



Flow-through limited partnerships

UNITHOLDER TAX INFORMATION
2006 Income Tax Returns

Dear flow-through investor: This booklet has been prepared to assist NCE Flow-Through Limited Partnership investors with the preparation of their T1 individual tax return for 2006.

This step-by-step guide describes how to take information from the T5013 – Statement of Partnership Income and include it correctly in your tax return and its associated schedules and forms. Forms referred to in this booklet (such as the T1 Tax Return, Schedule 3, Schedule 4) are available through the Canada Revenue Agency (CRA) (formerly Revenue Canada).

The information in this guide is not tax advice. Investors should consult with a qualified tax professional to determine the optimal use of their deductions, as well as many other tax considerations.

Also, it is advisable to retain a copy of the T5013 and the other forms and schedules for your records.

This booklet primarily addresses the T1 Tax Return filed by all taxpayers. Taxpayers resident in Quebec are required to file a separate additional tax return on Form TP-1. There are similar supporting schedules to those referred to in this booklet for Quebec tax purposes.

We hope this information will assist investors in understanding the tax aspects of their investment in an NCE Flow-Through Limited Partnership and in completing their income tax returns.

Sincerely,

NCE Flow-Through Limited Partnerships

STEP 1 – GETTING STARTED WITH YOUR T5013

Your T5013 – Statement of Partnership Income should have been mailed to you by now. A sample of the statement is shown (right). Many of the fields on this Statement will contain numbers. The four boxes which are of primary concern are as follows:

Box	Title	Step Number
18	Canadian and foreign net business income (loss)	2
23	Capital gains (losses)	3
26	Interest from Canadian sources	2
130	Canadian Exploration Expense (Renunciation)	4

There is a fifth step required, the completion of a Statement of Tax Shelter Loss or Deduction (T5004).

Other boxes on your T5013 may contain information not required for use on your T1 Tax Return or any of the related schedules. Amounts in boxes 31, 45, 51, 53, 54, 55 and 56 are generally provided for use by the CRA.

Note that you will receive a T5013 for each limited partnership you own. In some cases, you will need to sum the various amounts from the individual T5013s before inserting them into the appropriate place on the tax forms. If you are using a software program, each T5013 should be entered separately.

T5013

The image shows a sample of the T5013 Statement of Partnership Income form. The form is titled "STATEMENT OF PARTNERSHIP INCOME / ÉTAT DES REVENUS D'UNE SOCIÉTÉ DE PERSONNES" and includes the CRA logo and the number T5013. The form is divided into several sections:

- Section 1 - Partnership information - Renseignements sur une société de personnes:** This section contains boxes for reporting various types of income and expenses, such as business income, capital gains, interest, and Canadian exploration expenses. It includes sub-sections for "Partnership information" and "Details".
- Section 2 - Tax shelter information - Renseignements sur un abri fiscal:** This section is for reporting tax shelter information, including the number of units, the type of shelter, and the amount of the shelter.
- Section 3 - Allocation of Canadian exploration and development expenses - Répartition des frais d'exploration et d'aménagement au Canada:** This section is for reporting the allocation of Canadian exploration and development expenses, including the amount of the expense and the type of activity.

The form also includes a "For tax centre / Pour le centre fiscal" section at the bottom right, which contains a box for the tax centre number (1).

STEP 2 – BOX 18 AMOUNT AND BOX 26 AMOUNTS

T5013

The amount in Box 18 represents the Canadian and foreign net business income (loss). The income (loss) is different from both the cash distributions which you may have received during the year and the income (loss) shown in the financial statements. The cash distributions are different because there are non-cash deductions available to the partnership for tax purposes that reduce your taxable income. The difference from the income (loss) shown in the financial statements arises from the differences between how the development and exploration expenses are deducted for tax purposes, and how they are deducted for accounting purposes. The cash distributions are not included in your income – they are taken into account when determining the Adjusted Cost Base (ACB) of your units for tax purposes. (Note that distributions, if any, occur during the second year of a limited partnership, not the first.)

The amount in Box 26 represents the interest income from Canadian sources.

The Box 18 amount and the Box 26 amount are both recorded on Schedule 4. The Box 18 amount should be shown on Section III of Schedule 4. Add all the amounts in Section III on line 122 and insert the total on line 122 of your T1 tax return. (The solid lines in the examples right.)

The image shows a portion of the T5013 form. A solid horizontal line is drawn across the top of the form, passing through the header and the top of Section 1. A dotted horizontal line is drawn across the middle of Section 1, specifically between the 'Partnership information' and 'Details' sections.

The Box 26 amount should be shown in Section II of Schedule 4. The items in this section are totalled on line 121 and that total is inserted on line 121 of your T1 tax return. (The dotted lines in the examples above.)

STEP 3 – BOX 23 AMOUNT

T5013

The amount in Box 23 represents the capital gains or losses incurred by your flow-through limited partnership investment. (Losses may be shown either in brackets or with a negative number). These are the result of transactions in the portfolio whereby holdings are sold at a gain or a loss.

The Box 23 amount is recorded on Schedule 3 with other capital gains (or losses) from T5, T5013, or T4PS slips, on line 174. Along with other applicable capital gains or losses, this is subtotalled on lines 191 and 197. The taxable capital gain is recorded on line 199, (e.g., 50 per cent of line 197), and this amount is transferred to line 127 of your T1 Tax Return.

The image shows a portion of the T5013 form. A solid horizontal line is drawn across the top of the form, passing through the header and the top of Section 1. A dotted horizontal line is drawn across the middle of Section 1, specifically between the 'Partnership information' and 'Details' sections. A black arrow points from the right side of the page towards the 'Details' section of Section 1.

T1-2006 Statement of Investment Income Schedule 4

State the names of the payers below and attach any information slips you received. Attach a separate sheet of paper if you need more space. Attach a copy of this schedule to your return.

I - Taxable amount of dividends (eligible and other than eligible) from taxable Canadian corporations (see line 120 in the guide)

Taxable amount of dividends other than eligible dividends (specify): _____

_____ + _____ = _____

Add lines 1 to 3 and enter this amount on line 180 of your return: **180** _____

Taxable amount of eligible dividends (specify): _____

_____ + _____ = _____

Add lines 4 to 7 and enter this amount on line 120 of your return: **120** _____

II - Interest and other investment income (see line 121 in the guide)

Specify: _____

Income from foreign sources: _____

_____ + _____ = _____

Enter this amount on line 121 of your return: **121** _____

III - Net partnership income (loss) (see line 122 in the guide)

_____ + _____ = _____

Enter this amount on line 122 of your return: **122** _____

IV - Carrying charges and interest expenses (see line 221 in the guide)

Carrying charges (specify): _____

Interest expenses (specify): _____

_____ + _____ = _____

Enter this amount on line 221 of your return: **221** _____

T1-2006 Details of Dependant Schedule 5

See the guide to find out if you can claim an amount on lines 305, 306, 315, and/or 331 of Schedule 1. To calculate the amount you claim on line 305, 306, or 315, complete the applicable chart on the Federal Worksheet which you will find in the forms book. To calculate the amount for line 331, read the instructions for line 331 in the guide. For each dependant claimed on lines 305, 306, 315, and/or 331, provide the details requested below. Attach a copy of this schedule to your return.

Line 305 - Amount for an eligible dependant

If your marital status changed in 2006, give the date of the change. (Do not forget to check the box on page 1 of your return to indicate your marital status.)

Month _____ Day _____

Last name	First name	Address	Year of birth	Relationship to you	Net income in 2006	Nature of the infirmity (if it applies)	Line claimed	Amount of claim

Lines 306, 315, and/or 331 - Attach a separate sheet of paper if you need more space.

Last name	First name	Address	Year of birth	Relationship to you	Net income in 2006	Nature of the infirmity (if it applies)	Line claimed	Amount of claim

Your guide contains valuable information to help you complete your return. When you come to a line on the return that applies to you, look up the line number in the guide for more information.

Please answer the following question:

Did you own or hold foreign property at any time in 2006 with a total cost of more than CAN\$100,000? (read the "Foreign Income" section in the guide for details) Yes No

If yes, attach a completed Form T1135.

If you had dealings with a non-resident trust or corporation in 2006, see the "Foreign Income" section in the guide.

As a Canadian resident, you have to report your income from all sources both inside and outside Canada.

Total income

Employment income (box 14 on all T4 slips) **101** _____

Commissions included on line 101 (box 42 on all T4 slips) **102** _____

Other employment income **104** + _____

Old Age Security pension (box 18 on the T4A(OAS) slip) **113** + _____

CPP or QPP benefits (box 20 on the T4A(P) slip) **114** + _____

Disability benefits included on line 114 (box 16 on the T4A(P) slip) **152** _____

Other persons or superannuation **115** + _____

Universal Child Care Benefit (see the guide) **117** + _____

Employment Insurance and other benefits (box 14 on the T4E slip) **119** + _____

Taxable amount of dividends (eligible and other than eligible) from taxable Canadian corporations (see the guide and attach Schedule 4) **120** + _____

Taxable amount of dividends other than eligible dividends included on line 120, from taxable Canadian corporations **180** + _____

Interest and other investment income (attach Schedule 4) **121** + _____

Net partnership income: limited or non-active partners only (attach Schedule 4) **122** + _____

Rental income Gross **160** Net **126** + _____

Taxable capital gains (attach Schedule 3) **127** + _____

Support payments received Total **156** Taxable amount **128** + _____

RRSP income (from all T4RSP slips) **129** + _____

Other income Specify: _____ **130** + _____

Self-employment income (see lines 135 to 143 in the guide)

Business income Gross **162** Net **135** + _____

Professional income Gross **164** Net **137** + _____

Commission income Gross **166** Net **139** + _____

Farming income Gross **168** Net **141** + _____

Fishing income Gross **170** Net **143** + _____

Workers' compensation benefits (box 10 on the T5007 slip) **144** _____

Social assistance payments **145** + _____

Net federal supplements (box 21 on the T4A(OAS) slip) **146** + _____

Add lines 144, 145, and 146 (see line 250 in the guide) **147** + _____

Add lines 101, 104 to 143, and 147 **147** + _____

This is your total income **150** _____

If you borrowed any amounts to acquire your limited partnership units, the amount of interest expense you incurred in the year could be included in Section IV "Carrying Charges and Interest Expenses" of Schedule 4.

(You should consult your tax advisor as to the deductibility of such interest expense.) The total of this section is entered on line 221 of your T1 Tax Return.

T1-2006 Capital Gains (or Losses) in 2006 Schedule 3

Read line 127 in the General Income Tax and Benefit Guide. For more information, read Chapter 2 in guide T4037, Capital Gains. Attach a separate sheet of paper if you need more space. Attach a copy of this schedule to your return.

Note: If you have a business investment loss, see line 217 in the General Guide.

1. Qualified small business corporation shares (eligible small business corporation shares, and other shares)	(1) Number	(2) Name of corp. and class of shares	(3) Total	(4) Gain (or loss)

2. Qualified farm property and qualified fishing property

Address or legal description	Prov./Terr.	Total	Gain (or loss)

3. Publicly traded shares, mutual fund units, deferred eligible small business corporation shares, and other shares

Address or legal description	Prov./Terr.	Total	Gain (or loss)

4. Real estate, depreciable property, and other properties

Address or legal description	Prov./Terr.	Total	Gain (or loss)

5. Bonds, debentures, promissory notes, and other similar properties

Face value	Maturity date	Name of issuer	Total	Gain (or loss)

6. Other mortgage foreclosures and conditional sales repossessions

Address or legal description	Prov./Terr.	Total	Gain (or loss)

7. Personal-use property (LPP) (full description)

Address or legal description	Prov./Terr.	Total	Gain (or loss)

8. Listed personal property (LPP) (full description)

Address or legal description	Prov./Terr.	Total	Gain (or loss)

Capital gains deferral from qualifying dispositions of eligible small business corporation shares (income 3 above)

Farming and fishing income eligible for the capital gains deduction from the disposition of eligible property (for details, see guides: farming income or fishing income) **117** _____

T5, T5013, T5013A and T4PS information slips - Capital gains (or losses) **117** + _____

T3 information slips - Capital gains (or losses) **118** + _____

Capital loss from a reduction in your business investment loss **119** + _____

Total of all gains (or losses) in column 5 before reserves **191** + _____

Reserves from line 8706 of Form T2017 (if negative, show it in brackets and subtract it) **192** - _____

Amount from line 7 of Form T1176 (attach Form T1176) **193** + _____

Total capital gains (or losses) **197** + _____

Taxable capital gains (or net capital loss) in 2006: Multiply the amount on line 197 by 50%. Enter the taxable capital gains on line 127 of your return. If it is a net capital loss, see line 127 in the guide. **198** _____

Your guide contains valuable information to help you complete your return. When you come to a line on the return that applies to you, look up the line number in the guide for more information.

Please answer the following question:

Did you own or hold foreign property at any time in 2006 with a total cost of more than CAN\$100,000? (read the "Foreign Income" section in the guide for details) Yes No

If yes, attach a completed Form T1135.

If you had dealings with a non-resident trust or corporation in 2006, see the "Foreign Income" section in the guide.

As a Canadian resident, you have to report your income from all sources both inside and outside Canada.

Total income

Employment income (box 14 on all T4 slips) **101** _____

Commissions included on line 101 (box 42 on all T4 slips) **102** _____

Other employment income **104** + _____

Old Age Security pension (box 18 on the T4A(OAS) slip) **113** + _____

CPP or QPP benefits (box 20 on the T4A(P) slip) **114** + _____

Disability benefits included on line 114 (box 16 on the T4A(P) slip) **152** _____

Other persons or superannuation **115** + _____

Universal Child Care Benefit (see the guide) **117** + _____

Employment Insurance and other benefits (box 14 on the T4E slip) **119** + _____

Taxable amount of dividends (eligible and other than eligible) from taxable Canadian corporations (see the guide and attach Schedule 4) **120** + _____

Taxable amount of dividends other than eligible dividends included on line 120, from taxable Canadian corporations **180** + _____

Interest and other investment income (attach Schedule 4) **121** + _____

Net partnership income: limited or non-active partners only (attach Schedule 4) **122** + _____

Rental income Gross **160** Net **126** + _____

Taxable capital gains (attach Schedule 3) **127** + _____

Support payments received Total **156** Taxable amount **128** + _____

RRSP income (from all T4RSP slips) **129** + _____

Other income Specify: _____ **130** + _____

Self-employment income (see lines 135 to 143 in the guide)

Business income Gross **162** Net **135** + _____

Professional income Gross **164** Net **137** + _____

Commission income Gross **166** Net **139** + _____

Farming income Gross **168** Net **141** + _____

Fishing income Gross **170** Net **143** + _____

Workers' compensation benefits (box 10 on the T5007 slip) **144** _____

Social assistance payments **145** + _____

Net federal supplements (box 21 on the T4A(OAS) slip) **146** + _____

Add lines 144, 145, and 146 (see line 250 in the guide) **147** + _____

Add lines 101, 104 to 143, and 147 **147** + _____

This is your total income **150** _____

STEP 4 – BOX 130 AMOUNT

The amount in Box 130 represents the Canadian Exploration Expense (CEE) renounced by various flow-through share issuers and passed along to the investor through the flow-through limited partnership.

The CEE amount flows to the T1 income tax return via the T1229, Statement of Exploration and Development Expenses and Depletion Allowance. This form may not be included in your standard return provided by the CRA. The first three sections of the T1229 are used.

Section I requires two pieces of information. The partnership's identification number is located at the top of the T5013. The Box 130 amount from the T5013 is placed in the "Renunciation" column of Section I. The calculations used in Section II are slightly more complex than those in the earlier steps. This is because CEE amounts need not be used immediately, they can be carried forward and used in future years. Likewise, the current year's return could reflect unused amounts carried forward from earlier years. The Cumulative Canadian Exploration Expense (CCEE) column of Section II may require investors to check their returns from the previous year to see if there is any unused CEE. If there is an amount that has not been claimed, it should be entered on line 1 – "Balance at the beginning of the year." The current year renunciation goes on the second line of this section, and flows down to the bottom of that CCEE column. Note that if you have more than one resource investment,

you will need to include all exploration (CEE) or development (CDE) expenses allocated to you in the applicable boxes of this section before computing the amount you may claim in your tax return. The maximum claim is computed on line 4. Enter the amount you

T5013

STEP 5 – CLAIM FOR TAX SHELTER LOSS OR DEDUCTION – T5004

A Claim for Tax Shelter Loss or Deduction (T5004) must be completed in order to claim deductions related to your NCE Flow-Through Limited Partnership.

The information on this form will be taken from the T5013 and from Schedule 4.

The T5004 requires the Tax Shelter Identification Number, which is a six-digit number with a TS prefix located in Box 2 at the top centre of your T5013.

The tax shelter name is whichever specific NCE Flow-Through Limited Partnership you have invested in (e.g., NCE Diversified Flow-Through (06) Limited Partnership). Purchase date is the date of purchase of your NCE investments.

In the column marked "loss or deduction", enter the total of the following amounts on separate lines: Exploration and Development Expenses (line 224) and Net Business Loss (line 122, from Box 18 of the T5013)

Note that if you own more than one flow-through limited partnership or tax-shelter investment, these amounts must be calculated individually and reported on the T5004 for each partnership or investment. The amounts on the T1 may be aggregated.

This schedule must be included with your T1 return.

Part A - Calculating an investment tax credit (ITC)

Calculating an ITC for the current tax year - Tick the appropriate box:

Code 34	<input type="checkbox"/> (Note 1 on previous page)	Total expenditure	1500	x 0.30 =	450
Code 38	<input type="checkbox"/> (Note 2 on previous page)	Total expenditure	1500	x 0.20 =	300
Code 40	<input type="checkbox"/> (Note 3 on previous page)	Total expenditure	1500	x 0.15 =	225
Code 12	<input type="checkbox"/> (Note 4 on previous page)	Total investment	1500	x 0.10 =	150
Code 12	<input type="checkbox"/> (Note 5 on previous page)	Total investment	1500	x 0.15 =	225

Total current-year refundable credits - Enter the total from line A in column 2 on the back of the form: **1350**

Total current-year non-refundable credits - Enter the total from line B in column 2 on the back of the form: **750**

Recapture of ITC on SRAEED expenditures

(i)	Amount of expenditure on which ITC is recaptured at 30% (see "Qualified expenditure" on the first page). Do not enter more than the amount of the original expenditure.	1500	x 0.30 =	450
(ii)	Amount of expenditure on which ITC is recaptured at 20% (see "Qualified expenditure" on the first page). Do not enter more than the amount of the original expenditure.	1500	x 0.20 =	300

Total of recaptured credits - Line (i) plus line (ii): **750**

Calculating an allowable claim

Federal tax (from line 406 of Schedule 1 of your income tax return): **1350**

Minus: Federal political contribution tax credit (from line 413 of Schedule 1 of your income tax return): **0**

Subtotal: **1350**

Minus: Labour-sponsored funds tax credit (from line 414 of Schedule 1 of your income tax return): **0**

Subtotal: **1350**

Calculating an allowable claim if alternative minimum tax (AMT) applies

Enter the amount from line D: **0**

Minus: "Minimum amount" from line 59 of Form T2038: **0**

Subtotal - if negative, enter "0": **0**

Net federal tax

Enter the amount from line 8 on the other side: **33**

Federal tax on split income (from line 5 of Form T1206): **34**

Add lines 33 and 34, 404 = **67**

Enter the amount from line 32 on the other side: **36**

Federal dividend tax credit (see line 425 in the guide): **37**

Quebec employment tax credit (attach Form T926): **38**

Minimum tax carryover (attach Form T991): **39**

Add lines 36 to 39: **140**

Basic federal tax: line 35 minus line 40 (if negative, enter "0"): **429**

Federal foreign tax credit: **405**

Federal tax: line 41 minus line 42 (if negative, enter "0"): **406**

Total federal political contributions (attach receipts): **0**

Federal political contribution tax credit (see the guide): **0**

Investment tax credit (attach Form T2038(IND)): **44**

Labour-sponsored funds tax credit: **45**

Net cost: **46**

Allowable credit: **46**

Add lines 44 to 46, 416 = **47**

Line 43 minus line 47 (if negative, enter "0"): **48**

(If you have an amount on line 34 above, see Form T1206): **47**

Additional tax on RESP accumulated income payments (attach Form T1172): **49**

Net federal tax: add lines 48 and 49: **50**

Enter this amount on line 420 of your return: **50**

Federal foreign tax credit: (see lines 431 and 433 in the guide)

Make a separate calculation for each foreign country, enter on line 42 above the result from line (i) or (ii), whichever is less.

Non-business income tax paid to a foreign country: **51**

Net foreign non-business income: **52**

Basic federal tax: **53**

Net income: **54**

Reduce the amount by any income from that foreign country for which you claimed a capital gains deduction, and by any income from that country that was, under a tax treaty, either exempt from tax or that country or deductible as exempt income in Canada (included on line 205). Also reduce this amount by the lesser of lines E and F in Form T206.

Line 226 plus the amount on line 4 of Form T205, minus the total of the amounts on lines 244, 248, 249, 250, 253, 254, and minus any amount included on line 226 for foreign income eligible as exempt income under a tax treaty, income deductible as net employment income by a prescribed international organization, non-taxable tuition assistance from box 21 of the TAE slip, if the result is less than the amount on line 433, enter your Basic federal tax** on line 50.

Line 41 plus the amount on lines 37, 38, 39, and 40, minus any refundable Quebec abatement (line 441) and any federal refundable First Nations abatement (line 441 on the return of residents of Yukon).

Part B - Calculating a carryback and refund of ITC

ITC available for carryback

Total current-year credit available (column 3 minus column 1 below): **1350**

Minus: Current-year credit applicable: **1350**

The maximum amounts you could have claimed in column 6, plus column 7, minus column 1 below: **0**

Total credit available for carryback: **0**

ITC carryback request

Complete this section to request a carryback of the ITC you earned in the current tax year. The carryback provisions allow you to apply a current-year credit against the total of your federal tax for any of the three previous tax years. The credit you apply to a previous year cannot be more than the total of your federal tax for that year.

You have to deduct any amount of the refundable ITC designated as a carryback when you calculate your ITC refund and the balance to carry forward to tax years that follow.

To request a carryback, complete this section and attach one copy of this form to your current-year income tax return.

Note: We do not refund an amount you designate as a carryback in the current year. Do not enter the amount on your income tax return.

Third previous tax year:	0
Second previous tax year:	0
First previous tax year:	0

Total credit designated for carryback (not more than amount G above): **0**

Enter the total of lines H and J in column 8 below: **0**

ITC available for refund

Total current-year refundable credit available (column 2 minus column 4 below): **1350**

Minus: Current-year credit claim (column 6, plus column 7, minus column 1 below): **0**

Total amount of ITC being carried back (amount H above): **0**

Subtotal: **1350**

Minus: Current-year non-refundable credit (column 3): **750**

Total (if negative enter "0"): **600**

Calculating an ITC refund

Designated refund of ITC (cannot be more than amount I above): **600**

Refundable rate: **0.48**

Refund of ITC: **288**

Enter the amount from line J on line 456 of your income tax return or on line 95 of a T3 Trust Income (and Information) Return.

Enter the total of lines H and J in column 8 below: **0**

Balance of credit carried forward	Current-year refundable ITC on the first of the form	Current-year credit claim (B on the first of the form)	Adjustment	Total credit available on 2 plus 3 minus 4	Current-year credit claim (AMT)	Current-year credit claim (Other)	Credit claim - Other (line 4 above)	Balance of credit carried forward (at the end of the year)
0	1350	1350	0	0	0	0	0	0

* This credit will reduce your Canadian exploration expense pool in the year following the year in which you claim the credit.
 ** For testamentary trusts, enter the amount of ITC allocated to beneficiaries from box 40 of T3 slips.

Refund or Balance owing

Net federal tax: enter the amount from line 50 of Schedule 1 (attach Schedule 1, even if the result is "0"): **420**

CPP contributions payable on self-employment and other earnings (attach Schedule 5): **421**

Social benefits payments (enter the amount from line 235): **422**

Provincial or territorial tax (attach Form 426, even if the result is "0"): **423**

Add lines 420 to 425: **426**

This is your total payable: **426**

Total income tax deducted (from all information slips): **437**

Refundable Quebec abatement: **440**

CRP (employment) (enter your excess contributions): **448**

Employment insurance overpayment (enter your excess contributions): **450**

Refundable medical expense supplement: **452**

Refund of investment tax credit (attach Form T2038(IND)): **454**

Part XIII-2 trust tax credit (box 38 on all T3 slips): **456**

Employee and partner GST/HST rebate (attach Form GST370): **487**

Tax paid by instalments: **476**

Provincial or territorial credits (attach Form 479 if it applies): **479**

Add lines 437 to 479: **482**

These are your total credits: **482**

Line 435 minus line 482: **484**

If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount below on whichever line applies.

Refund **484** or Balance owing (see line 485 in the guide) **485**

Amount enclosed **486**

Direct deposit - Start or change (see line 484 in the guide)

You do not have to complete this area every year. Do not complete it this year if your direct deposit information for your refund has not changed.

Refund and GST/HST credit - To start direct deposit or to change account information only, attach a "void" cheque or complete lines 480, 481, and 482.

Notes: To deposit your CCTB payments (including certain related provincial or territorial payments) into the same account, also check box 483.

To deposit your UCCB payments into the same account, also check box 481.

Branch: **460** (5 digits) **461** (3 digits) **462** (maximum 12 digits)

Account number: **463** (5 digits) **464** (5 digits) **465** (5 digits)

UCCB: **481** (5 digits) **482** (5 digits)

I certify that the information given on this return and in any documents attached is correct, complete, and fully discloses all my income.

Sign here: **487** (Date) **488** (Signature)

For professional tax preparers only: **489** (Name) **490** (Address) **491** (Telephone)

Do not use this area: **487** **488** **489** **490** **491**

Privacy Act / Personal Information Bank Number: CNFP-P1-005

STEP 7 – PROVINCIAL CREDITS

Several provinces allow their residents to claim additional tax credits on flow-through investments when calculating their provincial taxes. These credits are in addition to the existing deduction of eligible exploration expenditures from the federal portion of an investor's taxes. The effect of these incentives varies depending on which province the investor resides.

Provincial tax credits associated with flow-through share investments are generated by the expenses incurred from the exploration or development of natural resources in a province that allows such credits. Residents of the province where the work is performed, not the province where the company resides, may claim the credits. For example, if an Alberta-based company incurs costs in Ontario, the Ontario resident may claim the credits, not the Alberta resident, even though the company does not reside in Ontario.

At the time of the printing of this booklet, it was not known if provincial credits were associated with any NCE Flow-Through Limited Partnerships. If such credits are present, the following examples illustrate how these credits may be claimed.

Ontario Residents

The amount in Box 145 of your T5013 represents the renounced exploration expenses that qualify for the Ontario Focused Flow-Through Share Tax Credit.

1. Report the amount from Box 145 on line 1, 2 or 3 of Form T1221 – Ontario Focused Flow-Through Share Resource Expenses for 2001 and Subsequent Years (Individuals). Note that you can report the qualifying expenses from each T5013 you receive.
2. The total of all available credits (line 4 of Form T1221) is reported in Box 6266 of Form ON479 – Ontario Credits.
3. Calculate line 21 on Form ON479 by multiplying Box 6266 by 5 per cent.
4. Total all other credits from lines 20, 22 and 23 on line 24 of ON479 and report the amount on line 479 of your 2006 T1 General Income Tax and Benefit Return (page 4).

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STATEMENT OF PARTNERSHIP INCOME
ÉTAT DES REVENUS D'UNE SOCIÉTÉ DE PERSONNES T5013

Partnership tax identification number: **T13**

Section 1 - Partnership information

Section 2 - Tax shelter information

Section 3 - Allocation of Canadian exploration and development expenses

For tax credits 1

Enter your Ontario property and sales tax credits from line 20 on the front of this form

Ontario political contribution tax credit

Ontario political contributions made in 2006: **333**

Enter the credit amount calculated below (maximum \$1,120): **333**

Ontario focused flow-through share tax credit

Enter the total expenses reported on Form T1221: **6266**

5% = **313.3**

Add lines 20, 22, and 23. If you are not claiming Ontario tax credits for self-employed individuals, enter the amount from line 24 on line 479 of your return. **646.3**

Ontario tax credits for self-employed individuals

Number of eligible apprentices your business or partnership has under the Ontario apprenticeship training tax credit program: **0**

Number of eligible work placements your business or partnership is claiming under the Ontario co-operative education tax credit program: **0**

Are you claiming one or more of these tax credits from a member of a partnership? **0** Yes No

If yes, enter the first nine digits of your Business Number: **000000000**

Ontario apprenticeship training tax credit: **0**

Ontario co-operative education tax credit: **0**

Add lines 24 to 26. Enter the result on line 479 of your return. **646.3**

Line 22 - Ontario political contribution tax credit

Determine the amount to enter on line 22 as follows:

- for contributions of \$38 or less, complete Column 1 below;
- for contributions of more than \$38 but not more than \$1,120, complete Column 2 below;
- for contributions of more than \$1,120 but not more than \$2,548, complete Column 3; or
- for contributions of more than \$2,548, enter \$1,120 on line 22.

	Column 1	Column 2	Column 3
Enter the total contributions	0.00	336.00	1,120.00
Line 1 minus line 2	0.00	75%	50%
Multiply line 3 by line 4	0.00	252.00	644.00
Add lines 5 and 6	0.00	252.00	644.00
Enter the result on line 22 above	0.00	252.00	644.00

T1221

Page 4 of T1

ONTARIO FOCUSED FLOW-THROUGH SHARE RESOURCE EXPENSES FOR 2006 AND SUBSEQUENT YEARS (INDIVIDUALS)

Complete this form if you are claiming an Ontario focused flow-through share tax credit on Form ON479, Ontario Credits. Attach a copy of this form to your paper return. Also attach the credit certification documents (Form T121, Statement of Resource Expenses, or T5013A, Statement of Partnership Income for Tax Shelters and Renounced Resource Expenses) you received from a mining exploration corporation that incurred qualifying expenses in Ontario. If you are filing electronically, keep all of your documents.

You must be a resident of Ontario at the end of the year to claim this credit.

Any credit claimed in a tax year will reduce the balance of your Cumulative Canadian Exploration Expense (CCEE) pool in the year following the credit claim. If the pool balance is negative after this deduction, the negative amount must be reported as income on line 130 of your return.

Name: _____ Social insurance number: _____
 Address: _____ Tax year: _____

Use a separate line to provide, for each corporation, the identification number (not applicable for Form T5013A) and the amount from box 145 of Form T101 or T5013A. If you need more space, attach a separate list and enter only your total on line 4.

Identification number: _____ Enter the amount of qualifying expenses: _____

Identification number: _____ Enter the amount of qualifying expenses: _____

Identification number: _____ Enter the amount of qualifying expenses: _____

Add lines 1, 2, and 3. Enter the result on line 6266 in the "Ontario focused flow-through share tax credit" section of Form ON479, Ontario Credits. **6266**

ONTARIO FOCUSED FLOW-THROUGH SHARE RESOURCE EXPENSES FOR 2006 AND SUBSEQUENT YEARS (INDIVIDUALS)

Complete this form if you are claiming an Ontario focused flow-through share tax credit on Form ON479, Ontario Credits. Attach a copy of this form to your paper return. Also attach the credit certification documents (Form T121, Statement of Resource Expenses, or T5013A, Statement of Partnership Income for Tax Shelters and Renounced Resource Expenses) you received from a mining exploration corporation that incurred qualifying expenses in Ontario. If you are filing electronically, keep all of your documents.

You must be a resident of Ontario at the end of the year to claim this credit.

Any credit claimed in a tax year will reduce the balance of your Cumulative Canadian Exploration Expense (CCEE) pool in the year following the credit claim. If the pool balance is negative after this deduction, the negative amount must be reported as income on line 130 of your return.

Name: _____ Social insurance number: _____
 Address: _____ Tax year: _____

Use a separate line to provide, for each corporation, the identification number (not applicable for Form T5013A) and the amount from box 145 of Form T101 or T5013A. If you need more space, attach a separate list and enter only your total on line 4.

Identification number: _____ Enter the amount of qualifying expenses: _____

Identification number: _____ Enter the amount of qualifying expenses: _____

Identification number: _____ Enter the amount of qualifying expenses: _____

Add lines 1, 2, and 3. Enter the result on line 6266 in the "Ontario focused flow-through share tax credit" section of Form ON479, Ontario Credits. **6266**

Refund or Balance owing

Net federal tax: enter the amount from line 50 of Schedule 1 (attach Schedule 1, even if the result is "0") **420**

CPP contributions payable on self-employment and other earnings (attach Schedule 6) **421**

Social benefits repayment (enter the amount from line 235) **422**

Provincial or territorial tax (attach Form 428, even if the result is "0") **428**

This is your total payable: **435**

Total income tax deducted (from all information slips) **437**

Refundable Quebec abatement **440**

CPP overpayment (enter your excess contributions) **448**

Employment insurance overpayment (enter your excess contributions) **450**

Refundable medical expense supplement **452**

Refund of investment tax credit (attach Form T2036(IND)) **454**

Plan XII-2 trust tax credit (box 38 on all T3 slips) **456**

Employer and partner GST/HST rebate (attach Form GST370) **457**

Tax paid by instalments **476**

Provincial or territorial credits (attach Form 479 if it applies) **479**

These are your total credits: **482**

Line 435 minus line 482: **485**

If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount below on whichever line applies.

Refund 484: _____

Balance owing (see line 485 in the guide) 485: **485**

Amount enclosed 486: _____

Direct deposit - Start or change (see line 484 in the guide)

You do not have to complete this area every year. Do not complete it this year if your direct deposit information for your refund has not changed.

Refund and GST/HST credit - To start direct deposit or to change account information only, attach a "VOID" cheque or complete lines 480, 481, and 482.

Notes: To deposit your CCTB payments (including certain related provincial or territorial payments) into the same account, also check box 463.

To deposit your UCCB payments into the same account, also check box 491.

Branch number: **480** Institution number: **481** Account number: **482** CCTB number: **483** UCCB number: **490**

I certify that the information given on this return and in any documents attached is correct, complete, and fully discloses all my income.

Sign here: _____ Date: _____

Telephone: _____ For professional tax preparers only: _____

Do not use this area: **487** **488**

British Columbia Residents

The amount in Box 141 of your T5013 represents the renounced exploration expenses that qualify for the British Columbia Mining Flow-Through Share Tax Credit.

1. Report the amount in Box 141 on line 1 on Form T1231 – British Columbia Mining Flow-Through Share Tax Credit.
2. Calculate line 3 of Form T1231 by multiplying line 1 by 20 per cent.
3. Complete Parts 2 and 3 of Form T1231 (Note: Complete Part 3 if you have any unused credits at the end of the year).
4. Report the amount on line 9 of Form T1231 on line 71 of Form BC428 – British Columbia Tax.
5. Report the amount from line 72 of BC428 on line 428 of your 2006 T1 General Income Tax and Benefit Return (page 4).

T5013

ÉTAT DES REVENUS D'UNE SOCIÉTÉ DE PERSONNES T5013

Partnership information - Renseignements sur une société de personnes

Section 1 - Partnership information - Renseignements sur une société de personnes

Section 2 - Tax shelter information - Renseignements sur un abri fiscal

Section 3 - Allocation of Canadian exploration and development expenses - Répartition des frais d'exploration et d'aménagement au Canada

Investment Tax Credit - ITC

For tax preparer / Pour le comptable 1

Page 2 of BC428

Step 3 - British Columbia tax

Enter the amount from line 9

Enter your British Columbia tax on split income from Form T1206 1153 + 37

Add lines 37 and 39 = 38

Enter your British Columbia non-refundable tax credits from line 36 = 40

British Columbia dividend tax credit: Credit calculated for line 6152 on the Provincial Worksheet = 41

British Columbia overseas employment tax credit: Amount calculated for line 42 on the Provincial Worksheet = 42

British Columbia minimum tax carryover: Amount from line 427 on federal Schedule 1 + 39.7% = 43

Add lines 40 through 43 = 44

Line 39 minus line 44 (if negative, enter "0") = 45

British Columbia additional tax for minimum tax purposes: Form T591 - Line 108 minus line 111 + 39.7% = 46

Add lines 45 and 46 = 47

Enter the provincial foreign tax credit from Form T2036 = 48

Line 47 minus line 48 = 49

Enter the British Columbia royalty and deemed income addition to tax from Form T81 = 50

Add line 49 and line 50 = 51

BC tax reduction

If your net income (line 236 of your return) is less than \$26,556, complete the following calculation. Otherwise, enter "0" on line 58 and continue.

Basic reduction: Claim \$368 = 52

Enter your net income from line 236 of your return = 53

Base amount = 16,336.00 = 54

Line 53 minus line 54 (if negative, enter "0") = 55

Applicable rate = 3.6% = 56

Multiply line 55 by line 56 = 57

Line 52 minus line 57 (if negative, enter "0") = 58

Line 51 minus line 58 (if negative, enter "0") = 59

Enter the provincial logging tax credit from Form FIN 542 = 60

Line 59 minus line 60 (if negative, enter "0") = 61

Enter the British Columbia royalty and deemed income rebate from Form T81 = 62

Line 61 minus line 62 (if negative, enter "0") = 63

British Columbia political contribution tax credit

Enter British Columbia political contributions made in 2006 = 64

Credit calculated for line 65 on the Provincial Worksheet (maximum 5000) = 65

Line 63 minus line 65 (if negative, enter "0") = 66

British Columbia employee investment tax credits

Enter your employee share ownership plan tax credit from Certificate ESOP 30 = 67

Enter your employee venture capital tax credit from Certificate EVCC 30 = 68

Add lines 67 and 68 = 69

Line 66 minus line 69 (if negative, enter "0") = 70

British Columbia mining flow-through share tax credit

Enter the tax credit amount calculated on Form T1231 = 71

Line 70 minus line 71 (if negative, enter "0") = 72

Enter the amount on line 428 of your return. British Columbia tax = 72

T1231

BRITISH COLUMBIA MINING FLOW-THROUGH SHARE TAX CREDIT

Part 1 - BC flow-through mining expenditures eligible for the credit

Part 2 - BC MFTS tax credit claim for 2006

Part 3 - Carryback and amounts available to carry forward to future years

Certification

For tax preparer / Pour le comptable 1

Page 4 of T1

Refund or Balance owing

Net federal tax: enter the amount from line 50 of Schedule 1, even if the result is "0" = 420

CPP contributions payable on self-employment and other earnings (attach Schedule 6) = 421

Social benefits repayment (enter the amount from line 235) = 422

Provincial or territorial tax (attach Form 428, even if the result is "0") = 428

This is your total payable. 435 = 435

Total income tax deducted (from all information slips) = 437

Refundable Quebec statement = 440

CPP overpayment (enter your excess contributions) = 448

Employment Insurance overpayment (enter your excess contributions) = 450

Refundable medical expense supplement = 452

Refund of investment tax credit (attach Form T2036(IND)) = 454

Part XII-2 trust tax credit (box 38 on all T3 slips) = 456

Employee and partner GST/HST rebate (attach Form GST370) = 475

Tax paid by instalments = 476

Provincial or territorial credits (attach Form 478 if it applies) = 479

These are your total credits. 482 = 482

Line 435 minus line 482 = 484

If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount below on whichever line applies.

Generally, we do not charge or refund a difference of \$2 or less.

Refund 484 = 484

Balance owing (see line 485 in the guide) = 485

Amount enclosed 486 = 486

Direct deposit - Start or change (see line 484 in the guide)

You do not have to complete this area every year. Do not complete it this year if your direct deposit information for your refund has not changed.

Refund and GST/HST credit: To start direct deposit or to change account information only, attach a "void" cheque or complete lines 460, 461, and 462.

Notes: To deposit your CCTB payments (including certain related provincial or territorial payments) into the same account, also check box 463.

To deposit your UCCB payments into the same account, also check box 491.

Branch number: 460 (5 digits)

Institution number: 461 (3 digits)

Account number: 462 (maximum 12 digits)

CCTB UCCB: 463 (5 digits)

491

I certify that the information given on this return and in any documents attached is correct, complete, and fully discloses all my income.

Signature: _____ Date: _____

For professional tax preparers only: Name: _____ Address: _____ Telephone: _____

Do not use this area: 487 488

Private Act Personal Information Bank Number: CRMP-PU-003

Manitoba Residents

The amount in Box 144 of your T5013 represents the renounced exploration expenses that qualify for the Manitoba Mineral Exploration Tax Credit.

1. Report the amount in Box 144 on line 2 of Form T1241 – Manitoba Mineral Exploration Tax Credit.
2. Calculate line 4 of Form T1241 by multiplying line 2 by 10 per cent.
3. Complete Parts 1 and 2 of Form T1241 (Note: Complete Part 2 if you have any unused credits at the end of the year).
4. Report the amount on line 8 of Form T1241 on line 73 of Form MB428 – Manitoba Tax.
5. Report the amount from line 74 of MB428 on line 428 of your 2006 T1 General Income Tax and Benefit Return (page 4).

T5013

STATEMENT OF PARTNERSHIP INCOME
ÉTAT DES REVENUS D'UNE SOCIÉTÉ DE PERSONNES **T5013**

Prepared and filed by: Partnership Tax shelter Trust Other Sole proprietorship

Partnership's identification number: **T18**

Section 1 - Partnership information - Renseignements sur une société de personnes

Section 2 - Tax shelter information - Renseignements sur un abri fiscal

Section 3 - Allocation of Canadian exploration and development expenses - Répartition des frais d'exploration et d'aménagement au Canada

For tax centres / Pour le centre fiscal **1**

Page 2 of MB428

Step 3 - Manitoba tax

Enter your Manitoba tax on taxable income from line 8 **38**

Enter your Manitoba tax on split income from Form T1206 **1158** **+39**

Add lines 38 and 39 **40**

Enter your Manitoba non-refundable tax credits from line 37 **41**

Manitoba dividend tax credit: **41**

Credit calculated for line 6152 on the Provincial Worksheet **1110** **+43**

Manitoba minimum tax carryover: **44**

Amount from line 427 on your Schedule 1 **1150** **+44**

Add lines 41 through 44 **45**

Line 40 minus line 45 (if negative, enter "0") **46**

Manitoba family tax reduction (see page 4 in the forms book)

Basic reduction: **2,225.00** **47**

Basic reduction for dependent spouse or common-law partner claim \$225 **48**

Reduction for an eligible dependant claimed on line 5916 of Form MB428 claim \$225 **49**

Age reduction for self claim \$225 **50**

Age reduction for spouse or common-law partner claim \$225 **51**

Disability reduction for self or for a dependent other than your spouse or common-law partner Number of disability claims **1021** **+52**

Reduction for disabled dependants born in 1988 or earlier Number of disabled dependants **1024** **+53**

Reduction for dependent children born in 1988 or later (Complete the chart below) Number of dependent children **1025** **+54**

Add lines 47 through 55 **56**

Enter your net income from line 236 of your return **57**

Line 56 minus line 57 (if negative, enter "0") **58**

Line 46 minus line 58 (if negative, enter "0") **59**

Manitoba additional tax for minimum tax purposes Form T691: Line 108 minus line 111 **60**

Add lines 59 and 60 **61**

Political contribution tax credit

Manitoba political contributions made in 2006 **62**

Credit calculated for line 62 on the Provincial Worksheet (maximum \$650) **63**

Line 61 minus line 63 (if negative, enter "0") **64**

Labour-sponsored funds tax credit

Enter your labour-sponsored funds tax credit from Slip T20 (MAN) **65**

Equity tax credit

Enter your equity tax credit from Slip T202 (MAN) (maximum \$1,500) **66**

Add lines 65 and 66 **67**

Line 64 minus line 67 (if negative, enter "0") **68**

Line 68 minus line 69 **69**

Enter your provincial foreign tax credit from Form T2096 **70**

Line 69 minus line 70 **71**

Enter your Manitoba community enterprise development tax credit from Form T1256 (maximum \$9,000) **72**

Line 70 minus line 71 (if negative, enter "0") **73**

Enter the Manitoba mineral exploration tax credit from Form T1241 **74**

Line 72 minus line 73 (if negative, enter "0"). Enter the result on line 428 of your return. **Manitoba tax**

Details of dependent children born in 1988 or later (if you need more space, attach separate sheet)

Child's name	Relationship to you	Child's date of birth (Year, Month, Day)	Social insurance number (if available)

T1241

MANITOBA MINERAL EXPLORATION TAX CREDIT

Complete this form to calculate your Manitoba mineral exploration tax credit.

You can claim this credit if you received an Information Slip T101, Statement of Resource Expenses, from a mining corporation, or an Information Slip T5013A, Statement of Partnership Income for Tax Shelters and Anticorruption Resource Expenses, received as a member of a partnership, with an amount in box 144.

The credits you earned in the year are used to reduce your Manitoba tax payable for that year. Any unused amount can be carried forward for ten years or carried back for the three previous years.

Attach a copy of Information Slip T101 and/or T5013A to this form and include it with your return. If you are filing electronically, keep a copy of the documents for your records in case we need to see them.

Part 1 - Manitoba mineral exploration tax credit claim for 2006 Tax year **2006**

Unused Manitoba mineral exploration tax credit from your 2005 Notice of Assessment or Notice of Reassessment

Enter the total of all eligible amounts from box 144 of Information Slip T101 and/or T5013A **1**

Tax credit rate **10%**

Multiply line 2 by line 3 **2**

Add lines 1 and 4 **4**

Amount from line 72 of Form MB428, Manitoba Tax, or, if you have to pay tax to more than one jurisdiction, from line 52 in Part 4, Section MB428M1, of Form T2203, Provincial and Territorial Taxes for 2006 - Multiple Jurisdictions **5**

Enter the amount from line 5 or line 6, whichever is less **6**

You may claim, on line 8, an amount not exceeding the amount shown on line 7. Enter this amount on line 73 of Form MB428 or on line 53 in Part 4, Section MB428M1, of Form T2203, whichever applies. **7**

Current-year claim **8**

Complete Part 2 if the amount of your current-year claim (line 8) is less than the total credit available (line 5). You can claim a carryback of the unused credit or calculate the amounts available to carry forward to future years. The credit you apply cannot be more than your Manitoba tax for that year.

For 2005, you cannot claim more than your Manitoba tax from line 428 of your return. If you have to pay tax to more than one jurisdiction, you cannot claim more than the amount on line 54 in Part 4, Section MB428M1, of Form T2203 for 2005.

For 2004, you cannot claim more than your Manitoba tax from line 428 of your return. If you have to pay tax to more than one jurisdiction, you cannot claim more than the amount on line 54 in Part 4, Section MB428M1, of Form T2203 for 2004.

For 2003, you cannot claim more than your Manitoba tax from line 428 of your return. If you have to pay tax to more than one jurisdiction, you cannot claim more than the amount on line 54 in Part 4, Section MB428M1, of Form T2203 for 2003.

Part 2 - Carryback and amount available to carry forward to future years

Enter the amount from line 5 **9**

Enter the amount from line 8 **10**

Line 9 minus line 10 **11**

Manitoba mineral exploration tax credit to be applied to 2006 **12**

Manitoba mineral exploration tax credit to be applied to 2004 **13**

Manitoba mineral exploration tax credit to be applied to 2003 **14**

Add lines 12, 13 and 14 (the total cannot be more than the amount from line 11) **15**

Line 11 minus line 15 **16**

Unused Manitoba mineral exploration tax credit available to carry forward to future years **16**

Certification

I certify that the information given on this form is correct and complete.

Signature _____ Date _____

Page 4 of T1

Refund or Balance owing

Net federal tax: enter the amount from line 50 of Schedule 1 (attach Schedule 1, even if the result is "0") **420**

CPP contributions payable on self-employment and other earnings (attach Schedule 8) **421**

Social benefits received (enter the amount from line 235) **422**

Provincial or territorial tax (attach Form 428, even if the result is "0") **428**

This is your total payable **435**

Income tax deducted from all information slips **437**

Refundable Quebec abatement **440**

CPP overpayment (enter your excess contributions) **448**

Employment insurance overpayment (enter your excess contributions) **458**

Refundable medical expense supplement **452**

Refund of investment tax credit (attach Form T2036(IND)) **454**

Part A2.2 trust tax credit (box 38 on all T3 slips) **456**

Employee and partner GST/HST rebate (attach Form GST370) **457**

Tax paid by instalments **476**

Provincial or territorial credits (attach Form 479 if it applies) **479**

Add lines 437 to 479 **482**

These are your total credits **482**

Line 435 minus line 482 **484**

If the result is negative, you have a refund. If the result is positive, you have a balance owing. Enter the amount below on whichever line applies.

Refund **484**

Balance owing (see line 485 in the guide) **485**

Amount enclosed **486**

Direct deposit - Start or change (see line 484 in the guide)

You do not have to complete this area every year. Do not complete it this year if your direct deposit information for your refund has not changed.

Refund and GST/HST credit - To start direct deposit or to change account information only, attach a "void" cheque or complete lines 480, 481, and 482.

Notes: To deposit your CCTB payments (including certain related provincial or territorial payments) into the same account, also check box 491.

To deposit your UOCB payments into the same account, also check box 491.

Branch number: **480** (5 digits) **481** (3 digits) **482** (maximum 12 digits)

Account number: **483** (5 digits) **484** (5 digits)

I certify that the information given on this return and in any documents attached is correct, complete, and fully discloses all my income.

Sign here if a serious offence to make a false return.

For professional tax preparers only

Name: _____ Address: _____ Telephone: _____

Do not use this area **487** **488**

Quebec Residents

The amount in box 62 of Form RL-15 represents the investor's share of the renounced exploration expenses incurred in Quebec. The amount in box 63 represents the investor's share of surface mining expenses, and oil and gas exploration expenses, incurred in Quebec. Note: Box 64 represents the investor's share of exploration expenses incurred in northern Quebec and can only be deducted by corporations.

1. Report the amount in box 62 on line 250, and code "09" on line 249, of your Quebec Income Tax Return (page 2).
2. Line 88 of Schedule D – Deduction for Strategic Investments consists of the total of: (i) 25 per cent of box 62, and (ii) 25 per cent of box 63 of Form RL-15.
3. The total deduction on line 96 of Schedule D is reported on line 287 of your Quebec Income Tax Return (page 3).

RL-15

Page 2 of Schedule D

Revenu Québec **Montants attribués aux membres d'une société de personnes** RL-15 (2006-12)

1. Revenu de la société de personnes
 2. Revenu de la société de personnes
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 97. Revenu de la société de personnes
 98. Revenu de la société de personnes
 99. Revenu de la société de personnes
 100. Revenu de la société de personnes

Page 2 of TP-1

Page 3 of TP-1

3- Deduction for an SME Growth Stock Plan
 Complete this section if you purchased shares or securities that you included in your SME Growth Stock Plan in 2006.
 Amount from line 17 _____ 38
 Coverage deficiency amount for 2006, RL-7 (slip, line 1) _____ 42
 Coverage deficiency amount for 2007 (line 52 of Schedule D for 2007) _____ 42
 Add lines 38 and 40 _____ 42
 Subtract line 43 from line 38 _____ 42
 Deduction obtained for an SME Growth Stock Plan in 2006 _____ 42
 Subtract line 45 from line 44 _____ 42
 Amount from line 5 _____ 42
 Enter the amount from line 11, 49 or 50, whichever is lower.
 Carry this amount to line 78 in Part D. Deduction for an SME Growth Stock Plan _____ 42

C. Co-operative investment plan (CIP)
 Unused portion of the deduction for the CIP. Complete form TP-965.52-V.
 Amount giving entitlement to a deduction, RL-7 (slip, line 4) _____ 64
 Add lines 64 and 65 _____ 64
 Amount from line 5 _____ 64
 Enter the amount from line 67 or line 71, whichever is lower.
 Carry all or a portion of this amount to line 82. Deduction to which you are entitled _____ 64

D. Deduction for strategic investments
 Amount from line 51 _____ 76
 Deduction for an investment in a CIBC (line 287 in the guide) _____ 76
 Deduction for the CIP (maximum amount from line 72) _____ 76
 Additional deduction for Quebec resources (see line 287 in the guide) _____ 76
 Other deductions (see line 287 in the guide) _____ 76
 Add lines 76 through 90 _____ 76
 Deduction for strategic investments _____ 76

Enclose a copy of this schedule with your return. 13

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QST credit Page 2
 If you are claiming the QST credit, check this box. If you did not have a gross on December 31, 2006, see page 12 of the guide.

Total income
 If you were employed outside Canada, check this box.
 If you were employed in Canada, outside Québec, check this box.
 QPP premiums, RL-7 (slip, line 8) _____ 97
 QPP contributions, RL-7 (slip, line 8), and CIP contributions _____ 97
 Commissions received, RL-7 (slip, line 8) _____ 97
 Employment income, RL-7 (slip, line A) _____ 161
 Concession of employment income, if you received an RL-22 slip (see chart 105) _____ 105
 Other employment income (see the guide) _____ 105
 Employment insurance benefits, RL-7 (slip, line A), and general insurance benefits, RL-4, line A _____ 114
 Old age security pension, FA6303 (slip) _____ 114
 QPP or CIP benefits, RL-7 (slip, line C) _____ 114
 Payments from a pension plan, RL-7 (slip, line A), or RL-7 (slip, line B), or an RRSP or a RRRP or a DRSP or annuities (see the guide) _____ 114
 Dividends from taxable Canadian corporations. Actual amount [147] Taxable amount _____ 147
 Interest and other investment income _____ 147
 Rental income (attach your financial statements or form TP-128-V). Gross income [169] Net income _____ 169
 Taxable capital gains (see the guide). Complete Schedule G. _____ 170
 Support payments received (taxable amount) _____ 170
 Social assistance payments, RL-5 (slip, line A), and similar financial assistance, RL-5 (slip, line B) _____ 147
 Income replacement indemnities, RL-5 (slip, line C, D, E or F), and net federal supplements, FA6303 (slip) _____ 147
 Other income (see the guide) _____ 147
 Business income. Complete Schedule L. _____ 147
 Add lines 101 through 164. Total income _____ 199

Net income
 Deduction for workers (see the guide) _____ 201
 Registered pension plan (RPP) deduction, RL-7 (slip, line D) _____ 201
 Employment expenses and deductions. Specify [206] _____ 201
 RRSP deduction. RRSP or LLP [214] _____ 214
 Support payments made (deductible amount). See the guide. Attach the required documents. Name of recipient: _____ 214
 Recipient's social insurance number: [214] _____ 214
 If there is another recipient, attach a note indicating his or her name and social insurance number. Support payments made (deductible amount) _____ 214
 Moving expenses. Complete form TP-348-V. _____ 214
 Carrying charges and interest expenses (see lines 211 and 260 in the guide) _____ 214
 Business investment loss. Complete form TP-232-1-V. Total losses [214] Allowable loss _____ 214
 Deduction for residents of designated reserve areas. Complete form TP-353-1-V. _____ 214
 Deduction for exploration and development expenses _____ 214
 Deduction for amounts contributed to the QPP and the QPP on income from self-employment _____ 214
 Other deductions (see the guide). Specify [214] _____ 214
 Carry-over of the adjustment of investment expenses (see the guide) _____ 214
 Add lines 201 through 214 through 231 and 234 through 252. Total deductions _____ 254
 Subtract line 254 from line 199. Net income _____ 175
 Adjustment of investment expenses (see the guide). Complete Schedule N. _____ 175
 Add lines 256 and 260. _____ 175
 If the result is negative, enter 0. Carry the result to page 3. Net income _____ 175

Page 3 of TP-1

Attach your documents here
 If you have a balance due, please attach your cheque or money order to page _____

Taxable income
 Amount from line 275 _____ 275
 Adjustment of deductions (see the guide) _____ 275
 Support payment amount _____ 275
 Universal Child Care Benefit (see the guide) _____ 275
 Add lines 275 through 278. _____ 279
 Deduction for strategic investments. Complete Schedule D. _____ 287
 Non-capital losses from other years _____ 289
 Net capital losses from other years (see lines 276 and 290 in the guide) _____ 290
 Capital gains deduction _____ 290
 Deduction for an Indian or a person of Indian ancestry _____ 290
 Deduction for certain income (see the guide) _____ 290
 Miscellaneous deductions (see the guide). Specify [296] _____ 297
 Add lines 287 through 297. Total deductions _____ 298
 Subtract line 298 from line 279. If the result is negative, enter 0. Taxable income _____ 299

Non-refundable tax credits
 These credits reduce the income tax that you are required to pay. Be sure to claim all the amounts to which you are entitled.
 Basic personal amount (36,500) plus complementary amount (31,015) _____ 9,555.00
 Additional complementary amount. If you contributed more than \$200 to the health services fund and paid QPP contributions or QPP premiums, complete work sheet 356. _____ 295
 Add lines 350 and 356. _____ 297
 Adjustment for income replacement indemnities (maximum \$8,569.50). See the guide. _____ 297
 Subtract line 358 from line 357. _____ 297
 Amount with respect to age, for a person living alone or for retirement income. Complete Schedule B _____ 297
 Amount for child care credit or for secondary studies or amount for other dependants. Complete Schedule A. _____ 297
 Union, professional or other dues _____ 297
 Amount for a trauma and prolonged impairment in mental or physical functions (see the guide) _____ 297
 Expenses for medical services not available in your area _____ 297
 Medical expenses. Complete Schedule B. _____ 297
 Tuition or education fees. Complete Schedule M. Amount claimed _____ 297
 Amount paid to a student loan. Complete Schedule M. Amount claimed _____ 297
 Add lines 359 through 385. _____ 390
 Multiply line 390 by 20%. _____ 391
 Tax credits for recent graduate working in remote regions. Complete form TP-1078-BAND-V. _____ 392
 Donations and gifts (see the guide). Attach your receipts. _____ 393
 Enter the amount from line 393 or \$200, whichever is lower. _____ 393
 Subtract line 394 from line 393. _____ 397
 Add lines 391, 392, 393 and 397. _____ 397
 Carry the result to line 406. Non-refundable tax credits _____ 397

- Report the amount on line 231 of your Quebec Income Tax Return (page 2) on line 12 of Schedule N.
- Report 50% of the amount on line 241 of your Quebec Income Tax Return (page 2) on line 14 of Schedule N.
- If the amount on line 29 of Schedule L is negative, then report that amount on line 10 of Schedule N.
- Please ensure all applicable investment income (line 20 to 34) is included on Schedule N.
- If the amount on line 40 of Schedule N is greater than zero, report the amount on line 260 of your Quebec Income Tax Return (page 2) as well as line 72 of Schedule N.

Page 2 of TP-1

QST credit Page 2

If you are claiming the QST credit, check this box. If you did not have a spouse on December 31, 2006, see page 12 of the guide.

Total income

If you were employed outside Canada, check this box. **SA**

If you were employed in Canada, outside Québec, check this box. **SB**

QPP pensions, RC-1 (aj), box #F **87** **85**

QPP contributions, RC-1 (aj), box #F and CPP contributions **88**

Commissions received, RC-1 (aj), box #F **89**

Employment income, RC-1 (aj), box #F **101**

Concession of employment income, if you received an RC-22 slip (work chart 105) **102**

Other employment income (see the guide) Specify **103** **0**

Employment insurance benefits, F40 (aj), and parental insurance benefits, RC-4 (aj), box #F **111**

Old age security pension, F40(4)(1)(2) **112**

QPP or CPP benefits, RC-2 (aj), box #C **119**

Payments from a pension plan, RC-2 (aj), box #C, or RC-1 (aj), box #C, on RRSP or RRIF or a DPSP or annuities (see the guide) **123**

Dividends from taxable Canadian corporations Actual amount **125** Taxable amount **126**

Interest and other investment income **130**

Rental income. Attach your financial statements or form TP-128-V Gross income **148** Net income **138**

Taxable capital gains (see the guide). Complete Schedule G **139**

Support payments received (taxable amount) **140**

Social assistance payments, RC-5 (aj), box #A, and similar financial assistance, RC-5 (aj), box #B **147**

Income replacement indemnities, RC-5 (aj), box #C, D, E or F, and net federal supplements, F48(5)(47) slip **148**

Other income (see the guide) **154**

Business income. Complete Schedule L Specify **192** Net income **164**

Add lines 101 through 164. Total income = **199**

Net income

Deductions for workers (see the guide) **203**

Registered pension plan (RPP) deductions, RC-1 (aj), box #D **205**

Employment expenses and deductions Specify **206** **207**

RRSP deduction HRP or LLP **210** **214**

Support payments made (deductible amount). See the guide. Attach the required documents. Name of recipient: **224**

Recipient's social insurance number: **224**

If there is another recipient, attach a note indicating his or her name and social insurance number: **225**

Support payments made (deductible amount) **226**

Moving expenses. Complete form TP-348-V **228**

Carrying charges and interest expenses (see lines 231 and 260 in the guide) **231**

Business investment loss. Complete form TP-233.1-V Total losses **233** Allowable loss **234**

Deduction for residents of designated remote areas. Complete form TP-350.1-V **236**

Deduction for exploration and development expenses **241**

Deduction for amounts contributed to the QPP and the QPP on income from self-employment **243**

Other deductions (see the guide) Specify **249** **250**

Carry-over of the adjustment of investment expenses (see the guide) **252**

Add lines 203 through 237, 214 through 231 and 234 through 252. Total deductions **254**

Subtract line 254 from line 199. Net income **275**

Adjustment of investment expenses (see the guide). Complete Schedule N. Add lines 256 and 260. If the result is negative, enter 0. Carry the result to page 3. Net income = **275**

Page 1 of Schedule N

Revenu Québec **2005** **N**
Adjustment of Investment Expenses **TP-1.8.N-V (2005-12)**

A. Investment expenses

Loss from a partnership of which you were a specified member (included on line 29 of Schedule L) **12**

Carrying charges and interest expenses (line 231) **13**

Deduction for exploration expenses (line 241 multiplied by 50%). See line 260 in the guide. **14**

Other expenses incurred to earn property income. See line 260 in the guide. **15**

Add lines 12 through 15. **16**

B. Investment income

Dividends from taxable Canadian corporations (line 126) **20**

Interest and other investment income (line 130) **22**

Income from a partnership of which you were a specified member (included on line 29 of Schedule L) **23**

Income accrued under a life insurance policy (except your RC-3 slip) **24**

Recovery of amount deducted in time 11 (see RC-11), multiplied by 50% **26**

Ordinary interest (amounts in boxes B of your RC-2 slip, where "RO" appears in the "purpose des fonds" field) **28**

Income from a taxable property income attributed to shareholders (taxable capital gains). See line 260 in the guide. **30**

Add lines 20 through 30. **31**

Subtract line 36 from line 16. If the result is negative, enter 0. Carry the result to line 240 of your return. Adjustment of investment expenses = **85**

C. Other investment expenses

Complete the section below only if you entered an amount on lines 289 and 290 of your return.

Limited partnership loss (included on line 288) **50**

Net capital losses from other years. See line 216 in the guide. **52**

Add lines 50 and 52. **54**

Amount from line 56 above **56**

Amount from line 58 above **58**

Subtract line 58 from line 54. If the result is negative, enter 0. **60**

Subtract line 60 from line 54. If the result is negative, enter 0. **62**

Carry-over of the adjustment of other investment expenses (see the guide). See line 216 in the guide. **64**

Add lines 60 through 64. **66**

D. Amount that may be carried forward

Unused portion of the amount of the adjustment of investment expenses for 2004. See line 252 in the guide. **70**

Amount from line 66 above **72**

Amount from line 64 above **74**

Add lines 70 through 74. **76**

Amount from line 252 of your return **78**

Subtract line 78 from line 76. Amount that may be carried forward = **80**

Ministère du Revenu Enclose a copy of this schedule with your return. **N**

Page 1 of Schedule L

Revenu Québec **2006** **L**
Business Income **TP-1.8.L-V (2006-12)**

Net business income

Enter your business income on lines 22 through 26 (except income covered by lines 28 and 29).

Attach your financial statements or form TP-80-V as applicable.

Business (other than the types listed below) Gross income **17** Net income **22**

Farming Gross income **13** Net income **23**

Fishing Gross income **14** Net income **24**

Profession Gross income **15** Net income **25**

Work remunerated on a commission basis Gross income **16** Net income **26**

Add lines 22 through 26. **27**

Income from a partnership allocated to a retiring partner and end-of-career allowance received by a physician who did not practice medicine in the year the allowance was received **28**

Income from a partnership of which you were a specified member, and foreign income, RC-16 (aj), box #F **29**

Add lines 27 through 29. Net business income = **34**

Carry the result to line 164 of your return.

Ministère du Revenu Enclose a copy of this schedule with your return. **L**

OTHER TAX CONSIDERATIONS

This guide is designed to offer general tax information. There are a number of additional considerations that may be applicable to an investor's situation. Here are a few examples:

1) The CEE election in Step 4.

While an investor is allowed to deduct the full renounced CEE, it is not required. As part of a tax planning strategy an investor may find it advantageous to use the CCEE to carry forward the CEE deduction and use this amount in a subsequent year.

2) Cumulative Net Investment Losses (CNIL)

Flow-through investments may have an effect on an investor's calculations of Cumulative Net Investment Loss (CNIL).

3) Capital Gains Exemptions

Renounced expenditures deducted by the investor may affect the ability of the taxpayer to claim the \$500,000 capital gains exemption in respect of sales of qualified small business shares and certain farm assets, as the calculation of a taxpayer's CNIL requires an inclusion of 50 per cent of the deductions taken by the taxpayer in respect of flow-through share renouncements.

4) Alternative Minimum Tax

Alternative minimum tax may apply in a given taxation year, depending on the amount of renounced expenditures deducted by the investor.

5) Issue Costs

Investors may deduct issue costs associated with a flow-through limited partnership over a number of years subsequent to the dissolution of the partnership. These costs can be deducted on line 122 of your income tax return. The percentage of the issue costs and the year in which they may be claimed are specified in the 'Details' section of form T5013.

For example, the issue costs may be stated as \$600, with 1/3 in 2006, 1/3 in 2007 and 1/3 in 2008. In this example, it would mean that \$200 could be claimed in 2006, \$200 in 2007 and \$200 in 2008.

This is not a detailed listing of every possible tax consideration. It is designed to be a general guide only. Each individual's situation is unique and advice should be received from a qualified tax specialist.

NOTES

NOTES



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