

- (ii) the excess, if any, over the amount described in subparagraph (b) of the portion of its taxable income for the year, as determined for purposes of Part I of the said Act, that is attributable to its non-participating life insurance business in Canada,
- (d) amounts credited by it during the year to funds held by it in trust under a registered pension plan or a registered retirement savings plan,
- (e) that portion of dividends received by it from taxable Canadian corporations that is attributable to its life insurance business in Canada, and
- (f) the aggregate of the amounts paid or credited by it during the year as taxable proceeds of a life insurance policy or annuity contract

and that the portion of the investment income of a life insurance corporation that is attributable to its life insurance business in Canada shall be the income from its Canadian investment fund, and that a corporation's Canadian investment fund shall

- (g) in the case of a corporation resident in Canada, be the greater of that proportion of its total assets that the amount of its liabilities to Canadian policyholders, as determined by regulation, is of its total liabilities, as determined by regulation, or the assets which are, pursuant to a law of Canada or of a province, required to be kept in Canada, and
- (h) in the case of a corporation that is not resident in Canada, be the aggregate of
 - (i) the value of its assets that are, at January 1, 1969, required by a law of Canada or of a province to be kept in Canada and
 - (ii) the funds derived from its Canadian life insurance business after January 1, 1969,

minus

- (iii) amounts in respect of which the corporation has elected to pay the tax described in paragraph 11 of this resolution

but in no case shall the fund be less than the value of the assets which are, pursuant to a law of Canada or of a province, required to be kept in Canada.

8. That with effect January 1, 1969, the taxable income of a life insurance corporation (including a mutual corporation or fraternal benefit society) shall be the greater of its profit from carrying on business in Canada, less such deductions as are allowed under the said Act before the amendments proposed in this resolution in computing taxable income and, in addition, the following deductions,

- (a) such amounts as may be allowed by regulation on account of a reserve in respect of life insurance policies,
- (b) the amount payable by it for the year as an investment income tax, and