

DIVISION C DEDUCTIONS FOR CORPORATIONS

1. Dividends from Canadian Resident Corporations
2. Donations to Registered Charities (maximum of 75% of Division B Income)
3. Net Capital Loss Carryovers (3 years back; unlimited years forward)
4. Non Capital Loss Carryovers (3 years back; 20 years forward)

Dividends from Canadian Resident Corporations

- Dividends received from Canadian Resident Corporations are tax free
- This division C ensures that corporations are not double taxed

Donations

- Donations are claimed as a division C deduction for corporations (rather than a credit)
- The maximum donations that can be deducted is limited to 75% of division B income
- Unused Donations can be carried forward for 5 years