



## The T2 Short Return

### Who can use the T2 Short Return?

The T2 Short Return is a simpler version of the *T2 Corporation Income Tax Return*. There are two categories of corporations that are eligible to use this return:

- You can use this return if the corporation meets **all** of the following conditions:
  - it is a Canadian-controlled private corporation;
  - it has either a nil net income for income tax purposes this year or a loss this year;
  - it has a permanent establishment in only one province or territory;
  - it is not claiming any refundable tax credits (other than a refund of instalments paid);
  - it did not receive or pay out any taxable dividends.
- You can also use this return for a tax-exempt corporation (such as a non-profit organization) that has a permanent establishment in only one province or territory.

If the corporation does not fit into either of the above categories, please file a regular *T2 Corporation Income Tax Return*.

Except for Quebec, Ontario, and Alberta, the T2 Short Return also serves as a provincial or territorial income tax return.

### What should you attach to the T2 Short Return?

There are three things you have to attach to this return:

- Schedule 100, *Balance Sheet Information*, showing the financial position of the corporation at the end of the tax year;
- Schedule 125, *Income Statement Information*, showing the corporation's income and expenses for the year (if the corporation did not earn any income or incur any expenses, simply state "no income" or "no expenses"); and
- Schedule 141, *Notes Checklist*, for any notes to the financial statement information and to indicate the involvement of an accountant.

**Depending on the circumstances, you may have to attach other forms or schedules. For more information, see page 2 of the T2 Short Return.** For your convenience, this package includes the short version of Schedule 1, a Schedule 8, and a Schedule 50.

#### Note

If you need help completing this return, call our Business Enquiries line at 1-800-959-5525. If you need a copy of the *T2 Corporation – Income Tax Guide* or other schedules, call 1-800-959-2221 or visit our Web site at [www.cra.gc.ca/forms](http://www.cra.gc.ca/forms).





**Attachments**

**Financial statement information** – Use GIFI schedules 100, 125, and 141.

**Schedules** – Depending on the circumstances, you may need to attach some schedules to this return. Answer the following questions.  
For each Yes response, attach the schedule that applies to the T2 Short return.

		<b>Yes</b>	<b>Schedule</b>
Is the net loss or the net income shown on the financial statements different from the net loss or nil income for income tax? . . . . .	<b>201</b>	<input type="checkbox"/>	1
(i) Is the corporation including a schedule to show the continuity of losses? or (ii) Do you want to carry back the current year's loss to a preceding tax year? . . . . .	<b>204</b>	<input type="checkbox"/>	4
Has the corporation realized any capital gains or incurred any capital losses during the tax year? . . . . .	<b>206</b>	<input type="checkbox"/>	6
Does the corporation have any property that is eligible for capital cost allowance? . . . . .	<b>208</b>	<input type="checkbox"/>	8
Does the corporation have any property that is eligible capital property? . . . . .	<b>210</b>	<input type="checkbox"/>	10
Is the corporation related to any other corporations? . . . . .	<b>150</b>	<input type="checkbox"/>	9
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's-length transactions with non-residents. . . . .	<b>162</b>	<input type="checkbox"/>	11
Is the corporation claiming reserves of any kind? . . . . .	<b>213</b>	<input type="checkbox"/>	13
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada? . . . . .	<b>164</b>	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan? . . . . .	<b>165</b>	<input type="checkbox"/>	15
Is the corporation an associated Canadian-controlled private corporation? . . . . .	<b>160</b>	<input type="checkbox"/>	23
Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares? . . . . .	<b>173</b>	<input type="checkbox"/>	50

**Additional information**

Is the corporation inactive? . . . . . **280** 1 Yes  2 No

Has the major business activity changed since the last return was filed? (enter Yes for first-time filers) . . . . . **281** 1 Yes  2 No

What is the corporation's major business activity? . . . . . **282** \_\_\_\_\_  
(only complete if Yes was entered at line 281)

If the major activity involves the resale of goods, indicate whether it is wholesale or retail. . . . . **283** 1 Wholesale  2 Retail

Specify the principal product(s) mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

<b>284</b> _____	<b>285</b> _____ %
<b>286</b> _____	<b>287</b> _____ %
<b>288</b> _____	<b>289</b> _____ %

**Certification**

I, **950** \_\_\_\_\_ **951** \_\_\_\_\_ **954** \_\_\_\_\_,  
(Last name in block letters) (First name in block letters) (Position, office, or rank)

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I further certify that the method of calculating income for this tax year is consistent with that of the previous year except as specifically disclosed in a statement attached to this return.

**955** \_\_\_\_\_ **956** \_\_\_\_\_  
(Date (yyyy/mm/dd)) (Signature of an authorized signing officer of the corporation) (Telephone number)

Is the contact person the same as the authorized signing officer? If No, complete the information below. . . . . **957** 1 Yes  2 No

**958** \_\_\_\_\_ **959** \_\_\_\_\_  
(Name in block letters) (Telephone number)

**Language of correspondence – Langue de correspondance**

**990** Indicate the language of correspondence by entering 1 for English or 2 for French.  
Indiquez la langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.