

# Tax and Revenue Administration (TRA)

## *Alberta Corporate Tax Act*

### Special Notice Vol. 5 No. 50

## Community Economic Development Corporation Tax Credit

Last updated: October 31, 2018

---

*NOTE: This special notice is intended to explain legislation and provide specific information. Every effort has been made to ensure the contents are accurate. However, if a discrepancy should occur in interpretation between this special notice and governing legislation, the legislation takes precedence.*

## **Community Economic Development Corporation Tax Credit**

The Community Economic Development Corporation Tax Credits Regulation (the Regulation) under the *Investing in a Diversified Alberta Economy Act* (the Act) came into force effective August 1, 2018. The Regulation provides additional details in respect of the Community Economic Development Corporation Tax Credit (CEDC Tax Credit) established under Division 2 of Part 1 of the Act as part of the Alberta Investor Tax Credit (AITC) program. Like other AITCs, section 25.01 of the *Alberta Corporate Tax Act* applies to the new CEDC Tax Credit to be claimed by corporations.

The application process for the CEDC Tax Credit is administered by Alberta Economic Development and Trade, which will issue to eligible applicants certificates indicating the amount of the respective CEDC Tax Credit to which the corporation may claim.

Deduction of the CEDC Tax Credit from Alberta corporate tax payable will follow the same process as for other AITCs. Corporations may deduct the CEDC Tax Credit from tax payable in the taxation year in which the respective investment was made, to a maximum of tax payable calculated before deducting the credit. In general, the CEDC Tax Credit is the total of all amounts shown on CEDC Tax Credit certificates issued to the corporation for purchases of shares of a community economic development corporation made during the taxation year.

In the event a corporation is entitled to both a CEDC Tax Credit (or other AITC) and a Capital Investment Tax Credit (CITC) in the same taxation year, the CEDC Tax Credit and

---

**TAX AND REVENUE ADMINISTRATION**  
9811 - 109 STREET, EDMONTON AB T5K 2L5

- Email: [TRA.Revenue@gov.ab.ca](mailto:TRA.Revenue@gov.ab.ca)
- Website: [tra.alberta.ca](http://tra.alberta.ca)
- Phone: 780-427-3044
- Fax: 780-427-0348

Note: for toll-free service in Alberta, call 310-0000, then enter the number.



other AITCs must be deducted from tax payable before the CITC is deducted. Unused CEDC Tax Credits and other unused AITCs may be carried forward four taxation years (whereas unused CITC may be carried forward 10 taxation years).

Like other AITCs, the amount of CEDC Tax Credit that a corporation may deduct from tax payable is calculated on AT1 Schedule 3, *Alberta Other Tax Deductions and Credits*, and reported on line 076 of Form AT1, *Alberta Corporate Income Tax Return*. Form AT1 and AT1 Schedule 3 are available on the [Corporate Income Tax](#) page of the Government of Alberta website. Claimants should not claim the CEDC Tax Credit until the respective certificate has been issued by the Minister of Economic Development and Trade. Claimants are not required to file the certificate along with Form AT1 and AT1 Schedule 3, but should be prepared to provide a copy of the certificate upon the request of Tax and Revenue Administration.

## Additional Information

For additional information on the CEDC Tax Credit, please refer to the information provided on the Corporate Tax and Incentives page of the Government of Alberta website at: <https://www.alberta.ca/community-economic-development-corporation-tax-credit.aspx>.

## Contact Information and Useful Links

<b>Contact Tax and Revenue Administration (TRA):</b>	Email: <a href="mailto:TRA.Revenue@gov.ab.ca">TRA.Revenue@gov.ab.ca</a>
<b>Visit our website:</b>	<a href="http://tra.alberta.ca">tra.alberta.ca</a>
<b>Subscribe to receive email updates:</b>	<a href="http://tra.alberta.ca/subscribe.html">tra.alberta.ca/subscribe.html</a>
<b>TRA Client Self-Service (TRACS):</b>	<a href="http://tra.alberta.ca/tracs">tra.alberta.ca/tracs</a>