

RL-11 slip: Flow-through shares

Note: In the following instructions, the term “return” refers to the income tax return for individuals.

Explanation of boxes and instructions

Box A – Canadian exploration expenses. Include in your cumulative Canadian exploration expenses the amount in box A, minus the corresponding amount of assistance in box G(A) and the amount respecting exploration expenses incurred in Québec (box D). You may claim, on line 241 of your return, a maximum deduction of 100% of your cumulative expenses at the end of your taxation year.

Box B – Canadian development expenses. Include in your cumulative Canadian development expenses the amount in box B, minus the corresponding amount of assistance in box G(B). You may claim, on line 241 of your return, a maximum deduction of 30% of your cumulative expenses at the end of your taxation year.

Box D – Québec exploration expenses. The amount in box D is part of your cumulative Canadian exploration expenses and is included in the amount in box A. You may claim a maximum deduction of 100% of the amount in box D, minus the corresponding amount of assistance in box G(D), on line 250 of your return.

If you are an individual, add, to your exploration base relating to certain Québec exploration expenses, 10.42% or 25% (see the note in the centre of the slip) of the amount in box D, minus the corresponding amount of assistance in box G(D). You may claim, on line 287 of your return, a maximum deduction of 100% of the amount of this exploration base at the end of your taxation year.

Box E – Québec surface mining exploration expenses or oil and gas exploration expenses. Add, to your exploration base relating to certain Québec surface mining exploration expenses or oil and gas exploration expenses, 20.83% or 25% (see the note in the centre of the slip) of the amount in box E, minus the corresponding amount of assistance in box G(E). You may claim, on line 287 of your return, a maximum deduction of 100% of the amount of this exploration base at the end of your taxation year.

Box F – Expenses for exploration in northern Québec. Add, to your exploration base relating to expenses for exploration in northern Québec, 25% of the amount in box F, minus the corresponding amount of assistance in box G(F). You may claim a maximum deduction of 100% of the amount of this exploration base at the end of your taxation year. Note that only a corporation may claim this deduction in the calculation of its taxable income.

Box G – Amounts of assistance corresponding to the expenses reported in boxes A through F. Subtract each of these amounts from the corresponding expenses.

Box H – Share issue expenses. Add the amount in box H to your issue base relating to certain issue expenses. You may claim, on line 297 of your return, a maximum deduction of 100% of the amount of this issue base at the end of your taxation year.

Note: If, at the end of your taxation year, the balance of the cumulative expenses referred to in box A, B or D is negative, you must report the amount as income. If you are an individual, write the amount without brackets on line 154 of your return.