REVENU QUÉBEC

Courtesy Translation

Corporations established in Québec are required to communicate with Revenu Québec in French.
For this reason, Revenu Québec does not produce an English version of the forms to be used by corporations.
However, Revenu Québec provides translations of the content of the forms for information purposes.

Capital Cost Allowance

Form CO-130.A is for use by any corporation that can deduct amounts as capital cost allowance in the calculation of its business or property income for a taxation year. Form CO-130.A must be enclosed with form CO-17, *Déclaration de revenus des sociétés*. Attach another copy of this form if more space is needed. For more information, refer to section 130 of the *Taxation Act*, or sections 130R1 and following of, and Schedule B to, the *Regulation respecting the Taxation Act.*

Information about the corporation

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

Capital cost allowance (CCA) table (see the instructions for completing the table on the following pages)

20	**Column A**	Property class number (for example, 10.1)
	Column B	Undepreciated capital cost (UCC) at the beginning of the taxation year
	Column C	Cost of acquisitions or additions during the taxation year
	Column D	Adjustments (negative amounts must be preceded by a minus (–) sign)
	Column E	Proceeds of disposition during the taxation year
	Column F	UCC before the reduction: col. B + col. C ± col. D – col. E
	Column G	Reduction: (col. C ± col. D – col. E) ÷ 2. If the result is negative, enter 0.
	Column H	UCC after the reduction: col. F – col. G
	Column I	Rate (%)
	Column J	CCA (must not exceed col. H x col. I)
	Column K	UCC at the end of the taxation year: col. F – col. J
21	**Total***	

* Enter on line 21 the total amount of lines 1 through 16 of each completed copy of form CO-130.A.

Instructions for completing the table

Column A

Depreciable property must be grouped in classes. Use a separate line for each class. A separate class must be created for each business of a corporation that earns or derives income from property of a same class.

Column B

For each class, enter the amount from the last column of the CCA table of the CO-130.A form for the previous taxation year.

Column C

For each class of property, enter the capital cost of depreciable property acquired during the taxation year and available for use. Also enter the cost of property acquired in previous taxation years that was available for use only during the current taxation year (such property was excluded in previous taxation years because it was not available for use). There are special rules that reduce the capital cost of certain property.

Column D

Deduct the amount of any assistance received, tax credit granted or input tax refund (ITR) claimed during the taxation year. Add the amount of any assistance, tax credit or ITR already deducted that the corporation repaid (or is deemed to have repaid) during the taxation year.

Column E

Determine the net proceeds of disposition for each property disposed of. The net proceeds correspond to either the capital cost of the property disposed of or the proceeds of disposition minus any expenses incurred for the disposition, whichever is less. Enter the total net proceeds of disposition by class of property.

Column F

If an amount entered in column F is negative, or is positive and there is no property of the same class left at the end of the taxation year, enter 0 on the corresponding line of column K and follow the instructions in the section entitled "Recapture of capital cost allowance and terminal loss."

Column G

Under the half-year rule, you must reduce by half the amount by which the net cost of acquisitions or additions exceeds the proceeds of disposition (col. C ± col. D – col. E) to which the corporation would normally be entitled for the taxation year in which the property was acquired and available for use. The half-year rule does not apply in certain specific cases.

Column I

The rate determined for each class is given in the table entitled "CCA rate, by class of property."

Column J

Enter the total of column J on line 107 of form CO-17.A.1, *Revenu net fiscal*. Generally, where a corporation's taxation year is less than 12 months, the maximum amount allowable must be multiplied by the number of days in the taxation year, and the result divided by 365.

Recapture of capital cost allowance and terminal loss

If an amount in column F is negative, it is a recapture of capital cost allowance (CCA). You must enter 0 on the corresponding line of column K, then add all the negative amounts of column F and enter the result on line 55 of form CO-17.A.1. This amount must be added to the corporation's income.

If an amount in column F is positive and there is no more property of the same class at the end of the taxation year, it is a terminal loss. You must enter 0 in column K and then add all positive amounts and enter the result on line 119 of form CO-17.A.1. This amount is deducted from the corporation's income.

There can be no recapture of CCA nor can there be a terminal loss for class 10.1 property.

Special cases

The following section describes features specific to certain classes of property.

Class 1 (Non-residential buildings)

The CCA rate applied to non-residential buildings in Canada used in the manufacturing or processing of goods for sale or rental is 10%. The CCA rate for other non-residential buildings in this class is 6%. To qualify for these CCA rates, at least 90% of the building's surface area (in square feet) must be used for manufacturing or processing purposes, or for non-residential purposes (as applicable).

In addition, the building must
- have been acquired after March 18, 2007; and
- be included in a separate class.

For the taxation year in which property is acquired and available for use, the maximum amount of CCA must be reduced by half.

Classes 1, 3 and 6 (Rental buildings)

The CCA claimed on a class 1, class 3 or class 6 rental building cannot create or increase a rental loss, unless the rental building is held by a corporation whose principal activity is the rental, sale or operation of rental buildings, or any combination of those activities.

If the capital cost of a rental building is $50,000 or more, it must be included in a separate class.

Classes 8 and 10 (Office equipment)

An election may be made to include certain class 8 or class 10 property, such as photocopiers, fax machines and telephone equipment that cost more than $400, in a separate class. The half-year rule does not apply to such property.

Classes 8, 10 and 30 (Set-top boxes)

Class 8 includes satellite set-top boxes acquired before March 5, 2010. The CCA rate for class 8 property is 20%.

Class 10 includes cable set-top boxes acquired before March 5, 2010. The CCA rate for class 10 property is 30%.

Class 30 includes satellite and cable set-top boxes acquired after March 4, 2010. The CCA rate for class 30 property is 40%.

Classes 10, 50 and 52 (Computer equipment)

Class 10 includes general-purpose electronic data processing equipment (computers), systems software and ancillary data processing equipment, unless they are included in class 50 or class 52.

Class 50 includes computer equipment acquired after March 18, 2007, but before January 28, 2009. The CCA rate for class 50 property is 55%.

Class 52, for which the CCA rate is 100%, includes computer equipment acquired after January 27, 2009, but before February 1, 2011, where the following conditions are met:
- the equipment is located in Canada;
- the equipment was acquired by the corporation and is used by the corporation for the purpose of carrying on a business in Canada or earning income from property situated in Canada, or the equipment is leased by the corporation to a lessee for the purpose of carrying on a business in Canada or earning income from property situated in Canada;
- the equipment was new when acquired and was not acquired for any purpose other than the ones indicated in the bullet above.

Class 52 also includes computer equipment that would otherwise be included in class 29, to the extent that such equipment meets all the conditions for inclusion in class 52. The half-year rule does not apply to class 52 property.

Class 10.1 (Automobiles)

If the capital cost of a passenger vehicle (motor vehicle designed to transport a maximum of nine passengers) acquired after December 31, 2000, exceeds $30,000 (before taxes), the vehicle is to be included in class 10.1 rather than in class 10. Each passenger vehicle must be included in a separate class.

There is no CCA recapture or terminal loss on the disposition of a vehicle. However, a corporation can claim half the CCA, as though the vehicle had not been disposed of in the year.

Class 13 (Leasehold improvements)

The capital cost of leasehold improvements incurred in a year for leased property is considered a unit of capital cost. The capital cost incurred in a subsequent year for the same property represents another unit of capital cost. Each unit requires a separate CCA calculation. A separate calculation must also be made for costs incurred in a same year for each distinct property.

For each unit of capital cost, the maximum amount of CCA for a year corresponds to one of the following amounts, whichever is less:
- 1/5 of the unit of capital cost; or
- the unit of capital cost divided by the number of 12-month periods (not exceeding 40 periods) included between the start of the year in which the capital cost was incurred and the day on which the lease is to end (or, if the lessee can renew the lease, the day on which the first renewal must end).

Note that for the taxation year in which the property is acquired and available for use, the maximum amount of CCA must be reduced by half.

The maximum amount of CCA for all leasehold interests cannot exceed the UCC for the class.

Class 18 (Heavy road vehicles used to transport freight)

The CCA rate for trucks or tractors designed and used primarily for hauling freight is 60%, **provided they were new at the time of acquisition by the corporation and were acquired after March 30, 2010**. The gross vehicle weight rating of each vehicle must exceed 11,788 kilograms. The 60% CCA rate also applies to additions and modifications made to such vehicles so that they can run on liquefied natural gas (LNG). Note that for the taxation year in which a vehicle is acquired and available for use, the maximum amount of CCA must be reduced by half.

An additional deduction applies to any new truck or tractor designed for hauling freight acquired after March 30, 2010, but before January 1, 2016, provided that it runs on LNG, or that additions or modifications are made to it within 12 months of its acquisition to enable it to run on LNG. The deduction also applies to such additions or modifications. The additional deduction is equal to 85% of the CCA deducted in calculating the corporation's income for the year (line 127 of form CO-17.A.1). All of a corporation's property to which this additional deduction applies is included in a separate class.

Classes 14 and 44 (Patents and concessions)

Class 14 includes patents, concessions and licences of limited duration, unless the property is included in class 44. The straight-line depreciation method is used. The half-year rule does not apply to property in this class.

Class 44 includes patents of limited or unlimited duration. The CCA rate for class 44 property is 25%.

Class 29 (Property used in manufacturing and processing)

Class 29 includes machinery and equipment used primarily for manufacturing and processing purposes that are normally included in class 43 and that are acquired after March 18, 2007, but before 2014. The straight-line depreciation method is used. The CCA rate is 50%.

Note that for the taxation year in which the property is acquired and available for use, the maximum amount of CCA must be reduced by half.

CCA rate, by class of property

The following table contains the CCA rate determined for each class of property.

Class	Rate (%)	Class	Rate (%)	Class	Rate (%)	52Class	Rate (%)
1	4	10.1	30	30	40	43	30
2	6	11	35	31	5	43.1	30
3	5	12	100	32	10	43.2	50
4	6	16	40	33	15	44	25
5	10	17	8	35	7	45	45
6	10	18	60	37	15	46	30
7	15	22	50	38	30	47	8
8	20	23	100	39	25	48	15
8.1	33 1/3	25	100	40	30	49	8
9	25	26	5	41	25	50	55
10	30	28	30	42	12	51	6
						52	100

The straight-line depreciation method is used with the following classes of property: 13, 14, 15, 19, 20, 21, 24, 27, 29 and 34. The CCA rate for class 36 property is 0%.