

Alberta Corporate Income Tax

Filing Exemption Checklist

Requirement to File the AT1 Return

A corporation with a permanent establishment in Alberta at any time during a taxation year is required to file an Alberta Corporate Income Tax Return (AT1) for the taxation year unless the corporation is exempt from doing so.

Filing Exemptions

Notwithstanding the general requirement to file an AT1, the following corporations are not required to file an AT1:

- A corporation that is a registered charity throughout the taxation year.
- A corporation that by virtue of the application of section 35 of the *Alberta Corporate Tax Act* has no tax payable for the taxation year.
- A corporation that meets all of the following criteria:
 - ☐ is a Canadian-controlled private corporation throughout the taxation year,
 - ☐ has no permanent establishment outside Alberta at any time during the taxation year,
 - ☐ has no taxable income for the taxation year before the application of a loss for a subsequent taxation year,
 - ☐ has no taxable income for the taxation year before excluding an amount resulting from the exercise of an option in a subsequent taxation year,
 - ☐ is not entitled to a refund of any overpayment for the taxation year,
 - ☐ has gross revenue not exceeding \$500,000 as disclosed in its financial statements prepared for the taxation year,
 - ☐ files a federal T2 Corporation Income Tax Return, and
 - ☐ had discretionary tax account balances (for example, undepreciated capital cost, reserves, losses) that were the same for Alberta tax purposes as they were for federal tax purposes.

A corporation is not exempt from filing an AT1 if it claims an agri-processing investment tax credit, Alberta qualifying environmental trust tax credit, the Alberta investor tax credit, the capital investment tax credit, film and television tax credit, or innovation employment grant for the taxation year. A corporation must file an AT1 to claim one of these tax credits notwithstanding it may meet all other exemption criteria.

If a corporation is required to file an AT1, it must do so within six months from the end of the respective taxation year. An AT1 is considered filed on the date it is received by TRA. A corporation is required to file its AT1 electronically using Alberta's Net File service, unless the corporation is an insurance corporation, a non-resident corporation, or reports in functional currency.

If a corporation believed it was exempt from filing an AT1 but, within the normal reassessment period, determined that it was not exempt, the corporation must file the respective AT1 within 90 days from the later of the date of the determination of the requirement to file and the AT1 filing deadline.

Visit alberta.ca/corporate-income-tax for more information.