

Agence des douanes et du revenu du Canada

ELECTION IN RESPECT OF A CAPITAL GAINS DIVIDEND

A corporation that was throughout the taxation year in which a dividend became payable, a mutual fund corporation			Do r	not use this area
as defined under subsection 131(8), or an investment corporation as defined under subsection 130(3) can use this form to elect to have the provisions of subsection 131(1) apply to the dividend.			D0 1	iot use tills area
 File one completed copy of this election as follows: on or before the earlier of: 				
 the day the dividend becomes payable; and the first day on which any part of the dividend was paid. 				
at the tax services office serving the area where the corporation is located or, if the corporation has a head office, where the head office is located.				
 separate from any return. You may put it in the same envelope with a return, but do not insert in nor attach to the return. 				
 Regulation 2104 contains instructions concerning the material to be filed with this election. 				
 Subsections 131(1.5) to (1.8) apply to taxation years that end after February 27, 2000. 				
 Any amount paid in respect of the dividend for which this election is made is to be reported as a capital gain dividend on a T5 Return (form T5 Summary and related forms T5 Supplementary) for the calendar year in which the payment was made. Effective March 23, 2004, any portion of the capital gains dividend received by a non-resident shareholder from a mutual fund corporation that, represents a taxable Canadian property (TCP) gains distribution, is not deemed to be a capital gain and is subject to Part XIII tax. 	<u></u>			
 Parts, subsections and paragraphs referred to in this form are from the Income Tax Act. 				
Name of corporation (print)			Busir	ness Number
Address	Postal	l code	1 1	
Name of person to contact for additional information (print)	Tax se	services office		
Mailing address (to be completed only if different from address above)	Area o	code		Telephone number
Required information—				
	(1)			Attachments
(2) First day on which any part of the dividend was paid	(2)	,		fied copy of the resolution or
(3) Date of immediately previous election				ization as required by ation 2104.
- Full amount of dividend in respect of immediately previous election		_	 A sche 	edule showing the computation of the I Gains Dividend Account
Deemed capital gains dividend		_	– Amo	unt (B) (subsection 131(6).)
Full amount of dividend in respect of which this election is made	(A)	'		a cheque or money order payable to ceiver General for Amount (G) if any.
	(B)			y "T2055" on the remittance and to
Amount of dividend deemed to be a Capital Gains Dividend – lesser of (A) and (B)	(C)			e proper credit, indicate the name, ess Number and taxation year of the ation.
Part III tax calculation*	*	 An elec	tion ma	ay be made under subsection
	(D)			the excess as a separate
Part III tax – 75% of (D) (enter "0" if not applicable)	(E)			nd. The election must be anner prescribed in
				06 and within 90 days from the
Note: It is proposed in draft legislation to amend Part III tax to 60% of the excess dividend, for 2000 and subsequent taxation years.		respect	of the	of a <i>Notice of Assessment</i> in Part III tax that would
Late-filing penalty Where the election is not filed on or before the earlier of (1) and (2) indicated above, it shall be	1	otherwi	se be p	ayable.
deemed to have been made on the date required if made in the prescribed manner and prescribed form, and a penalty is paid on filing this election.	**			otal number of months and part applicable) during the period
Dividend – (Amount (A)) x 1% x (N ** ÷ 12) (i)				red filing date to the actual
Dividend – (Amount (A)) x 1% x (N ** ÷ 12) (i) \$500 x (N** ÷ 12)				example, if the penalty period
Amount of late-filing penalty – lesser of (i) and (ii) (enter "0" if not applicable)		month o	or part i	15th of a month, the next month starts on the 15th of the
Amount of remittance accompanying this election—	, 1	next cal		month. not use this area
Part III tax – Amount (E) above, if any				
Late-filing penalty – Amount (F) above, if any				
Amount remitted – Amount (E) plus Amount (F) (G)				
Note: Unpaid taxes bear interest compounded daily at a prescribed rate. Election and certification				
The above-named corporation hereby elects to have the provisions of subsection 131(1) apply for the full amount of the dividend indicated above. I hereby certify that the information given in this election, and in all documents attached, is true, correct and complete in every respect.				

Signature of authorized officer

Position or office