



## PRINCIPAL RESIDENCE WORKSHEET

Complete this worksheet together with Form T2091(IND), *Designation of a Property as a Principal Residence by an Individual (Other than a Personal Trust)*, or Form T1255, *Designation of a Property as a Principal Residence by the Legal Representative of a Deceased Individual*, to calculate the reduction as a result of the capital gains election. To calculate the reduction, you will need amounts reported on Form T664 or T664(Seniors), *Election to Report a Capital Gain on Property Owned at the End of February 22, 1994*, that you (for the purposes of this form, if you are the legal representative for a deceased person, "you" refers to the deceased person) filed for the 1994 tax year. Keep a copy of this worksheet for your records and attach another to Form T2091(IND) or Form T1255.

**Note**

If you were not a resident of Canada for the entire time you owned the designated property, contact us at **1-800-959-8281**. The period of non-residence may reduce or eliminate the availability of the principal residence exemption.

**Information you need to calculate the reduction**

The **acquisition date** is the date on which you last acquired or reacquired the property, or December 31, 1971, whichever is later. For the purpose of the calculation below, you are not considered to have disposed of and immediately reacquired the property as a result of the capital gains election.

Number of tax years ending after the **acquisition date** and before 1995 for which the property is designated as a principal residence:

• Before 1982 (line 1 of Form T2091(IND) or Form T1255) .....	_____	1
• After 1981 and <b>before 1995</b> (see line b) in the designation area of Form T2091(IND) or Form T1255) .....	+	_____
Total number of years designated <b>before 1995</b> (line 1 <b>plus</b> line 2) .....	=	_____

Number of tax years ending after the **acquisition date** and before 1995 in which you owned the property (jointly with another person or otherwise):

• Before 1982 (line 4 of Form T2091(IND) or Form T1255) .....	_____	4
• After 1981 and <b>before 1995</b> .....	+	_____
Total number of years owned <b>before 1995</b> (line 4 <b>plus</b> line 5) .....	=	_____

Designated proceeds of disposition (column 2, Chart B of Form T664, or column 2, Step 2 of Form T664(Seniors)) .....	_____	7
Adjusted cost base at the end of February 22, 1994 (column 1, Chart B of Form T664, or column 1, Step 2 of Form T664(Seniors)) .....	_____	8
Adjusted cost base on December 31, 1981 (line 10 of Form T2091(IND) or Form T1255) .....	_____	9
Fair market value at the end of February 22, 1994 (Step 1 of Form T664 or T664(Seniors)) .....	_____	10
Fair market value on December 31, 1981 (line 11 of Form T2091(IND) or Form T1255) .....	_____	11
Adjustments made to the cost base after 1981 and <b>before February 23, 1994</b> (e.g., capital expenditures) .....	_____	12
Elected capital gain (column 5, Chart B of Form T664, or column 5, Step 2 of Form T664(Seniors)) .....	_____	13

**Chart 1**

Complete this chart **only** if the amount on line 7 is **more** than the amount on line 10. Otherwise, enter the amount from line 10 on line 19.

Fair market value at the end of February 22, 1994 (line 10) .....	_____	14
Designated proceeds of disposition (line 7) .....	_____	15
<b>Multiply</b> line 14 by 1.1 .....	=	_____
Line 15 <b>minus</b> line 16 (if negative, enter "0") .....	=	_____
Line 14 <b>minus</b> line 17 .....	=	_____

**Part 1**

Enter the amount from line 18 if you completed Chart 1. Otherwise, enter the amount from line 10 .....	_____	19
Adjusted cost base at the end of February 22, 1994 (line 8) .....	-	_____
<b>Adjusted gain before principal residence exemption</b> (line 19 <b>minus</b> line 20) .....	=	_____
Amount from line 21 .....	_____	22
Line 3 <b>plus</b> 1 (one year is granted by law) .....	x	_____
<b>Multiply</b> line 22 by line 23 .....	=	_____
Line 6 .....	+	_____
<b>Divide</b> line 24 by line 25 .....	=	_____
<b>Net adjusted gain from Part 1</b> (line 21 <b>minus</b> line 26) .....	=	_____

**Part 2**

Complete this part **only** if you completed Part 2 of Form T2091(IND) or Form T1255. In all other cases, enter the amount from line 27 in Part 1 on line 59 in Part 3 below.

**a) Adjusted pre-1982 gain** – If you designated the property as a principal residence for all the years you owned it before 1982, do not complete lines 28 to 35 and enter "0" on line 36.

Fair market value on December 31, 1981 (line 11) .....			28
Adjusted cost base on December 31, 1981 (line 9) .....	-		29
<b>Adjusted pre-1982 gain before principal residence exemption</b> (line 28 minus line 29) .....	=		30
Amount from line 30 .....			31
Line 1 <b>plus</b> 1 (one year is granted by law) .....	X		32
<b>Multiply</b> line 31 by line 32 .....	=		33
Line 4 .....	÷		34
<b>Divide</b> line 33 by line 34 .....	=		35
<b>Adjusted pre-1982 gain</b> (line 30 minus line 35; if negative, enter "0") .....	=		36

**b) Adjusted post-1981 gain** – If you designated the property as a principal residence for all the years you owned it after 1981, enter "0" on line 47 and complete areas d) and e) below.

Amount from line 19 .....			37
Fair market value on December 31, 1981 (line 11). If the fair market value of the property on December 31, 1981, is <b>more</b> than the amount on line 37, enter "0" on line 47 and complete areas c), d), and e) below .....			38
Adjustments made after 1981 and before February 23, 1994 (line 12) .....	+		39
Line 38 <b>plus</b> line 39 .....	=		40
<b>Adjusted post-1981 gain before principal residence exemption</b> (line 37 minus line 40) .....	=		41
Amount from line 41 .....			42
Line 2 .....	X		43
<b>Multiply</b> line 42 by line 43 .....	=		44
Line 5 .....	÷		45
<b>Divide</b> line 44 by line 45 .....	=		46
<b>Adjusted post-1981 gain</b> (line 41 minus line 46; if negative, enter "0") .....	=		47

**c) Adjusted post-1981 loss**

Fair market value on December 31, 1981 (line 11) .....			48
Amount from line 19 .....	-		49
<b>Adjusted post-1981 loss</b> (line 48 minus line 49; if negative, enter "0") .....	=		50

**d) Net adjusted gain from Part 2**

Adjusted pre-1982 gain, if any (line 36) .....			51
Adjusted post-1981 gain, if any (line 47) .....	+		52
Line 51 <b>plus</b> line 52 .....	=		53
Adjusted post-1981 loss, if any (line 50) .....	-		54
<b>Net adjusted gain from Part 2</b> (line 53 minus line 54; if negative, enter "0") .....	=		55

**e) Total adjusted gain before reduction for non-qualifying real property**

Net adjusted gain from Part 1 (line 27) .....			56
Net adjusted gain from Part 2 (line 55) .....			57
<b>Total adjusted gain before reduction for non-qualifying real property</b> (line 56 or line 57, whichever is less) .....			58

**Part 3**

<b>Total adjusted gain before reduction for non-qualifying real property.</b> (If you completed Part 2 above, enter the amount from line 58. Otherwise, enter the amount from line 27) .....			59
Number of months you owned the property after February 1992 and before March 1994 (do not include any months you or your spouse or common-law partner designated the property as a principal residence) .....	X		60
<b>Multiply</b> line 59 by line 60 .....	=		61
Number of months you owned the property after 1971 and before March 1994 (do not include any months you or your spouse or common-law partner designated the property as a principal residence) .....	÷		62
<b>Divide</b> line 61 by line 62 .....	=		63
<b>Total adjusted gain</b> (line 59 minus line 63) .....	=		64
Elected capital gain (line 13) .....			65
<b>Reduction as a result of the capital gains election</b> (line 64 or line 65, whichever is less) .....			66

Enter the amount from line 66 above on line 55 of Form T2091(IND) or Form T1255.