

Tax Credit to Support Print Media Companies

Qualified corporation

Form CO-1029.8.36.PS must be completed by any corporation that wishes to claim the tax credit to support print media companies.

To qualify for the tax credit, the corporation must meet the following conditions:

- The corporation is not exempt from income tax (or, the corporation is exempt from income tax because it is recognized as a registered journalism organization and its taxation year begins after December 31, 2019).
- The corporation is not a Crown corporation or a subsidiary controlled by a Crown corporation.
- The corporation carries on a business in Québec and has an establishment there.
- The corporation holds a qualification certificate issued by Investissement Québec for the taxation year confirming that it produced and distributed print media (original written information content in the form of a print publication, an information website or a mobile application dedicated to information).
- The corporation incurred qualified salary or wages after December 31, 2018, for eligible employees **or** it owns a qualified subsidiary¹ that incurred such salary or wages for work done in the period, included in the corporation's taxation year, that began after December 31, 2018, and ended before January 1, 2020.
- The corporation does not hold a licence to carry on a broadcasting undertaking within the meaning of the *Broadcasting Act*.

If the corporation is a member of a partnership that meets the above conditions, it can claim the tax credit as a member of a qualified partnership. In that case, enter the partnership's information in parts 2, 3 and 4 of form CO-1029.8.36.PS and then determine the corporation's share in part 5.

Eligible employee

To be eligible, an employee must meet the following conditions:

- The employee is an employee of the qualified corporation, partnership or subsidiary.²
- During the taxation year or fiscal period, the employee reports for work at an establishment of the corporation, partnership or subsidiary located in Québec.³
- The employee is not an excluded employee.⁴
- Investissement Québec issued the qualified corporation or partnership a qualification certificate for the employee for all or part of the taxation year or fiscal period.

Important

- Complete parts 2 and 3 on a separate copy of form CO-1029.8.36.PS for each eligible employee of the qualified corporation, partnership or subsidiary for whom the corporation is claiming the tax credit. Complete parts 4, 5 and 6 on a single copy of that form for all eligible employees.
- Complete separate copies of form CO-1029.8.36.PS if the qualified corporation is claiming the tax credit as a corporation and as a member of a qualified partnership.
- You must enclose all copies of form CO-1029.8.36.PS with the *Déclaration de revenus des sociétés* (form CO-17), along with copies of any qualification certificates that Investissement Québec issued the qualified corporation, partnership or employee. Send us the documents by the later of:
 - the date that is 12 months after the deadline for filing form CO-17 for the taxation year covered by form CO-1029.8.36.PS;
 - the date that is 12 months after December 16, 2019;
 - the date that is three months after the date the certificate needed to claim the tax credit for the taxation year was issued.⁵
- If the corporation was required to make instalment payments for the taxation year covered by form CO-1029.8.36.PS, the tax credit will be used to reduce the amount of the instalments.
- For more information, see sections 1029.8.36.0.3.109 to 1029.8.36.0.3.119 of the *Taxation Act*.

1 Information about the corporation

Québec enterprise number (NEQ)	Identification number	File
01a: [REDACTED]	01b: [REDACTED]	IC 0001
Name of corporation	End date of fiscal period	
02: [REDACTED]	05: [REDACTED]	
	Y Y Y Y M M D D	

2 Qualified salary or wages

Complete part 2 of form CO-1029.8.36.PS for each eligible employee of the qualified corporation, partnership or subsidiary.

2.1 Information about the employee

Name of employee Social insurance number
 06 [REDACTED] 06a [REDACTED]

Qualification certificate that Investissement Québec issued to the employee

Date of issue Number of certificate
 07 [REDACTED] 07a [REDACTED]

Y Y Y Y M M D D

Period covered by the certificate: from 07b [REDACTED] to 07c [REDACTED]

Y Y Y Y M M D D

Y Y Y Y M M D D

2.2 Qualified salary or wages

Qualified salary or wages incurred for and paid to an employee for all or part of the qualified corporation's taxation year or the qualified partnership's fiscal year during which the employee was considered an eligible employee of:

- the corporation or partnership;
- the qualified subsidiary.⁶

Assistance,⁷ benefit or advantage⁸ related to the amount on line 10 of form CO-1029.8.36.PS

Subtract line 11 from line 10.

10 [REDACTED]

11 [REDACTED]

12 [REDACTED]

Annual limit. Enter \$75,000.

15 [REDACTED]

Enter one of the following numbers:

- the number of days after December 31, 2018, in the taxation year of the qualified corporation or in the fiscal year of the qualified partnership during which the employee is considered to be an eligible employee of the corporation or partnership;
- the number of days, after December 31, 2018, but before January 1, 2020, in the taxation year of the qualified corporation or in the fiscal year of the qualified partnership during which the employee is considered to be an eligible employee of the qualified subsidiary.

16 [REDACTED]

÷ 17 [REDACTED]

= [REDACTED]

365

Divide line 16 by 365.

Multiply line 15 by line 18.

18 [REDACTED]

19 [REDACTED]

Annual limit =

Enter the amount from line 12 or line 19, whichever is less.

Qualified salary or wages

20 S [REDACTED]

3 Reduction of qualified salary or wages that may give rise to more than one tax credit

Complete part 3 of form CO-1029.8.36.PS if the corporation has received another tax credit for part of the qualified salary or wages that were incurred in the period concerned and paid to the eligible employee (line 10), or if a person or a member of a partnership other than the qualified corporation may be entitled to a tax credit for all or part of the salary or wages.

3.1 Salary or wages that gave or could give entitlement to another tax credit

Part of the amount on line 10 for which the qualified corporation received another tax credit⁹

All or part of the amount on line 10 that may give a person or a member of a partnership other than the qualified corporation entitlement to a tax credit¹⁰

Add lines 21 and 22.

Salary or wages that gave or could give entitlement to another tax credit =

21 [REDACTED]

22 [REDACTED]

23 [REDACTED]

3.2 Reduced qualified salary or wages

Amount from line 10 Amount from line 23
 24a [REDACTED] – 24b [REDACTED] × 24c [REDACTED] ▶ 25 S.1 [REDACTED]

24d [REDACTED]
Amount from line 10

Reduced qualified salary or wages

4 Total qualified salaries and wages

Complete parts 4, 5 and 6 on a single copy of form CO-1029.8.36.PS for all eligible employees.

In the table, enter the name of each eligible employee and amount S or S.1 calculated for each employee. If you need more space, attach an additional copy of form CO-1029.8.36.PS.

Name of employee		Amount S or S.1	
		28	
		+ 29	
		+ 30	
		+ 31	
		+ 32	
		+ 33	
		+ 34	
		+ 35	
		+ 36	
		+ 37	
Add lines 28 through 37 of each copy of form CO-1029.8.36.PS that you completed.		Total qualified salaries and wages =	38 A

5 Corporation that is a member of a partnership

Complete part 5 of form CO-1029.8.36.PS only if the corporation is a member of a qualified partnership.

If the corporation is directly a member of the qualified partnership, provide information about the partnership on line 45, enter the corporation's percentage interest¹¹ in the partnership on line 46, then complete lines 47 and 49.

If the corporation is a member of an interposed partnership that is a member of the qualified partnership, provide information about the two partnerships on lines 44 and 45. If there is more than one interposed partnership, provide information about all the interposed partnerships. If there are more than three interposed partnerships, complete and enclose an additional copy of form CO-1029.8.36.PS. Then, complete lines 46, 47 and 49.¹²

	A Name of partnership	B Québec enterprise number (NEQ)	C Identification number	D End date of fiscal period	E Percentage interest
				Y Y Y Y M M D D	
44	1. Interposed partnership				%
	2. Interposed partnership				%
	3. Interposed partnership				%
45	Qualified partnership				%

Multiply the percentages in column E. If you completed more than one copy of form CO-1029.8.36.PS, multiply the percentage interests of all interposed partnerships on all copies of the form completed. Multiply the result by the qualified partnership's percentage interest.

Corporation's percentage interest in the qualified partnership		46	
Amount A calculated for the partnership	×	47	
Corporation's share of the qualified salaries and wages incurred by the qualified partnership		49 H	

6 Tax credit to support print media companies

Qualified salaries and wages (amount A or H)

Tax credit rate. Enter 35%.	×	54	
Multiply line 54 by line 55.		55	
	=	56	
Tax credit respecting assistance, a benefit or an advantage that is related to qualified salaries and wages paid in a previous taxation year and was repaid in the taxation year ¹³	+	57	
Add lines 56 and 57. Carry amount V (or the total of amounts V) to one of lines 440p through 440y of form CO-17, <i>Déclaration de revenus des sociétés</i> , and enter code 108 in the box provided for that purpose.		58 V	

Special tax

If, in a future taxation year, you realize that the corporation should not have received all or part of the tax credit, the corporation must, by means of a special tax, repay the excess amount received. When completing form CO-17 for the year in question, enter the excess amount and code 96 in the spaces provided on the form for that purpose.

Notes

1. For a taxation year, a “qualified subsidiary” of a qualified corporation is a corporation (other than an excluded subsidiary) all of whose shares in each class of capital stock is owned by the qualified corporation throughout the taxation year.

For a taxation year, an “excluded subsidiary” is a corporation that:

- is exempt from income tax for the taxation year;
- in the taxation year, holds a licence to carry on a broadcasting undertaking within the meaning of the *Broadcasting Act*;
- in the taxation year, provided services or sold goods to partnerships or persons other than the qualified corporation of which it is an excluded subsidiary.

These conditions also apply to a subsidiary of a partnership.

2. See note 1.
3. If an employee reports to work at an establishment of the qualified corporation located in Québec **and** at an establishment of the corporation located outside Québec, the employee is deemed to report for work only at the establishment located in Québec, unless the employee mainly reports for work at the establishment located outside Québec. In this case, the employee is deemed to report for work only at that establishment.

If an employee reports to work at an establishment of the qualified corporation located in Canada but outside Québec, the employee can be deemed to be an eligible employee for all or part of a taxation year if the number of eligible employees who report for work at an establishment of the qualified corporation located in Québec for the taxation year represents 75% or more of the total number of eligible employees of the corporation for the taxation year.

These conditions also apply to a qualified partnership or subsidiary.

4. An excluded employee is:
 - a specified shareholder of a corporation (a taxpayer who owns, directly or indirectly at a given time in the taxation year, 10% or more of the issued shares of any class of the capital stock of the corporation or any other related corporation);
 - a specified member of a cooperative (a member having, directly or indirectly at a given time in the taxation year, at least 10% of the votes at a meeting of the members of the cooperative);
 - an employee who is either a member of the partnership or an employee not dealing at arm’s length with the member of the partnership, or a specified shareholder or specified member of that member.
5. If the prescribed form is sent to us within the time allowed (12 or three months, as the case may be) and any certificate required to claim the tax credit has been duly obtained from Investissement Québec, the application for the tax credit will be accepted, even if the copy of the certificate is sent to us after the time allowed for filing the prescribed form. However, your application will not be processed until we receive a copy of the certificate. For more information, contact us.
6. The tax credit can be claimed for the consideration that the qualified corporation or partnership paid to its qualified subsidiary for work that:
 - was done in the period, included in the corporation’s taxation year or the partnership’s fiscal period, that began after December 31, 2018, and ended before January 1, 2020;
 - relates to information technology activities involving the production of original written information content for distribution in an eligible media of the corporation or partnership, or the distribution of such content;
 - was carried out in the taxation year of the corporation or the fiscal period of the partnership.

On line 10 of form CO-1029.8.36.PS, enter the part of the consideration that can reasonably be attributed to the salary or wages the qualified subsidiary incurred and paid to the eligible employee.

7. “Assistance” refers to both government and non-government assistance that the qualified corporation received, is entitled to receive or may reasonably expect to receive within six months after the end of the year covered by form CO-1029.8.36.PS. It does not refer to amounts received and repaid in the year covered by the form. The term is defined in section 1029.6.0.0.1 of the *Taxation Act*. This definition also applies to partnerships.

Note that the federal refundable labour tax credit for qualified journalism organizations is not considered government assistance for the purposes of the tax credit to support print media companies.

8. “Benefit” or “advantage” refers to any benefit or advantage that a person or partnership obtained, is entitled to obtain or may reasonably expect to obtain within six months after the end of the year covered by form CO-1029.8.36.PS. Amounts received and repaid in the year covered by the form do not constitute benefits or advantages. A benefit or advantage may be a reimbursement, compensation or guarantee, or the proceeds of disposition of property that exceed the fair market value of the property disposed of. It may also be granted in any other form or manner. This definition also applies to partnerships.
9. This is the part of the salary or wages paid to an eligible employee that, under section 1029.6.0.1.2.3 of the *Taxation Act*, is attributable to the period covered by the corporation’s qualification certificate and is related to an eligible activity.
10. This is all or a part of the salary or wages entered on line 10 of form CO-1029.8.36.PS that relate to an expense or fees paid to the qualified corporation by a person or partnership under a contract and that could give the person or a member of the partnership entitlement to a tax credit. For more information, see sections 1029.6.0.1 and 1029.6.0.1.2.1 to 1029.6.0.1.2.3 of the *Taxation Act*.
11. To calculate the corporation’s percentage interest in the partnership, divide the corporation’s share of the partnership’s income (or loss) for its fiscal period by the partnership’s income (or loss) for its fiscal period. If the partnership has no income or loss for its fiscal period, do the calculation as if the partnership had income of \$1 million.
12. If the corporation is a member of a qualified partnership through a number of groups of interposed partnerships, calculate the corporation’s percentage interest in the qualified partnership separately for each group, and complete form CO-1029.8.36.PS as follows:
 - On line 44 (columns A to E), enter the required information about all the interposed partnerships in each group.
 - On line 45 (columns A to D), enter the required information about the qualified partnership.
 - On line 46, enter the corporation’s total percentage interest in the qualified partnership (the sum of the corporation’s percentage interests in the qualified partnership, calculated for each group).
 - Complete lines 47 and 49.
13. To determine the amount to be entered on line 57 (if any), you must recalculate the tax credit for the previous year (amount V) as if the corporation had not received, during that previous year, the assistance, benefit or advantage repaid in the year concerned. You must therefore redo the tax credit calculations you did on the copy of form CO-1029.8.36.PS completed for the previous taxation year. The amount to be entered is the amount by which the recalculated tax credit exceeds the tax credit for the previous year.