Canada Customs and Revenue Agency | Agence des douanes et du revenu du Canada

Do not use this area

ELECTION TO DEDUCT RESOURCE EXPENSES UPON ACQUISITION OF RESOURCE PROPERTY BY A CORPORATION

- For use by a corporation that acquired a Canadian or foreign resource property:
  a) To elect under paragraph 66.7(7)(c) or (8)(c) where the particular property was acquired after June 5, 1987 by way of an amalgamation or winding up, other than an amalgamation to which subsection 87(1.2) applies or a winding up to which subsection 88(1.5) applies, or
  b) To jointly elect with the person from whom it acquired the particular property under paragraph 66.7(7)(e) or (8)(e) where the property was acquired in a taxation year ending after February 17, 1987 other than by way of an amalgamation or winding up.
- The election permits a deduction by the corporation of resource expenses of an original owner of resource property, where those resource expenses were not previously deducted or deductible as the case may be, by an original owner, or deducted by any predecessor owner, in respect of:
  a) Canadian exploration and development expenses under subsection 66.7(1),
  b) foreign exploration and development expenses under subsection 66.7(2) and 66.7(2.3),
  c) Canadian exploration expense under subsection 66.7(3),
  d) Canadian development expense under subsection 66.7(4),
  e) Canadian oil and gas property expense under subsection 66.7(5), or
  f) expenses under subsection 29(25) of the Income Tax Application Rules 1971.
- Two copies of the completed election form are to be filed by the corporation:
  a) where the property was acquired by amalgamation or winding up, on or before the day on or before which the corporation is required to file a return of income for the taxation year in which it acquired the property;
  b) in any other case, on or before the earlier of the days on or before which it, or the person from whom it acquired the property, is required to file a return of income for the taxation year in which the corporation acquired the property;
  c) at the Taxation Centre where the T2 corporation income tax return is filed,
  d) SEPARATE FROM ANY TAX RETURNS.
- "Original owner" and "predecessor owner" are defined in subsection 66(15).
- Subsections and paragraphs referred to in this form are those of the *Income Tax Act*.
- Documentation relating to the acquisition of the property and details of amounts deducted pursuant to this election need not be filed with the election but should be retained for examination upon request.

NAME OF CORPORATION (PRINT)	BUSINESS NUMBER
ADDRESS	TAXATION YEAR ENDED
NAME OF PERSON FROM WHOM RESOURCE PROPERTY ACQUIRED (PRINT)	S.I.N. OR BUSINESS NUMBER
ADDRESS	TAXATION YEAR ENDED
BRIEF LEGAL DESCRIPTION OF RESOURCE PROPERTY ACQUIRED	DATE OF ACQUISITION

ELECTION

I (We) hereby elect under the provisions of the *Income Tax Act* indicated below.

1 ☐ paragraph 66.7(7)(c) 2 ☐ paragraph 66.7(7)(e) 3 ☐ paragraph 66.7(8)(c) 4 ☐ paragraph 66.7(8)(e)

Signature of Authorized Officer of Corporation

Signature of person from whom Resource property was acquired (or Authorized officer if a corporation)

Position or Office

Position or Office

Date

Date