

SCHEDULE

FORMULA 1 (Subsection 13(2))

New investment credit = (.05 x I) - A

In this formula

I is the total amount invested by the operator in depreciable assets after December 31, 1978 and before January 1, 1988

(i) in the construction and equipping of new mining or processing structures or facilities in Manitoba,

(ii) in the major expansion or modernization of mining or processing structures or facilities in Manitoba that is undertaken for the purpose of increasing the potential production of the structures or facilities or diversifying the production of the structures or facilities and that is declared by the Lieutenant Governor in Council to be an approved expansion or modernization expenditure for the purposes of this Formula, and

(iii) in the major alteration, addition or renovation to mining or processing structures or facilities in Manitoba for the purpose in meeting standards imposed under, and with which the operator is required to comply by reason of, *The Environment Act*, *The Workplace Safety and Health Act* or the *Fisheries Act* (Canada) or any regulation made under any of those Acts and that is declared by the Lieutenant Governor in Council to be an approved alteration, addition or renovation expenditure for the purposes of this Formula,

but does not include any amount expended for ordinary on-going maintenance or replacement of any structure or facility or for feasibility studies or other intangible assets where the project is not proceeded with as recommended in those studies; and

A is the amount of new investment credit calculated under this Formula for the purposes of a previous fiscal year and deducted from the tax payable by the operator for any previous fiscal year.

S.M. 1988-89, c. 19, s. 45; S.M. 1989-90, c. 90, s. 27; S.M. 1994, c. 23, s. 24.

SCHEDULE

FORMULA 1.1 (Subsection 13(2))

$$\text{New investment credit} = (.07 \times I) - A$$

In this formula

I is the total amount invested by the operator in depreciable assets after April 20, 1994 and before January 1, 2004

(i) in the construction and equipping of new mines,

(ii) in the construction and equipping of processing structures or facilities in Manitoba where that stage of processing was not previously performed on that site, and

(iii) in the major expansion or modernization of mining or processing structures or facilities in Manitoba that is undertaken for the purpose of increasing the potential production of the structures or facilities or diversifying the production of the structures or facilities and that is declared by the Lieutenant Governor in Council to be an approved expansion or modernization expenditure for the purposes of this Formula,

but does not include any amount expended for ordinary on-going maintenance or replacement of any structure or facility or for feasibility studies or other intangible assets where the project is not proceeded with as recommended in those studies; and

A is the amount of new investment credit calculated under this Formula for the purposes of a previous fiscal year and deducted from the tax payable by the operator for any previous fiscal year.

S.M. 1994, c. 23, s. 24.

FORMULA 2 (Sec. 4)

$$\text{Profit for fiscal year} = R - E$$

In this formula

R is the total of

(a) the revenues of the operator in the fiscal year from the sale or disposal of mineral products that were mined within Manitoba, whether or not the output has been partially processed outside Manitoba; and

(b) the revenues of the operator in the fiscal year as a result of the custom processing in Manitoba of mineral products originating from ore mined in Manitoba; and

(c) the revenues from custom mining with respect to which expenses are deducted under subsection 7(1) of the Act; and

E is the total of all expenses, payments and allowances that may be deducted as determined in accordance with sections 7 to 12.

S.M. 1989-90, c. 15, s. 53.

FORMULA 3
(Clause 10(3)(a))

Allowance in fiscal year for processing minerals or mineral products in Manitoba = $M / N \times Q \times .08$

In this formula

- M is the quantity of the mineral bearing substances mined in Manitoba that were processed in each stage of processing by processing assets of the operator in the fiscal year;
- N is the total quantity of mineral bearing substances from all sources that were processed in each stage of processing by processing assets of the operator in the fiscal year; and
- Q is the original cost of the processing assets of the operator actually used in each of the stages of processing in the fiscal year in processing the output of the mine less all amounts, with respect to the purchase of processing assets, deducted by the operator under subsection 13(2) from the tax payable in any previous fiscal year.

S.M. 1994, c. 23, s. 24.

FORMULA 4
(Subsec. 10(6))

Allowance in fiscal year for profit earned from processing outside Manitoba = $O \times M / N \times .08$

In this formula

- O is the original cost of the assets of the operator that are located outside Manitoba, that, if they were located within Manitoba, would be processing assets of the operator and that were used in the fiscal year for which the allowance is being calculated by use of the formula, for processing minerals or mineral products mined in Manitoba less all depreciation charged to those assets as shown in the books of the operator for the purposes of preparing financial statements for the shareholders of the operator up to the end of the fiscal year immediately preceding the fiscal year for which the allowance is being calculated by use of the formula;
- M is the quantity of mineral bearing substances mined in Manitoba that were processed by those assets in the fiscal year; and
- N is the total quantity of mineral bearing substances from all sources that was processed by those assets in the fiscal year.

S.M. 1989-90, c. 15, s. 53.

FORMULA 5
(Section 4.1)

$$\text{Tax holiday pool} = H + A - D - P - N$$

In this formula

- H is the balance of the tax holiday pool of the operator relating to a new mine at the end of the previous fiscal year;
- A is the expenditures incurred after March 11, 1992 and prior to the new mine achieving production in reasonable commercial quantities, for the acquisition of depreciable assets, including processing assets, of the new mine in the current fiscal year, in accordance with the Act;
- D is the proceeds of disposal for depreciable assets, including processing assets, of the new mine in the current fiscal year, in accordance with the Act;
- P is the new mine profit, before depreciation allowance, earned by the operator in the current fiscal year, in accordance with subsection 4.1(1); and
- N is the new investment credit, relating to assets referred to in A, calculated in accordance with Formula 1.1.

S.M. 1992, c. 52, s. 48; S.M. 1994, c. 23, s. 24.

FORMULA 6
(Subsection 4.1(3))

$$\text{Tax holiday profit in the fiscal year the new mine tax holiday period ends} = (H + A - D - N) / P \times Q$$

In this formula

- H is the balance of the tax holiday pool of the operator relating to a new mine at the end of the previous fiscal year;
- A is the expenditures incurred after March 11, 1992 and prior to the new mine achieving production in reasonable commercial quantities, for the acquisition of depreciable assets, including processing assets, of the new mine in the current fiscal year, in accordance with the Act;
- D is the proceeds of disposal for depreciable assets, including processing assets, of the new mine in the current fiscal year, in accordance with the Act;
- P is the new mine profit, before depreciation allowance, earned by the operator in the current fiscal year, in accordance with subsection 4.1(1);
- Q is the new mine profit, after depreciation allowance, earned by the operator in the current fiscal year, in accordance with subsection 4.1(1); and
- N is the new investment credit, relating to assets referred to in A, calculated in accordance with Formula 1.1.

S.M. 1992, c. 52, s. 48; S.M. 1994, c. 23, s. 24.

FORMULA 7
(Clause 10(3)(b))

Additional allowance in fiscal year for processing minerals or mineral products in Manitoba =
 $M / N \times Q \times .1$

In this formula

M is the quantity of the mineral bearing substances mined in Manitoba that were processed in each stage of processing by processing assets of the operator as referred to in **Q** in the fiscal year;

N is the total quantity of mineral bearing substances from all sources that were processed in each stage of processing by processing assets of the operator as referred to in **Q** in the fiscal year; and

Q is the original cost of the processing assets invested by the operator after April 20, 1994

(i) in the construction and equipping of new mines,

(ii) in the construction and equipping of processing structures or facilities in Manitoba where that stage of processing was not previously performed on that site, and

(iii) in the major expansion or modernization of processing structures or facilities in Manitoba that is undertaken for the purpose of increasing the potential production of the structures or facilities or diversifying the production of the structures or facilities and that is declared by the Lieutenant Governor in Council to be an approved expansion or modernization expenditure for the purposes of this Formula,

that are actually used in each of the stages of processing in the fiscal year in processing the output of the mine less all amounts, with respect to the purchase of processing assets, deducted by the operator under subsection 13(2) from the tax payable in any previous fiscal year.

S.M. 1994, c. 23, s. 24.