies between 29.1667% and 35% and the amount of the credit cannot exceed \$750,000 per qualified performance.

You must complete a copy of the form for each performance for which the corporation is claiming the tax credit.

If you select check box 9, i.e., the check box with respect to the third full year following the first performance before an audience, on a copy of the form, no data item on this copy will be retained when the client file is rolled forward.

CO-1029.8.36.5, Tax Credit for a Design Activity Carried Out by an Outside Consultant (Jump code: 10298365)

The box used to indicate the period during which the expenditures were incurred has been removed from the "Identification" part, because the tax credit for an expenditure incurred before March 5, 2006, can no longer be claimed.

Moreover, for Part 2 and 3, you will now have to complete a separate copy of Form CO-1029.8.36.5 PARTS 2 and 3 for each contract entered into with a qualified outside consultant for whom the corporation is claiming the tax credit. If the contract concerns more than one qualified designer or more than one qualified patternmaker, complete a separate copy of Parts 2 and 3 for each designer or patternmaker. Part 3.1.5, "Reduction of qualified expenditures due to other tax credits" has been added to the form. When a portion of the salary or wages paid to a qualified employee in the period covered entitled the corporation to another refundable tax credit, complete Parts 3.1.5 for this qualified designer or patternmaker. To complete the above mentioned parts, access Form CO-1029.8.36.5 PARTS 2 and 3 from Part 2-3, "Information about the qualified outside consultant and qualified expenditures," or Part 4, "Total qualified expenditures" of Form CO-1029.8.36.5.

Part 4, "Total qualified expenditures" of Form CO-1029.8.36.5 is a new part that *Corporate Taxprep* completes using the information entered in Form CO-1029.8.36.5 PARTS 2 and 3.

Parts 4, 5 and 6 of Form CO-1029.8.36.5 should be completed only once for all employees. However, if the corporation also wants to claim the tax credit as a member of a qualified partnership, a separate copy of the form must be completed for that purpose. When opening a client file prepared with a previous version of *Corporate Taxprep*, a separate copy of the form will be created for the filing corporation and for each partnership of which it is a member, and the data that was previously entered in Parts 1 and 2 of each copy will be moved to Parts 2 and 3. If amounts were entered on line 76, *Assistance benefit or advantage related to expenditures incurred for a previous year and repaid (or deemed repaid) by the corporation in the year*, in more than one copy of the form, they will be added based on the type of entity. However, we suggest you revise the data, because several parts of the form were changed.

CO-1029.8.36.7, Tax Credit for an In-House Design Activity (Jump Code: 10298367)

The box allowing you to indicate the period where expenditures were incurred has been removed from the "Identification" part, because the tax credit for expenditures incurred before December 5, 2006, can no longer be claimed.

Moreover, Part 3, "Reduction of qualified wages due to other tax credits," and Part 4, "Total qualified wages" have been added to the form. When a portion of the salaries and wages incurred during the period covered and paid to a qualified employee entitled the corporation to another refundable tax credit, the corporation must complete Part 3 for each employee.

Parts 2 and 3 of this form must be completed for each qualified employee for whom the corporation is claiming a tax credit. As for Parts 4, 5 and 6, they must be completed only once for all employees. If the corporation also wants to claim the tax credit as a member of a qualified partnership, a separate copy of the form must be completed.

When opening a client file prepared with a previous version of *Corporate Taxprep*, a separate copy of the form will be created for the filing corporation and for each partnership of which it is a member, and data from former Part 1 of each copy will be carried over to Part 2. If amounts were posted to line 66, *Assistance, benefit or advantage pertaining to expenditures for a previous year and repaid (or deemed repaid) by the corporation in the year*, in more than one copy of the form, the amounts entered will be added based on the type of entity. However, we suggest that you review

the data, because several parts of the form have changed.

CO-1136, Calculation of Paid-Up Capital (Jump Code: 1136)

The *Prior year* column has been added to Schedule CO-1136 so you can keep track of the changes to the various items making up the paid-up capital of the filing corporation. When carrying forward a client file, this column will be completed with data that displayed in the column with respect to the current year.

CO-1136.CS, Paid-Up Capital for Purposes of Calculating the Income Tax of Certain Corporations (Jump Code: 1136CS)

A drop-down menu listing codes for deductions used in the calculation of the paid-up capital has been added to lines 393i and 394i in Part 5 "Paid-up capital" of the form.

RD-222, Deduction Respecting Scientific Research and Experimental Development Expenditures (Jump Code: Q222)

Certain lines of the form have been reorganized or renumbered. Line 79, *Benefit or advantage received or to be received* has been removed from the form and its content has been grouped with the content from line 76, *Government or non-government assistance applicable to the R&D expenditures made during the year*. Therefore, line 76 has been renamed *Assistance, benefit or advantage related to the expenditures on line 55* and notes 4 and 5 have been added to explain the content of this line. The line *Social insurance number or identification and file number* in the sections related to payments to arm's length or non-arm's length subcontractors has been split in two: the information it contained is now on two separate lines.

When opening a client file prepared with a prior version of *Corporate Taxprep*, the amount that was on line 79 will be added to the amount on line 76 and the total will be posted to line 76. Please adjust the amount on line 76, if applicable.

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

Lines 166 and 167 that related to the prorated calculation of the qualifying expenditures limit for a taxation year straddling March 14, 2008, have been removed from the form, because this period is not covered by *Corporate Taxprep* 2011 v.2.0.

CO-771.R.14, Proportion of Business Carried On in Québec and Elsewhere by an Insurance Corporation (Jump Code: 771R14)

The two lines *Other:* have been replaced by a single line entitled *Outside Canada*. When opening a client file prepared with a previous version of *Corporate Taxprep*, the sum of the lines *Other:* of column A to D

will be entered in the line *Outside Canada*. Column D will be overridden if required. If amounts relating to offshore regions have been entered in Schedule 5 (Jump Code: 5), make sure to include these amounts on the line for the corresponding province.

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

A new part has been added to the versions 2009-02 and 2009-08 of the schedule to take into account the remuneration paid to a first-level and second-level subcontractor. This part can be used by corporations with a taxation year that began after December 31, 2009, to calculate the remuneration paid to a first-level subcontractor by choosing one of the two methods allowed. These changes arose from the Information Bulletin 2010-8 published by Finances Québec on December 21, 2010.

CO-1167, Insurance Corporation (Jump Code: 1167)

Section 4 has been separated in two subsections in order for the tax on ocean marine insurance and the tax on marine insurance (other than ocean) to be calculated separately.

CO-1175.4, Life Insurance Corporation (Jump Code: 11754)

Subsections 2.1.1 and 2.1.2 have been grouped to allow you to determine the corporation's capital in a single calculation. Therefore, the retained earnings and contributed surplus and any other surpluses are now included in the calculation, even if the corporation is incorporated with or without capital stock.

Alberta

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

Alberta accepts tax returns filed in a functional currency and requires that the exchange rate used be the average exchange rate. In order to allow you to enter and use this rate in the calculations, line 043 had been added to the form. For more information on the requirements with respect to the functional currency return, consult the Help.

Saskatchewan

Schedule 404, Saskatchewan Manufacturing and Processing Profits Tax Reduction (Jump Code: 404)

The calculation of income eligible for the Saskatchewan tax reduction and the calculation of the Saskatchewan manufacturing and processing profits tax reduction for the periods ending before July 1, 2008, have been removed from Parts 1 and 2.

Manitoba

Schedule 390 WORKCHART, Manitoba Cooperative Development Tax Credit Workchart (Jump Code: 390 WORKCHART)

This new workchart is to be used to claim a Manitoba cooperative development tax credit under sections 7.13 to 7.16 of the *Income Tax Act (Manitoba)*. Contributors eligible to claim this credit are cooperatives and credit unions with a permanent establishment in Manitoba that make financial contributions after September 2010 and before 2021 to a cooperative development fund. For more information, consult the *T2 Corporation - Income Tax Guide*.

British Columbia

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

A new line has been added to reflect the higher rate which will increase from 10% to 12% on January 1, 2012.

Letters

Changes to the "Filing - Production" predefined letter template

The "Filing - Production" predefined letter template, which is linked to Form CLF (Jump Code: CLF), has been modified: the section related to Form T1135 now includes the mailing address, and the sections with respect to Ontario have been removed as they were obsolete.

Guides

Updated Guides

Federal

T4012, T2 Corporation - Income Tax Guide 2010

Québec

Non-Profit Corporations -Guide to Filing the Information and Income Tax Return (2010)

Technical Changes


Preparer Profile

In the *Tax Preparer's Profile*, the line *Ontario consent form (Jump Code: OAUT) (corporations that have a year end before January 1, 2009)* has been removed from Section C, "Options - Authorization forms," since it is no longer possible, in the program, to enter a taxation year ending before 2009.

Moreover, Section "Ontario CT23 - DFILE defaults" has been removed from the Preparer Profiles, because the DFILE functionalities for the Ontario CT23 tax returns

have been eliminated for taxation years beginning after 2008.

Search tool

A new search tool has been developed to replace the drop-down lists of certain fields. This tool is accessible using the  icon adjacent to any field where you have to select items.

Here are a few examples of items that can be selected using this new tool:

- the North American Industry Classification System (NAICS);
- the field of science or technology code; or
- the AgriStability and AgriInvest code.

You can display a search box by clicking the ellipsis points of the data entry field or by using the Alt+Down arrow shortcut. This tool allows you to quickly find the information by performing a search using a key word or a category. If you know the applicable code, you can enter it directly in the usual fashion, without having to display the search box.

It is no longer necessary to manually modify the EFILE status value to retransmit a rejected return.

Previously, when an electronically transmitted return was rejected, the T2 EFILE or CO-17 EFILE status would be set automatically to "Rejected" and would have to be manually overridden in order to set it back to "Eligible" before retransmitting the return.

Now, whenever a return that has an EFILE status of "Rejected" is recalculated, the EFILE status will be automatically determined again based on the current data in the return and if applicable, the EFILE status will be reset automatically to "Eligible." While *Taxprep* automatically recalculates the return whenever data is modified, you can also force a recalculation without changing any data using the **Recalculate** (Ctrl+F9) command on the **Tools** menu. Note that as the problem that gave rise to the rejection was not detected by *Corporate Taxprep* prior to the first transmission, you must ensure that the modifications made to the return will rectify the problem. Otherwise, the return could still be rejected even though the EFILE status is "Eligible."

Improvement to the integration to CCH Portal

The most recent version of *CCH Portal* makes it possible to publish several files to the portal at the same time, using a new functionality that allows you to generate a file used to link clients to their respective portals. Once the link is established between clients and their portal, the dialog box used to publish files to *CCH Portal* displays the portal linked to the client.

These improvements will limit the possibilities of errors when publishing files to *CCH Portal*, and speed up the file publishing process. For more information on the steps to follow to generate the linking file, consult the “Export the Client List to CCH Portal” Help topic.

Options and Settings - Default folder

The panel used to indicate the default folders and the various templates has been redesigned in order to make it easier to configure these locations while giving you the possibility of customizing the folders for saving the templates. In particular, you will be able to configure a parent folder to which all template folders will be moved.

The configuration of the above mentioned locations is also possible during the program’s installation.

Attach the return in PDF format for roll forward purposes

When printing in PDF format, you may now attach the generated PDF file to the corresponding return using the new command **Attach to client file**.

Therefore, once the return is rolled forward, if you had chosen to retain the attached PDF file at the time of roll forward, you will quickly have access to the previously prepared return, directly under the **Attached Files** tab in the properties dialog box, without having to install several versions of the program.

For more information on this new functionality, please consult the “Attach the Prior Year Return in PDF format” Help topic.

New menu choice to make payments to the CRA

Corporate Taxprep now gives you access, in its interface, to the CRA Web site where corporations can pay their balance due online. Therefore, regardless of which *Corporate Taxprep* is installed (with or without the EFILE module), the command **My payment service - CRA** can be found in the menu **Transmission**, which will direct you to the CRA Web site.

Shortcut to prior year client files

When rolling forward the prior year client file, a shortcut to that client file will be automatically created. The shortcut will allow you to quickly access the client file in question directly from the current program, in particular, using the **File** menu, by selecting the **Prior Year** command. For more information on the addition, the modification or the deletion of a shortcut to a prior year client file, consult the “Open a Client File Created with a Prior Version of the Program” Help topic.

Default display on start up

You may now select the default view that displays when you launch the program. To do so, open the

Options and Settings dialog box and select the desired view in the **General** pane. The views that can be selected are the following: **Tax Return**, **Client Manager**, **Professional Centre** and **EFILE Log**.

Modify the properties of several client files

From the **Client Manager** view, you may now select several client files in order to modify all of their properties at the same time. To do so, access the properties dialog box by selecting **File/Client File Properties**.

This new functionality allows you to change the return status, modify passwords used to protect client files and lock data. For more information, consult the “Client File Properties” Help topic.

Please note that with the **Advanced Network** version, you may limit the use of this functionality by configuring users’ rights.

Converting Templates

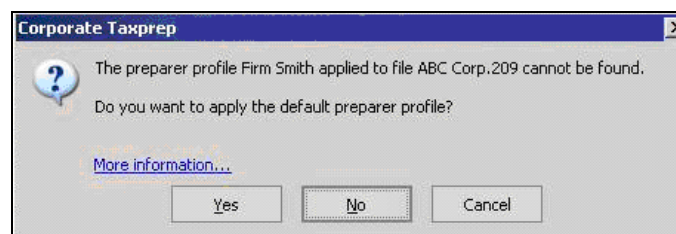
Converting Template Files

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 2011 v.2.0*. Templates can be converted using the **Convert** function which is available in each template view.

Converting Prior Year Preparer Profiles

In the taskpad of the **Preparer Profiles** view, click **Convert** to convert a preparer profile from a prior version of *Corporate Taxprep* in order to use it with the current version of the program.

Note: When a client file from a prior version is opened or rolled forward, *Taxprep* will attempt to use the same preparer profile, if applicable. If that preparer profile is not available, then you will be prompted to select an available profile.



TIP: You should convert your prior version preparer profile(s) before you open or roll forward your client files to avoid being prompted for your preparer profile when opening client files.

Corrected Calculation

The following problem has been resolved in this release:



Federal

- Schedule 200 - T2 - *Corporation Income Tax Return* (Jump Code: J) - Part VI tax payable is not carried over to line 720 of Schedule 200

Essential Program Information

Taxation Years Covered

Corporate Taxprep 2011 v.2.0 is designed to process corporate tax returns with taxation years beginning on or after January 1, 2009, and ending on or before April 30, 2012.

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, 2011, to December 31, 2011.

Specialized Information Module, Network Installation and Module for Internet Transmission of Corporate Tax Return

The modules **Specialized Information (SI)**, **Network Installation** and **Internet Transmission of corporate tax return** (Federal T2 EFILE) 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* for tips and useful information on how to use the program; not only is this booklet included in your software package, but it is also in the **Professional Centre** for quick reference. 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@cch.ca 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

Sales and Customer Service:

E-mail: cservice@cch.ca
 Telephone: 1-800-268-4522
 Fax: 1-800-461-4131

Tax and Technical support:

E-mail: support@cch.ca
 Telephone: 1-800-567-6173
 Fax: 1-877-802-4487
 Web Site: www.taxprep.com