Agence des douanes et du revenu du Canada

EMPLOYEES' PENSION PLAN INCOME TAX RETURN

As a trustee of a trusteed pension plan or as a pension corporation that administers a pension plan, you have to complete this form every year. Complete all applicable schedules. Enter "Nil" in any area of a schedule that does not apply.

Custodial trustees, whose only function is to hold individual annuity contracts and who are not the trustees of a pension plan, should not complete this form.

When a trustee does not act as administrator of the pension plan, the trustee is still responsible for obtaining and reporting the required information on this form.

Attach a statement of the pension plan's assets and liabilities as at the end of the taxation year and a reconciliation of the year-end balance in the plan with that of the immediately preceding year. If the conditions outlined in the instructions to Schedule 3 are met, we will accept a completed Schedule 3 instead of these financial statements.

Send the completed return, along with the required financial statements, to the Ottawa Technology Centre, 875 Heron Road, Ottawa ON K1A 1A2 no later than 90 days from the end of the taxation year. **Taxation year** refers to the calendar year for a trust and to the fiscal period for a pension corporation. If you do not file this return on time, we may impose penalties and charge interest on any amount owing.

If the plan is not registered under the *Income Tax Act* throughout its period of operation or existence during the taxation year, the income may be subject to tax. To report taxable income or claim a Part XII.2 tax credit, complete a *T3 Trust Income Tax and Information Return*. You can get a copy of the *T3 Trust Guide* and the *T3 Trust Forms Package* from our Web site at www.cra.gc.ca, or by calling 1-800-959-2221.

Unless otherwise stated, the sections, subsections, and paragraphs we refer to in this return are from the Income Tax Act.

Name of plan	Account number (if one has been assigned)			
	T			
Name of trustee or pension corporation filing this return	Plan registration number			
Mailing address of trustee or pension corporation	Telephone number			
3	()			
Address where trust or pension corporation keeps its books and records (if different from address above)	Return for taxation year			
Names of other trustees P	rovince or territory of residence of the plan			
Give the date the trust:				
came into existence (effective date of registration) Year Month Day ceased to exist	Year Month Day			
If the trust or pension corporation transferred the plan assets to a new trust, pension corporation, or insurance company, give the name of insurance company, and the date the funds were transferred.	the new trust, pension corporation, or			
Name of new trust, pension corporation, or insurance company	Year Month Day			
Tax under subsection 206(2) on excess foreign property held (from Schedule 1 on page 2)	140 + 2			
Minus: Payments on account Balance owing or refund (line 3 minus line Generally, we do not charge or refund \$2 or les	· —			
Amount enclose Payment: Attach a cheque or money order payable to the Receiver General. Do not mail cas	0			
Certification —				
I of				
I,, of, of, Addressed	ess			
certify that the information given in this return is, to the best of my knowledge, correct and complete.				
Signature of trustee or trust company official Position or office (if trust	tee is a corporation)			
() Telephone number Date	3			

Complete this schedule for each month in which the cost amount of all foreign property held by the trust or pension corporation at the end of the month was more than the foreign property limit. **Do not** complete this schedule if all of the foreign property was acquired before June 19, 1971.

For months ending after February 2001, the **cost amount** of a capital interest in a trust that is a foreign property is defined in subsection 206(1) of the *Income Tax Act*. In all other situations, **cost amount** is defined in subsection 248(1). **Foreign property**, **small business investment (SBI) amount**, and **small business property** are defined in subsection 206(1).

- **Note 1:** In column (c), **do not** include the cost of any foreign property that was not foreign property when it was acquired, but became foreign property in the 24 months ending before the end of the particular month. See paragraph 206(2)(a) and subsection 206(3.1).
- Note 2: In column (d), do not include foreign property acquired after June 18, 1971, and before July 1, 1972, that is deemed by section 65 of the *Income Tax Application Rules* to have been acquired before June 19, 1971.
- Note 3: In column (e), use 30% for 2001 and following years.
- Note 4: If the trust or corporation had small business property holdings, complete Part 2. If you are completing this return for a year before 1998, read column (f) in Part 1 as "3 x SBI amount for the month from column (d) in Part 2 below." Columns (f) and (g) do not apply to corporations described in paragraph 149(1)(o.2).

Part 1 – Tax on excess foreign property held

(a) As at end of	(b) Cost amount of all property held at end of month	(c) Cost amount of foreign property included in (b) (see Note 1)	(d) Portion of amount included in (c) acquired after June 18, 1971 (see Note 2)	(e) % of (b) for the year (see Note 3)	(f) 3 x SBI amount for the month from column (e) in Part 2 below (see Note 4)	(g) Amount (f) or 20% of (b), whichever is less	(h) (e) plus (g)	(i) (c) minus (h) (if negative, enter "0")	(j) Amount (i) or (d), whichever is less
January									
February									
March									
April									
May									
June									
July									
August									
September									
October									
November									
December									

Amount subject to tax: Total of all amounts in column (j) 235

× 1%

Tax on excess foreign property held (multiply line 1 by line 2). Enter this amount on line 1 on page 1.

Part 2 - Small business investment (SBI) amount

Complete this part if the trust or pension corporation had small business property. Attach a description of the small business properties held at the end of each month. For the first three months in the chart, complete column (b) only. Those first three months are for the immediately preceding taxation year. The information to be given for the following months is for the current taxation year. Complete all columns for those months.

(a) As at end of	(b) Cost amount of all small business properties held at end of month	(c) Total of amounts in (b) for the three immediately preceding months	(d) (c) ÷ 3	(e) Small business investment amount: the greater of (b) and (d)
October				
November				
December				
January				
February				
March				
April				
May				
June				
July				
August				
September				
October				
November				
December				

Schedule 2 - Tax under section 206.1 on agreements to acquire shares

If the trust or pension corporation entered into an agreement to acquire shares of the capital stock of a corporation (other than from the corporation) at a price that differed from their fair market value when acquired, it may have to pay tax under section 206.1.

If this is the case, complete Form T2000, Calculation of Tax on Agreements to Acquire Shares, and attach it to this return. Enter the amount determined on Form T2000 on line 241 below.

Tax on agreements to acquire shares. Enter this amount on line 2 on page 1.	241	

Schedule 3 – Receipts and disbursements (including capital gains and losses) of the pension plan in the taxation year

Complete this schedule by listing all disbursements and losses, and all receipts and gains. We will accept a completed Schedule 3 instead of the financial statements listed on page 1 if **all** contributions, forfeitures, and income received by the trustees or pension corporation were:

- invested in life insurance, annuity, deposit administration, or segregated fund contracts (with an insurance company or the Annuities Branch, Employment Insurance Commission); and
- held by the trust or pension corporation.

Disbursements and losses		Receipts and gains		
Pension benefits paid	\$	Employees' current service contributions	\$	
Annuities purchased in settlement of		Employees' past service contributions		
pension benefits (subsection 147.4(1) or paragraph 254(a) of the <i>Income Tax Act</i>)		Employers' current service contributions		
Administration costs and expenses incurred in earning income		Employers' past service contributions		
Capital losses		Investment income (interest, dividends, etc.)		
Other disbursements (specify)		Capital gains		
		Other (specify)		
Total disbursements and losses	\$			
		Total receipts and gains	\$	
		Minus: Total disbursements and losses		
		Net increase (decrease) in the pension plan	\$	