



Prince Edward Island Tax and Credits

Complete this form and **attach a copy** of it to your return. For details, see pages 1 to 5 in the forms book.

Step 1 – Prince Edward Island tax on taxable income

Enter your **taxable income** from line 260 of your return

Use the amount on line 1 to determine which **ONE** of the following columns you have to complete.

Enter the amount from line 1 in the applicable column

Line 2 minus line 3 (cannot be negative)

Multiply line 4 by line 5

Add lines 6 and 7 **Prince Edward Island tax on taxable income**

	If line 1 is \$30,754 or less	If line 1 is more than \$30,754 , but not more than \$61,509	If line 1 is more than \$61,509
2			
3	0 00	30,754 00	61,509 00
4			
5	9.8%	13.8%	16.7%
6			
7	0 00	3,014 00	7,258 00
8			
	Go to Step 2	Go to Step 2	Go to Step 2

Step 2 – Prince Edward Island non-refundable tax credits

Important: Provincial non-refundable tax credits may be **different** from the federal amounts claimed on Schedule 1. For details, see the *Provincial Worksheet* and pages 1 to 3 in the forms book.

	For internal use only	5601		
Basic personal amount	claim \$7,412	5804		9
Age amount (if born in 1940 or earlier)	(use provincial worksheet)	5808	+	10
Spouse or common-law partner amount				
Base amount	6,923 00			
Minus: his or her net income from page 1 of your return	-			
Result: (if negative, enter "0")	=	(maximum \$6,294)	▶ 5812	11
Amount for an eligible dependant	(use provincial worksheet)	5816	+	12
Amount for infirm dependants age 18 or older	(use provincial worksheet)	5820	+	13
Canada Pension Plan or Quebec Pension Plan contributions				
(amount from line 308 of your federal Schedule 1)		5824	+	• 14
(amount from line 310 of your federal Schedule 1)		5828	+	• 15
Employment Insurance premiums	(amount from line 312 of your federal Schedule 1)	5832	+	• 16
Pension income amount	(amount from line 314 of your federal Schedule 1)	5836	+	17
Caregiver amount	(use provincial worksheet)	5840	+	18
Disability amount	(see line 5844 on page 2 in the forms book)	5844	+	19
Disability amount transferred from a dependant	(use provincial worksheet)	5848	+	20
Teacher school supply amount	(maximum \$500)	5850	+	21
Interest paid on your student loans	(amount from line 319 of your federal Schedule 1)	5852	+	22
Your tuition and education amounts	[attach Schedule PE(S11)]	5856	+	23
Tuition and education amounts transferred from a child		5860	+	24
Amounts transferred from your spouse or common-law partner	[attach Schedule PE(S2)]	5864	+	25
Medical expenses from line 330 of your federal Schedule 1	5868			26
Enter \$1,678 or 3% of line 236, whichever is less	-			27
Line 26 minus line 27 (if negative, enter "0")	=			28
Allowable amount of medical expenses for other dependants calculated for line 5872 on the <i>Provincial Worksheet</i>	5872	+		29
Add lines 28 and 29	5876	=	▶	30
Add lines 9 through 25, and line 30		5880	=	▶
Non-refundable tax credit rate			x	9.8%
Multiply line 31 by line 32			=	5884
Donations and gifts				
Amount from line 345 of your federal Schedule 9	x 9.8% =			34
Amount from line 347 of your federal Schedule 9	x 16.7% =		+	35
Add lines 34 and 35		5896	=	▶
Add lines 33 and 36			=	37
		Prince Edward Island non-refundable tax credits		6150

Go to Step 3 on the back

Step 3 – Prince Edward Island tax

Enter your Prince Edward Island tax on taxable income from line 8											38
Enter your Prince Edward Island tax on split income from Form T1206				6151	+						• 39
Add lines 38 and 39				=							40
Enter your Prince Edward Island non-refundable tax credits from line 37										41	
Prince Edward Island dividend tax credit:											
Amount from line 120 of your return				x 7.7% =	6152	+					• 42
Prince Edward Island overseas employment tax credit:											
Amount from line 426 of federal Schedule 1				x 57.5% =	6153	+					• 43
Prince Edward Island minimum tax carry-over:											
Amount from line 427 of federal Schedule 1				x 57.5% =	6154	+					• 44
Add lines 41 through 44				=							▶ 45
Line 40 minus line 45 (if negative, enter "0")											= 46
Prince Edward Island additional tax for minimum tax purposes:											
Amount from line 117 of Form T691				x 57.5% =							+ 47
Add lines 46 and 47											= 48
P.E.I. surtax: (Amount from line 48				minus \$5,200) x 10% (if negative, enter "0")							+ 49
Add lines 48 and 49											= 50
Unused low-income tax reduction from your spouse or common-law partner's Form PE428, if applicable					6342	-					• 51
Line 50 minus line 51 (if negative, enter "0")											= 52

Prince Edward Island low-income tax reduction

If you had a spouse or common-law partner on December 31, 2005, you have to agree on who will claim this tax reduction. **Only one of you** can claim it for your family. However, any unused amount can be claimed by the other person.

Basic reduction	claim \$250	6339										53
Reduction for spouse or common-law partner	claim \$250	6340	+									54
Reduction for an eligible dependant claimed at line 5816	claim \$250	6341	+									55
Reduction for dependent children born in 1987 or later												
Number of dependent children	6099	x \$200 =		+								56
Add lines 53 to 56				=								▶ 57
Enter your net income from line 236 of your return												58
Enter your spouse or common-law partner's net income from page 1 of your return				+								59
Net family income: Add lines 58 and 59				=								60
Base amount				-	15,000	00						61
Line 60 minus line 61 (if negative, enter "0")				=								62
Applicable rate				x		5%						63
Multiply line 62 by line 63				=								▶ 64
Line 57 minus line 64												
(if negative, enter "0")												
Prince Edward Island low-income tax reduction												▶ 65
Line 52 minus line 65 (if negative, enter "0")												= 66
Enter the provincial foreign tax credit from Form T2036												- 67
Line 66 minus line 67												= 68

Prince Edward Island political contribution tax credit

Prince Edward Island political contributions made in 2005		6338										69
Credit calculated for line 70 on the <i>Provincial Worksheet</i>									(maximum \$500)			- 70
Line 68 minus line 70 (if negative, enter "0")												
Enter this amount on line 428 of your return												Prince Edward Island tax 71

Unused low-income tax reduction that can be claimed by your spouse or common-law partner

Enter the amount from line 65												72
Enter the amount from line 52												- 73
Line 72 minus line 73 (if negative, enter "0")												Unused amount 74