



Canada Revenue
Agency

Agence du revenu
du Canada

NR4 – Non-Resident Tax Withholding, Remitting, and Reporting

2007

What's new for 2007

T4A-NR Guide

The information about the T4A-NR slip, summary, and return that was previously in this guide, is now in Guide RC4445, *T4A-NR – Payments to Non-Residents for Services Provided in Canada*.

Exemption Code U

This new code has been created for the exemption code in box 18 or 28. It is used for payments of certain reasonable travel expenses and per diem amounts reimbursed to a non-resident actor. See page 9. For information about this exemption, see www.cra.gc.ca/fis.

Internet file transfer

Internet file transfer (XML) is available for original and amended NR4 information returns. It lets you securely transmit your encrypted return on the Internet using commercial or in-house developed software.

Starting January 2008, if you use payroll, commercial, or in-house developed software to manage your business, you can file up to 5 MB (approximately 3,500 slips).

Internet filing is available from January 7, 2008, to early December 2008.

For information, see www.cra.gc.ca/file-xml.

Your opinion counts!

If you have comments or suggestions on the information in this guide, we want to hear from you.

Send your comments and suggestions to:

Taxpayer Services Directorate
Canada Revenue Agency
750 Heron Road
Ottawa ON K1A 0L5

If you have a visual impairment, you can get our publications in braille, large print, or etext (CD or diskette), or on audio cassette or MP3. For details, visit our Web site at www.cra.gc.ca/alternate or call **1-800-959-2221**.

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Contact us

International Tax Services Office

If you need more information after you read this guide (for example, about Part XIII tax and NR4 situations not covered in this guide) contact the International Tax Services Office.

To get forms and publications, see www.cra.gc.ca/forms or contact the International Tax Services Office.

International Tax Services Office

Canada Revenue Agency
2204 Walkley Road
Ottawa ON K1A 1A8
CANADA

- 1-800-267-3395 From anywhere in Canada and the United States
- 613-952-2344 From the Ottawa area and outside Canada and the United States
- 613-941-6905 Fax

Teletypewriter users

If you use a teletypewriter (TTY), you can call our bilingual enquiry service at 1-800-665-0354.

Film services units

For more information on acting services in a film or video production, see www.cra.gc.ca/fis and select “Non-resident actors.” Also, you can contact a film services unit at the following addresses and numbers:

For services performed in British Columbia, Alberta, Saskatchewan, Manitoba

Vancouver Tax Services Office
Film Services Unit, 447-14
1166 West Pender Street
Vancouver BC V6E 3H8

Telephone: 604-666-7911 Fax: 604-666-7436

For services performed in Ontario, Nunavut, the Northwest Territories, and Yukon

Toronto Centre Tax Services Office
Film Services Unit
1 Front Street West
Toronto ON M5J 2X6

Telephone: 416-954-0542 or 416-954-0534
Fax: 416-954-8528

For services performed in Quebec, Prince Edward Island, New Brunswick, Nova Scotia, and Newfoundland and Labrador

Montréal Tax Services Office
Film Services Unit
10th floor, 305 René-Lévesque Boulevard West
Montréal QC H2Z 1A6

Telephone: 514-283-0512 Fax: 514-496-4574

Before you start

Is this guide for you?

This guide provides information for payers and agents who make payments to non-residents of Canada for income such as interest, dividends, rents, royalties, pensions, and acting services in a film or video production.

It also explains how to complete the NR4 return.

You are responsible for withholding Part XIII tax (see “What is Part XIII tax?” below) if you are:

- a Canadian resident who pays or credits Part XIII amounts to a non-resident, or is considered to have done so under Part I or Part XIII of the *Income Tax Act*;
- an agent (such as a bank, trust company, or credit union) or person who, for a debtor, pays or credits Part XIII amounts when redeeming bearer coupons or warrants;
- an agent or another person who receives Part XIII amounts, for a non-resident, from which tax was not withheld; or
- any other payer (including a non-resident) who pays or credits amounts that are subject to Part XIII tax, or who is considered to have done so under Part I or Part XIII of the *Income Tax Act*.

What are your responsibilities?

As the payer or agent, you are responsible for withholding and remitting Part XIII tax, and to report the income and withholding tax on an NR4 information return. To do this, complete NR4 slips and the related NR4 Summary.

You have to file the NR4 information return and give recipients two copies of the NR4 slip by March 31, 2008, or no later than 90 days after the end of the estate’s or trust’s 2007 tax year.

Penalties and interest

Penalty – Failure to deduct

We can assess a penalty of 10% of the required amount of Part XIII tax you failed to deduct.

When you are subject to this penalty more than once in a calendar year, we may apply a 20% penalty to the second or later failures if they were made knowingly or under circumstances of gross negligence.

Penalty – Failure to remit/Late remitting

We can assess a penalty of 10% and up to 20% of the amount you failed to remit when:

- you deduct the amounts, but do not remit them; or
- we receive the amounts you deducted past the due date.

We apply this penalty to the amount you failed to remit that is \$100 or more.

Penalty – Failure to file information returns in electronic format

If you file more than 500 various information slips (for example, NR4, T4A-NR, T5) and you do not file the information returns in an electronic format as required under the *Income Tax Act* and *Income Tax Regulations*, you are liable to a penalty of \$2,500 for the first offence. For each subsequent occurrence, the penalty will increase by increments of \$2,500.

Penalty – Failure to file a return or an ownership certificate

The penalty for failing to file the NR4 return by the due date or for distributing NR4 slips to recipients late is \$25 a day. There is a minimum penalty of \$100, and a maximum penalty of \$2,500 for each failure.

There is also a penalty for failing to complete or deliver an ownership certificate (Form NR601, *Non-Resident Ownership Certificate—Withholding Tax*, and Form NR602, *Non-Resident Ownership Certificate—No Withholding Tax*), for the negotiating of bearer coupons or warrants). The penalty is \$50 for each failure.

Interest

If you fail to pay an amount, we may apply interest from the day your payment was due. The interest rate we use is determined every three months, according to the prescribed interest rates, and it is compounded daily. We also apply interest to unpaid penalties.

Cancelling or waiving penalties and interest

The taxpayer relief provisions of the *Income Tax Act* allow us some discretion to cancel or waive all or a part of interest charges and penalties. This flexibility allows us to consider extraordinary circumstances that may have prevented you from fulfilling your obligations under the *Income Tax Act*. See Information Circular 07-1, *Taxpayer Relief Provisions*.

What is Part XIII tax?

Part XIII tax is a withholding tax imposed on certain amounts you pay or credit to non-residents. These amounts include pensions, annuities, investment income, interest, dividends, rents, royalties, estate or trust income, and payments for film or video acting services when you pay or credit these amounts to individuals (including trusts) or corporations that are not resident in Canada.

For information about specific types of income that are subject to Part XIII tax, see Information Circular 77-16, *Non-Resident Income Tax*.

Rates of Part XIII tax

Non-residents have to pay a Part XIII tax of 25% on taxable amounts. However, this rate can be reduced to a lower rate under the provisions of a bilateral tax treaty.

If you pay or credit amounts subject to Part XIII tax to persons in countries that have tax treaties with Canada, see

Information Circular 76-12, *Applicable Rate of Part XIII Tax on Amounts Paid or Credited to Persons in Countries With Which Canada Has a Tax Convention*. The information in that circular also applies if you are considered, under Part I or Part XIII of the *Income Tax Act*, to have paid or credited amounts subject to Part XIII tax to residents of these treaty countries. You can also get the applicable current tax rates by contacting the International Tax Services Office.

Any taxable amounts you paid or credited to payees in non-treaty countries will be subject to the 25% Part XIII withholding tax.

A Part XIII tax rate of 23% applies to the **gross amounts** paid, credited, or provided as a benefit for acting services rendered in Canada by a non-resident actor, including payments of residuals and contingent compensation. This Part XIII tax rate of 23% applies only to the acting services of the actor in a film or video production. For details, see www.cra.gc.ca/fis and select "Non-resident actors."

As the payer or agent, you are responsible for withholding and remitting Part XIII tax at the correct rate.

For more information about remitting, special reporting situations, and refund instructions, see Information Circular 77-16, *Non-Resident Income Tax*.

Beneficial ownership

To apply the appropriate rate of withholding tax, you can accept the payee's name and address as that of the beneficial owner, unless there is reasonable cause to suspect that the payee is not the beneficial owner.

If the payee is an insurance corporation or pension trust, we will accept the payee as the beneficial owner of amounts paid to a non-resident. However, that corporation or trust has to invest only for itself and include the amounts when it calculates its revenue.

Although this list does not cover all situations, if any of the following criteria are met, it is reasonable to question whether the payee is the beneficial owner:

- The payee is known to act, even occasionally, as an agent or nominee (other than as an agent or nominee described in paragraph 4 of Information Circular 76-12).
- The payee is reported to be "in care of" another person, or "in trust."
- The mailing address for payment of the income is different from the registered address of the owner.

If you are not sure whether the payee is the beneficial owner, the payee has to complete a certificate, as described in Information Circular 76-12, and send it to you before you can apply a treaty's reduced rate of withholding tax.

Special payments

Pension and similar payments – Residents of all countries

A non-resident of Canada who receives pension or similar payments and intends to file an income tax return in Canada can apply to us for a reduction in the non-resident tax that you have to withhold. To do this, the non-resident

should use Form NR5, *Application by a Non-Resident of Canada for a Reduction in the Amount of Non-Resident Tax Required to Be Withheld*. When the request is processed, we will send a letter to the non-resident and the payer(s) indicating any payments to which a tax reduction applies. **You may not apply a tax reduction unless** you receive written authorization from us. If you do receive our authorization, you must report the amounts paid or credited on an NR4 slip and use exemption code "J".

Pension and similar payments – Residents of Algeria, Azerbaijan, Brazil, Croatia, Cyprus, Ecuador, Ireland, Italy, New Zealand, Portugal (including Azores and Madeira), the Philippines, Romania, Senegal, and Slovenia

Canada's tax treaties with Algeria, Azerbaijan, Brazil, Croatia, Cyprus, Ecuador, Ireland, Italy, New Zealand, Portugal (including Azores and Madeira), the Philippines, Romania, Senegal, and Slovenia provide for an exemption from withholding tax for certain pension and similar payments received **in the year** from Canada.

If a non-resident receives more than one pension or similar payment from Canada, the exemption can be applied only to a limited amount of the **total payments** that the non-resident receives. Each tax treaty specifies different types of pension and similar payments to which the exemption applies. Amounts over the limit, and payments that are not eligible for exemption, are subject to withholding tax at the applicable rate. To determine the exempt amounts, the non-resident has to give us an estimate of the total pension and similar payments the non-resident expects to receive from each of the non-resident's payers.

The non-resident provides this information and requests the exemption by filing Form NR5. When the request is processed, we will send a letter to the non-resident and to each payer indicating any payments to which the exemption applies. **You may not apply the exemption unless** you receive written authorization from us.

Rental income from real property in Canada

A non-resident who receives rental income from real property in Canada can ask that payers or agents be allowed to deduct tax on the net amount instead of the gross amount. To do this, a non-resident has to complete Form NR6, *Undertaking to File an Income Tax Return by a Non-Resident Receiving Rent From Real Property or Receiving a Timber Royalty*.

The non-resident has to file this form on or before January 1st of the tax year for which the request applies, **or** on or before the date the first rental payment is due. For corporations, estates, and trusts with a fiscal year-end other than December 31, they have to file the Form NR6 on or before the first day of their fiscal year.

Although we accept Form NR6 throughout the year, the effective date for withholding on the net amount will be the first day of the month in which we receive the form. You have to withhold tax on any gross rental income paid or credited to a non-resident before that date. In all situations, when Form NR6 is filed, **you still have to report the gross**

amount of rental income for the entire year on an NR4 slip and **use exemption code “H.”**

Film and video acting services

A non-resident actor, who receives payments for acting services rendered in Canada and intends to file an income tax return in Canada, can apply to us for a reduction in the non-resident tax that you have to withhold. To do this, the non-resident should use the form called *Application by a Non-Resident of Canada for a Reduction in the Amount of Non-Resident Tax Required to be Withheld on Income Earned From Acting in a Film or Video Production*. When this form is processed, we will send a letter to the non-resident and the payer indicating any payments to which a tax reduction applies.

A non-resident actor who resides in the United States, and makes less than \$15,000 CAD from acting services performed in Canada, in the calendar year, may be eligible for an exemption from tax under Article XVI of the Canada-United States Income Tax Convention. The actor can apply for a reduction of the non-resident tax that you have to withhold, as indicated above.

You may not apply a tax reduction unless you receive written authorization from us. If you do receive our authorization, **you must report the amounts paid or credited** on an NR4 slip and **use exemption code “J.”**

For more information, see www.cra.gc.ca/fis and select “Non-resident actors.”

Mutual fund investment distributions

Taxable Canadian property (TCP) gains distributions

Non-residents who invest in Canadian mutual fund investments may be subject to non-resident withholding tax on capital gains distributions made by mutual fund trusts and on capital gains dividends paid by mutual fund corporations that are derived from the disposition of taxable Canadian property (TCP). TCP includes real property in Canada, Canadian resource properties, and Canadian timber resource properties.

This non-resident tax applicable to TCP gains distributions only applies if more than 5% of the total capital gains dividend paid by a mutual fund corporation and more than 5% of the total capital gains distribution paid by a mutual fund trust are paid or designated for non-resident persons. Mutual fund trusts and mutual fund corporations have to maintain a separate TCP gains distribution account to track all capital gains for the disposition of TCP. The mutual fund has to report these amounts and the withholding tax on an NR4 slip.

Assessable distributions

Non-residents who invest in Canadian property mutual fund investments are subject to a 15% withholding tax on any amount not otherwise subject to tax that they are paid or credited by the mutual fund. A Canadian property mutual fund investment is an exchange-listed mutual fund that derives more than 50% of its unit or share value from real property in Canada, Canadian resource properties, or

Canadian timber resource properties. The mutual fund has to report these amounts, called assessable distributions, and the withholding tax on an NR4 slip. Generally, the 15% tax withheld on the assessable distributions is considered the final tax obligation to Canada on that income.

A non-resident investor may apply any loss realized on the disposition of a Canadian property mutual fund investment against assessable distributions received, up to the amount of the total assessable distributions paid or credited on the investment. The non-resident investor applies the loss and can claim any resulting refund by filing Form T1262, *Part XIII.2 Tax Return for Non-Resident’s Investments in Canadian Mutual Funds*. Unused amounts of this special form of capital loss, which can be used only for this purpose, may be carried back three tax years or carried forward indefinitely.

Remitting deductions

When to remit

You have to remit your non-resident tax deductions so that we receive them on or before the 15th day of the month **following** the month the amount was paid or credited to the non-resident. We consider the remittance to be received on the date the remittance is received at your Canadian financial institution or at the CRA.

Note

If the due date is a Saturday, Sunday, or Canadian public holiday, your remittance is due on the next business day. For a list of public holidays, see www.cra.gc.ca/duedates.

If your business or activity ceases during the year, you have to remit your non-resident tax deductions so that we receive them no later than seven days after the day your business or activity ends.

Are you a new remitter?

If you have never remitted non-resident income tax deductions, contact the International Tax Services Office at **1-800-267-3395** (in Canada and the United States), or from other countries at **613-952-2344**. We will give you a non-resident tax account number and tell you how to remit your deductions. We will mail you Form NR75, *Non-Resident Tax Remitter Registration Form*, which includes a non-resident tax remittance voucher that you should return with your first remittance.

If you have not received Form NR75 in time to make your first payment, prepare a letter that states:

- the name under which your account was opened, as well as your address and telephone number;
- the year and month your payment covers; and
- your non-resident tax account number.

Send the letter together with your cheque or money order made payable to the Receiver General to the address shown on page 7.

After you make your first remittance, we will send you Form NR76, *Non-Resident Tax – Statement of Account*, which includes a non-resident tax remittance voucher to include with your next remittance.

How to remit

Detach and return your completed non-resident tax remittance voucher from either Form NR75, *Non-Resident Tax Remitter Registration Form*, or Form NR76, *Non-Resident Tax – Statement of Account*, with your cheque or money order made payable to the Receiver General. Send it to the following address:

Canada Revenue Agency
875 Heron Road
Ottawa ON K1A 1B1
CANADA

If you prefer to make your remittance at your financial institution in Canada, complete the remittance voucher of Form NR75 or Form NR76, and present the completed form to the teller with your payment. The teller will detach and keep the remittance voucher and return the top part of the form as your receipt.

It is important that you complete your remittance voucher accurately so that we can apply the payment to your account correctly. It is also important to use an original remittance voucher when you make your payment. Photocopied and faxed copies of remittance vouchers cannot be scanned by our payment processing technology and could delay the processing of your payment.

Write your non-resident tax account number on the back of your cheque or money order. Do not staple, clip, tape, or fold the remittance voucher or your cheque.

Do not send cash in the mail.

If you or your representative does not have a bank account at a financial institution in Canada, you or your representative can make your payment using:

- an international money order drawn in Canadian dollars;
- a bank draft in Canadian funds drawn on a Canadian financial institution (available at most foreign financial institutions); or
- a cheque drawn in the currency of the country in which the financial institution is located. We will use the currency rate in effect at the time of cashing your cheque.

Note

If you make a payment with a cheque that your financial institution does not honour (including a cheque on which you put a stop payment), we will charge you a fee. Generally, this fee will be \$15 for each returned cheque.

Missing or lost remittance voucher

Even if you do not have a remittance voucher, you still have to send us your payment by the due date. If you do not receive a remittance voucher in time to make your next remittance, or if you have misplaced it, send your cheque or money order (payable to the Receiver General) to the address shown above. Include a short note that states your

name, address, and non-resident account number, and the year and month covered by the payment.

Notice of Assessment, Notice of Reassessment, or Non-Resident Notice of Collection

If you receive Form NR81, *Non-Resident Notice of Assessment*, Form NR82, *Non-Resident Notice of Reassessment*, or Form NR83, *Non-Resident Notice of Collection*, use only the remittance vouchers attached to these forms to make your payment for any balance owing.

Applying for a refund of tax overpayments

To get a refund of excess or incorrectly withheld Part XIII tax, a non-resident has to complete Form NR7-R, *Application for Refund of Non-Resident Tax Withheld*. This has to be done no later than two years from the end of the calendar year in which the tax was sent to us.

Residents of Canada who received an NR4 slip with non-resident tax withheld can get a credit for the amount withheld by including the slip with their Canadian income tax returns.

For more information on Part XIII tax, see Information Circular 77-16, *Non-Resident Income Tax*.

NR4 slips

When should you complete the NR4 slip?

You have to complete an NR4 slip for every non-resident to whom you paid or credited amounts that are subject to withholding tax under Part XIII of the *Income Tax Act*.

You also have to complete an NR4 slip if you are considered, under Part I or Part XIII of the *Income Tax Act*, to have paid or credited amounts. You have to complete an NR4 slip even if you did not withhold tax on these amounts, or you did not have to withhold tax on these amounts due to an exemption under the *Income Tax Act* or a bilateral tax treaty.

Reporting limits

You have to report amounts on an NR4 slip if the gross income paid or credited during the year is \$50 or more. However, if you paid less than \$50 and you still withheld tax under Part XIII, you have to report the gross income and the tax withheld on an NR4 slip.

Total gross income paid or credited	Tax	Report amounts on NR4 slip
Less than \$50	Tax withheld	Yes
Less than \$50	No tax withheld	No
\$50 or more	Tax withheld or no tax withheld	Yes

Customized NR4 slips

You may want to use your own customized NR4. To get our written approval, send samples of your proposed computer printed slips to:

Electronic and Print Media Directorate
Operations Division
Albion Tower
25 Nicholas Street, 17th floor
Ottawa ON K1A 0L5

For more information, see www.cra.gc.ca/customized.

Completing NR4 slips

Follow the instructions in this section carefully. We may have to return incorrectly completed NR4 slips to you for corrections.

- Make sure your NR4 slips are easy to read. To help us process your returns quickly and accurately, type or machine-print your information slips.
- Do not change the headings of any of the boxes.
- Prepare separate NR4 slips whenever non-residents change their country of residence for tax purposes during the year.
- Report gross income (box 16 or 26) in Canadian funds.
- Report the tax withheld (box 17 or 27) in Canadian funds.
- Use separate lines when you report income that is partially exempt. For example, if you are paying interest to a client and a part of the gross income is exempt from Part XIII tax, then report the taxable income on one line with the withholding tax and the exempt income on another line, with the correct exemption code indicated in box 18 or 28.
- Report income on line 1 before you report income on line 2.

Completing the boxes

Box 10 – Year

Enter the four digits of the calendar year in which you paid the amounts.

Box 11 – Recipient code

Enter the appropriate code from the following list:

Code	Type of recipient
1	individual
2	joint account
3	corporation
4	other (for example, association, trust, including fiduciary-trustee, nominee, estate, or partnership)
5	government, government enterprise, or international organizations and agencies prescribed by regulation

Note

The international organizations and agencies are:

- Bank for International Settlements
- European Fund
- International Bank for Reconstruction and Development
- International Development Association
- International Finance Corporation
- International Monetary Fund
- European Bank for Reconstruction and Development

Box 12 – Country code

From the list in Appendix A, enter the **three-letter code** for the country in which the recipient is a resident for tax purposes. **Only use the codes listed in Appendix A.** Generally, the recipient's country for tax and mailing purposes will be the same. However, if they are different, you must always enter the country of residency for tax purposes.

Payer or remitter identification number

Enter the number your organization assigns to non-resident payees. For example, if you are a financial institution, enter the number assigned to your client (such as an annuitant number or client number) in this box. If you do not use such a number, leave this area blank.

Box 13 – Foreign or Canadian tax identification number

Enter the identification number assigned to non-residents for tax purposes by their country of residence. If a non-resident does not give you an identification number, ask if a Canadian social insurance number (SIN) is available and enter the number here.

Note

If an identification number is not available, ask the non-resident if they have been assigned an individual tax number (ITN) or a temporary tax number (TTN) or Business Number (BN) by us and enter it here. If no number is available, leave the area blank.

Box 14 or 24 – Income code

Enter the appropriate numeric income code from the list in Appendix B. For example, enter income code **31** to identify a lump-sum payment from a deferred profit-sharing plan.

Use the proper two-digit code. For example, copyright royalties should be reported using "05" not "5."

Box 15 or 25 – Currency code

From the list in Appendix D, enter the **three-letter code** of the currency for the amounts reported as gross income (box 16 or 26) and tax withheld (box 17 or 27).

Note

Income should be reported in Canadian funds. However, if you cannot convert gross income (box 16 or 26) and tax withheld (box 17 or 27), we will convert **both** amounts to Canadian funds, based on the currency code (box 15 or 25) and the average annual rate as published by the Bank of Canada on December 31 of

each year. Report the amounts in gross income (box 16 or 26) and tax withheld (box 17 or 27) in the same currency as indicated by the currency code (box 15 or 25).

Box 16 or 26 – Gross income

Enter in Canadian funds the gross income you paid or credited to non-residents of Canada in 2007 (if the gross amount paid or credited, or deemed to have been paid or credited, under Part I or Part XIII of the *Income Tax Act* is \$50 or more). However, if any amount under Part XIII has been withheld, you have to enter the gross income paid or credited regardless of the amount. In addition, payers of rental income have to enter the **gross** rental income, and film industry payers have to enter the **gross** income for acting services, even if no tax was withheld on some or all of the income. Also, see the note under “Currency code.”

Box 17 or 27 – Non-resident tax withheld

Enter in Canadian funds the amount of non-resident tax you withheld. If you cannot convert foreign funds to Canadian currency, complete box 15 or 25 (Currency code), in order to clearly indicate on the NR4 slip the currency of the tax you withheld. This will help us and the non-resident. See the note under “Currency code”.

Note

For box 16 or 26 – “Gross income”, and box 17 or 27 – “Non-resident tax withheld”, individuals and corporations report income based on the calendar year and estates/trusts report income based on the fiscal year end.

Box 18 or 28 – Exemption code

Enter the exemption code that applies from the list in Appendix C. This code gives the authority under the *Income Tax Act* or a bilateral tax treaty to exempt the amount from Part XIII withholding tax, or to apply a reduced withholding rate, including NR5, NR6, and actor elections.

If no tax is withheld, the correct exemption code must be included.

Non-resident recipient’s name and address

Following the instructions on the NR4 slip, enter the individual’s name (last name, then first name and initials) or the corporation, organization, association, trust, or institution name.

If it applies, enter the second recipient’s name (if this is not a joint account or there is only one recipient, leave this line blank).

Note

Do not enter the name of the secretary treasurer or any other individual who has signing authority.

Then enter the recipient’s full mailing address as follows:

Lines 1 and 2 – Enter the street address, (civic number, street name, and postal office box or rural route number).

Line 3:

- For Canadian addresses, enter the city, two-letter provincial or territorial code (see Appendix E), and the postal code.

- For U.S. addresses enter the city, two-letter state, territory or possession code, and the zip code.
- For addresses **outside Canada and the United States** enter the postal code and then the city name.

Line 4: Enter the full country name (if Canada, leave blank but enter CAN in the country code box below).

Country code: Enter the three-letter country code that corresponds to the country you indicated on line 4.

Name and address of agent or payer

Enter your full name and address.

Non-resident account number

Enter the account number under which you remit your non-resident tax deductions to us. This number has to match the account number shown on the remittance part of Form NR76, *Non-Resident Tax – Statement of Account*.

Distributing copies of NR4 slips

You must give recipients their NR4 slip no later than March 31, 2008. For estates or trusts, provide the copies no later than 90 days after the end of the estate’s or trust’s 2007 tax year.

Provide the recipients with:

- two copies, sent by mail to their last known address;
- two copies, delivered in person; or
- one copy distributed electronically (by email, for example) if you have received the recipient’s consent in writing or electronic format.

Keep a copy of the NR4 slips for your records.

NR4 Summary

The NR4 Summary records the totals of amounts that you report on NR4 slips and on Form NR601, *Non-Resident Ownership Certificate – Withholding Tax*, and Form NR602, *Non-Resident Ownership Certificate – No Withholding Tax*.

Completing the NR4 Summary

Use the information on the NR4 slips to complete the summary, as shown below. All amounts should be entered in Canadian funds.

Year-end or fiscal year-end

Enter the four digits of the calendar year to which the information return relates or the applicable fiscal year-end.

Box 1 – Non-resident account number

Enter the account number under which you remit your non-resident tax deductions to us. This number has to match the account number shown on the remittance part of Form NR76, *Non-Resident Tax – Statement of Account*.

Box 88 – NR4 slips filed

In box 88, enter the total number of all the slips included with this summary.

Boxes 18 and 22 – Amounts reported on NR4 slips

- Add the amounts in boxes 16 and 26 from all slips. Enter the total in box 18.
- Add the amounts in boxes 17 and 27 from all slips. Enter the total in box 22.

Boxes 26 and 28 – Amounts reported on form NR601 or NR602

- Add the gross income you reported on Forms NR601 and NR602. Enter the total in box 26.
- Add the non-resident tax amounts you reported on Form NR601. Enter the total in box 28.

Box 30 – Total

Add the amounts reported in boxes 18 and 26. Enter the total in box 30.

Box 32 – Total non-resident tax withheld

Add the amounts reported in boxes 22 and 28. Enter the total in box 32.

Box 82 – Total remittances for the year

In box 82, enter the total you remitted to your non-resident tax account for 2007.

Difference

Subtract box 82 from box 32. Enter the difference in the space provided. If there is no difference between the total non-resident tax withheld and the year 2007 remittances, enter "nil" in box 86. Generally, we do not charge or refund \$2 or less.

Box 84 – Overpayment

If the amount from box 82 is more than the amount in box 32 (and you do not have to file another return for this account number), enter the difference in box 84. Attach a note indicating the reason for the overpayment and whether you want us to transfer this amount to another account or another year, or refund the overpayment to you.

Box 86 – Balance due

If the amount in box 32 is more than the amount in box 82, enter the difference in this box. If you have a balance due, enclose with the NR4 Summary, a cheque or money order payable to the Receiver General for the balance owing. If you remit your payment late, any balance due may be subject to a penalty and interest at the prescribed rate.

Boxes 76 and 78 – Contact person

Enter the name and phone number of a person that we can contact for more information.

Certification

An authorized officer has to sign the NR4 Summary to confirm that the information is correct and complete.

NR4 information return

The NR4 return consists of the NR4 slips and the related NR4 Summary.

The NR4 return is due March 31, 2008, or no later than 90 days after the end of the estate's or trust's 2007 tax year. If **March 31** falls on a Saturday, Sunday, or Canadian public holiday, your return is due the next business day.

An NR4 return must be completed even if an NR5, NR6, or actor election has been filed.

If your business or activity ceases during the year, you have to file an NR4 return within 30 days of ending your business or stopping your activity.

Filing electronically

If you file 1 to 500 information slips, we encourage you to file in extensible mark-up language (XML) format by Internet file transfer. You will get immediate confirmation that we received your information return.

If you file more than 500 various information slips, you **must** file the return electronically in extensible mark-up language (XML) format.

- For 501 to 3,500 slips, file by Internet file transfer or on electronic media.
- For more than 3,500 slips, file on electronic media.

If you fail to file electronically when required, we may apply a penalty. See "Penalties and Interest" on page 4.

Electronic media

Use electronic media (DVD, CD, or diskette) to file one or more slips. See www.cra.gc.ca/electronicmedia.

Internet file transfer

Starting January 2008, if you use payroll, commercial, or in-house developed software to manage your business, you can file up to 5 MB (approximately 3,500 slips). See www.cra.gc.ca/file-xml.

Internet filing is available from January 7, 2008, to early December 2008.

To file your NR4 return by Internet, you need a Web access code (WAC). If you want to file by Internet and you did not receive, by the end of February 2008, a personalized NR4 Summary showing your WAC, call **1-877-322-7849** to get your WAC. From outside Canada and the United States, call us collect at **204-984-0120**.

Filing on paper

We encourage you to file in extensible mark-up language (XML) format by Internet file transfer. You will get immediate confirmation that we received your information return. See "Filing electronically" above.

Please note that if you are filing more than 500 slips, you **must** file electronically.

Send your completed paper NR4 information return to:

Ottawa Technology Centre
Canada Revenue Agency
875 Heron Road
Ottawa ON K1A 1G9

When you send us copies of the slips, print two NR4 slips to a page. This will allow us to process your information return faster.

You can include paper copies of any slips and the corresponding summary form for data that is not recorded electronically. Group them separately and clearly identify them as manual portions that are not included in electronic format.

After you file

When we receive your information return, we check it to see if you have prepared it correctly. After an initial review, we enter your return into our processing system, which captures the information and performs various validity and balancing checks. If there are any problems, we may contact you.

Amending, cancelling, adding, or replacing slips

If you notice errors on the slips **before** you file them with us, you can correct them by preparing new slips and **removing** any incorrect copies from the return. If you do not prepare a new slip, initial any changes you make on the slip. Also, correct the summary.

Amending

After you file your information return, you may notice that you made an error when preparing the NR4 slips. If so, you will have to prepare amended slips to correct the information.

Note

You are **not allowed** to file an amended slip, or cancel a slip in the following situations:

- Part XIII tax was deducted in error from amounts paid to a Canadian resident; or
- excessive Part XIII tax was deducted from amounts paid or credited to a non-resident.

For more information about these situations, see “Applying for a refund of tax overpayments” on page 7.

Amending slips electronically

For information on amending slips electronically, see www.cra.gc.ca/file-xml and select “Amending returns.”

Amending paper slips

You may find other types of errors on NR4 slips **after** you have filed them or have sent copies to non-residents. In these situations, prepare amended slips. When you amend a slip, complete all the necessary boxes, including the information that was correct on the original slip.

Clearly identify the amended slips by writing “AMENDED” at the top of the slips. Send the amended slips to the non-resident the same way as the originals.

If you have to change financial data on the amended slips, prepare and file an amended NR4 Summary showing the revised totals. Clearly write “AMENDED” at the top of the summary.

Mail your amended slips, along with a letter of explanation, to the International Tax Services Office.

Cancelling

Cancelling slips electronically

A cancelled slip is considered as an amended slip. For information on cancelling slips electronically, see www.cra.gc.ca/file-xml and select “Amending returns.”

Cancelling paper slips

If you are cancelling a slip, send us a copy of the original clearly marked “CANCELLED.” Send the amended slips to the non-resident the same way as the originals. File an NR4 Summary for the cancelled slips showing the revised totals. Clearly write “CANCELLED” at the top of the summary.

Mail your amended slips and summary, along with a letter of explanation, to the International Tax Services Office.

Adding

After you file your NR4 information return, you may discover that you need to send us additional NR4 slips. If you have original slips that were not filed with your return, file them in a separate original return.

Adding slips electronically

We accept additional original NR4 slips in electronic format. See www.cra.gc.ca/file-xml.

Adding slips on paper

If you file new slips after you have filed your return, clearly identify them as “ADDITIONAL.” File an NR4 Summary for the additional slips showing the revised totals. Clearly write “ADDITIONAL” at the top of the summary.

Mail your additional slips and summary, along with a letter of explanation, to the International Tax Services Office.

Replacing

If you issue slips to replace copies that are lost or destroyed, do not send us copies of these slips. Clearly identify them as “DUPLICATE” copies, and keep them with your records.

Special reporting situations

Non-resident ownership certificates

If you are an agent or another person who pays interest or dividends when bearer coupons or warrants are redeemed, for a non-resident, you have to complete one of the following forms:

- Form NR601, if you withheld non-resident tax; or
- Form NR602, if you did not withhold non-resident tax.

Form NR601, *Non-Resident Ownership Certificate – Withholding Tax*

If you are an encashing agent, use Form NR601 to report interest, dividend coupons, or warrants that require you to withhold Part XIII non-resident tax. Complete the following items on Form NR601:

- description of security;
- name of owner;
- taxable amount and tax withheld;
- beneficial owner's name and country of residence; and
- encashing agent's name, address, telephone number, and non-resident account number.

Form NR602, *Non-Resident Ownership Certificate – No Withholding Tax*

If you are an encashing agent, use Form NR602 to report interest, dividend coupons, or warrants that do not require you to withhold Part XIII non-resident tax.

Complete the following items on Form NR602:

- beneficial owner's name and address;
- encashing agent's name, address, telephone number, and non-resident account number;
- description of security;
- total amount received in Canadian funds; and
- certification (the reason a payment is exempt from Part XIII withholding tax).

The owner or agent has to certify that the information given on Form NR601 or Form NR602 is true and correct.

Distributing copies

Copy 1 – Send copy 1 of Form NR601 or Form NR602 (or both) to the International Tax Services Office (see "Contact us" on page 3). You have to do this no later than the 15th day of the month following the cashing of the interest coupons or dividend warrants.

Copy 2 – Give copy 2 of Form NR601 or Form NR602 to the non-resident owner or agent at the time of the cashing.

Copy 3 – Keep copy 3 of Form NR601 or Form NR602 for your records. The information on these forms will help you complete your NR4 Summary for 2007. For details, see "Boxes 26 and 28 – Amounts reported on form NR601 or NR602."

Appendix A – Country codes

Please enter the appropriate three-letter code.

AFG	Afghanistan	CIV	Côte d’Ivoire (Ivory Coast)	IRQ	Iraq
ALA	Åland Islands	HRV	Croatia	IRL	Ireland
ALB	Albania	CUB	Cuba	IMN	Isle of Man
DZA	Algeria	CYP	Cyprus	ISR	Israel
ASM	American Samoa	CZE	Czech Republic	ITA	Italy
AND	Andorra				
AGO	Angola	DNK	Denmark	JAM	Jamaica
AIA	Anguilla	DJI	Djibouti	JPN	Japan
ATA	Antarctica	DMA	Dominica	JEY	Jersey
ATG	Antigua and Barbuda	DOM	Dominican Republic	JOR	Jordan
ARG	Argentina				
ARM	Armenia	ECU	Ecuador	KAZ	Kazakhstan
ABW	Aruba	EGY	Egypt	KEN	Kenya
AUS	Australia	SLV	El Salvador	KIR	Kiribati
AUT	Austria	GNQ	Equatorial Guinea	PRK	Korea, Democratic People’s Republic of (North)
AZE	Azerbaijan	ERI	Eritrea	KOR	Korea, Republic of (South)
AZO	Azores	EST	Estonia	KWT	Kuwait
		ETH	Ethiopia	KGZ	Kyrgyzstan
BHS	Bahamas				
BHR	Bahrain	FLK	Falkland Islands (Malvinas)	LAO	Lao People’s Democratic Republic
BGD	Bangladesh	FRO	Faroe Islands	LVA	Latvia
BRB	Barbados	FJI	Fiji	LBN	Lebanon
BLR	Belarus	FIN	Finland	LSO	Lesotho
BEL	Belgium	FRA	France	LBR	Liberia
BLZ	Belize	GUF	French Guiana	LBY	Libyan Arab Jamahiriya
BEN	Benin	PYF	French Polynesia	LIE	Liechtenstein
BMU	Bermuda	ATF	French Southern Territories (including Amsterdam Island, Crozet Islands, the Kerguelen Islands, and Saint Paul Island)	LTU	Lithuania
BTN	Bhutan			LUX	Luxembourg
BOL	Bolivia				
BIH	Bosnia and Herzegovina	GAB	Gabon	MAC	Macao
BWA	Botswana	GMB	Gambia	MKD	Macedonia, the Former Yugoslav Republic of
BVT	Bouvet Island	GEO	Georgia	MDG	Madagascar
BRA	Brazil	DEU	Germany	MDR	Madeira
IOT	British Indian Ocean Territory	GHA	Ghana	MWI	Malawi
BRN	Brunei Darussalam	GIB	Gibraltar	MYS	Malaysia
BGR	Bulgaria	GRC	Greece	MDV	Maldives
BFA	Burkina Faso (Upper Volta)	GRL	Greenland	MLI	Mali
BDI	Burundi	GRD	Grenada	MLT	Malta
		GLP	Guadeloupe	MHL	Marshall Islands
KHM	Cambodia (Kampuchea)	GUM	Guam	MTQ	Martinique
CMR	Cameroon	GTM	Guatemala	MRT	Mauritania
CMP	Campione	GGY	Guernsey	MUS	Mauritius
CNP	Canary Islands	GIN	Guinea	MYT	Mayotte
CPV	Cape Verde	GNB	Guinea-Bissau	MEX	Mexico
CYM	Cayman Islands	GUY	Guyana	FSM	Micronesia, Federated States of
CAF	Central African Republic			MDA	Moldova, Republic of
TCD	Chad	HTI	Haiti	MCO	Monaco
CHL	Chile	HMD	Heard Island and McDonald Islands	MNG	Mongolia
CHN	China (mainland)	VAT	Holy See (Vatican City State)	MNE	Montenegro
CXR	Christmas Island (Australia)	HND	Honduras	MSR	Montserrat
CCK	Cocos (Keeling) Islands	HKG	Hong Kong	MAR	Morocco
COL	Colombia	HUN	Hungary	MOZ	Mozambique
COM	Comoros	ISL	Iceland	MMR	Myanmar (Burma)
COG	Congo	IND	India		
COD	Congo, The Democratic Republic of the (formerly Zaire)	IDN	Indonesia	NAM	Namibia
COK	Cook Islands	IRN	Iran, Islamic Republic of	NRU	Nauru
CRI	Costa Rica				

NPL	Nepal	REU	Reunion	TWN	Taiwan
NLD	Netherlands	ROU	Romania	TJK	Tajikistan
ANT	Netherlands Antilles (Bonaire, Curaçao, St. Maarten)	RUS	Russian Federation	TZA	Tanzania, United Republic of
NCL	New Caledonia	RWA	Rwanda	THA	Thailand
NZL	New Zealand	SHN	Saint Helena	TLS	Timor-Leste
NIC	Nicaragua	KNA	Saint Kitts and Nevis	TGO	Togo
NER	Niger	LCA	Saint Lucia	TKL	Tokelau
NGA	Nigeria	SPM	Saint Pierre and Miquelon	TON	Tonga
NIU	Niue	VCT	Saint Vincent and the Grenadines	TTO	Trinidad and Tobago
NFK	Norfolk Island	WSM	Samoa	TUN	Tunisia
GBR	Northern Ireland	SMR	San Marino	TUR	Turkey
MNP	Northern Mariana Islands	STP	Sao Tome and Principe	TKM	Turkmenistan
NOR	Norway	STP	Sao Tome and Principe	TCA	Turks and Caicos Islands
		SAU	Saudi Arabia	TUV	Tuvalu
		SEN	Senegal		
OMN	Oman	SRB	Serbia	UGA	Uganda
		SYC	Seychelles	UKR	Ukraine
PAK	Pakistan	SLE	Sierra Leone	ARE	United Arab Emirates
PLW	Palau	SGP	Singapore	GBR	United Kingdom (including Northern Ireland)
PSE	Palestinian Territory, Occupied	SVK	Slovakia (Slovak Republic)	USA	United States
PAN	Panama	SVN	Slovenia	UMI	United States Minor Outlying Islands
PNG	Papua New Guinea	SLB	Solomon Islands	URY	Uruguay
PRY	Paraguay	SOM	Somalia	UZB	Uzbekistan
PER	Peru	ZAF	South Africa		
PHL	Philippines	SGS	South Georgia and the South Sandwich Islands	VUT	Vanuatu (New Hebrides)
PCN	Pitcairn	ESP	Spain	VEN	Venezuela
POL	Poland	LKA	Sri Lanka	VNM	Viet Nam
PRT	Portugal	SDN	Sudan	VGB	Virgin Islands, British
PRI	Puerto Rico	SUR	Suriname	VIR	Virgin Islands, U.S.
		SJM	Svalbard and Jan Mayen		
QAT	Qatar	SWZ	Swaziland	WLF	Wallis and Futuna
		SWE	Sweden	ESH	Western Sahara
		CHE	Switzerland		
		SYR	Syrian Arab Republic	YEM	Yemen
				ZMB	Zambia
				ZWE	Zimbabwe

Appendix B – Income codes

Use the correct two-digit code. For example, for copyright royalties, use code “05,” not “5.”

Pension and similar payments

Deferred profit-sharing plans (DPSP)

- 07 DPSP – Periodic payment
- 31 DPSP – Lump-sum payment

Registered retirement income funds (RRIF)

- 26 RRIF – Periodic payment***
- 27 RRIF – Lump-sum payment***

Registered retirement savings plans (RRSP)

- 28 RRSP – Periodic payment
- 43 RRSP – Lump-sum payment
- 29 RRSP – Refund of premiums
- 30 RRSP – Refund of excess amounts
- 32 RRSP – Deemed receipts on deregistration
- 33 RRSP – Deemed receipts on death

Superannuation or pension benefits

- 39 Superannuation or pension benefits – Periodic payment
- 40 Superannuation or pension benefits – Lump-sum payment

Other payments

- 02 Other – Periodic payment
- 03 Other – Lump-sum payment
- 04 Automotive products – Assistance benefits
- 06 Death benefits (other than Canada Pension Plan or Quebec Pension Plan)
- 14 Income averaging annuity contracts – Report all benefits including lump-sum payments on proceeds of disposition of these contracts.
- 34 Registered supplementary unemployment benefits
- 36 Retiring allowances
- 37 Retirement compensation arrangements
- 41 Textile, clothing, and leather goods – Assistance benefits – Superannuation or pension benefits

Social security benefits

- 44 Old Age Security payments (regular benefits)****
- 45 Net Federal (Guaranteed Income) Supplement****
- 46 Taxable Canada Pension Plan (CPP) benefits
- 47 Disability benefits – CPP
- 48 CPP death benefits – Lump-sum
- 49 Taxable Quebec Pension Plan (QPP) benefits
- 50 Disability benefits – QPP
- 51 QPP death benefits – Lump-sum
- 88 Old Age Security recovery tax

Mutual fund investment distributions

Taxable Canadian Property (TCP)

- 57 TCP gains distribution – Capital gains dividend paid by mutual fund corporations
- 58 TCP gains distribution – Capital gains distributions made by mutual fund trusts

Assessable distributions

- 59 Assessable distributions – Paid or credited by a Canadian property mutual fund investment corporation
- 60 Assessable distributions – Paid or credited by a Canadian property mutual fund investment trust

Interest and dividends

Interest

- 15 Interest paid in Canadian currency on deposits*
- 16 Interest paid in Canadian currency on securities**
- 17 Interest paid in Canadian currency – Other
- 18 Interest paid in foreign currency on deposits*
- 19 Interest paid in foreign currency on securities**
- 20 Interest paid in foreign currency – Other

Dividends

- 08 Dividends paid by Canadian subsidiaries to foreign parent corporations
- 09 Dividends – Other

Rents, royalties, and franchise payments

- 05 Copyright royalties
- 12 Franchise and similar rights
- 13 Gross rents from real property
- 23 Natural resource royalties
- 35 Research and development royalties
- 38 Royalties and similar payments for the use of, or the right to use, other properties
- 52 Timber royalties

Miscellaneous payments

- 10 Energy conversion grants
- 11 Estate and trust income
- 21 Management or administrative fee or charge
- 22 Motion pictures, TV, films, or videotape, etc.
- 24 Registered education savings plan
- 25 Registered home ownership savings plan
- 53 Eligible funeral arrangements
- 54 Film and video acting services
- 55 Film and video acting services, contingent compensation
- 56 Film and video acting services, residuals

* **Deposits** include bearer-deposit notes, certificates of deposits, savings certificates, and term deposits.

** **Securities** include bonds, debentures, notes, mortgages, hypothecs, and similar obligations.

*** For information about RRIF-periodic and lump-sum payments to a non-resident, contact the International Tax Services Office.

**** Old Age Security benefits and net federal supplements will be issued on a NR4-(OAS) slip.

Appendix C – Exemption codes

Code	Description	References
Exemptions applicable to interest payments only		
A	<p>Interest on government debt: Exemption for interest payable on bonds, debentures, note, mortgages, hypothecs, or similar obligations:</p> <ul style="list-style-type: none"> ■ of, or guaranteed by, the Government of Canada; ■ of a provincial government or of its agent; ■ of a Canadian municipality or public body performing a function of government in Canada; ■ of a corporation, commission, or association 90% or more owned by a province or Canadian municipality, or a wholly-owned subsidiary of such a corporation, commission, or association; or ■ of an educational institution or a hospital where payment of interest and principal is made or guaranteed by a provincial government, where such bonds, debentures, notes, etc. have been issued after April 15, 1966. 	<p><i>Income Tax Act</i>, clause 212(1)(b)(ii)(C)</p> <p>Interpretation Bulletin IT-155, <i>Exemption from Non-Resident Tax on Interest Payable on Certain Bonds, Debentures, Notes, Hypothecs or Similar Obligations</i>.</p>
B	<p>Interest payable in a foreign currency: Exemption for interest payable on amounts deposited at arm's length with a prescribed financial institution¹, to the extent that the interest is payable and the principal is repayable in a foreign currency.</p>	<p><i>Income Tax Act</i>, clause 212(1)(b)(iii)(D)</p> <p>Interpretation Bulletin IT-360, <i>Interest Payable in a Foreign Currency</i>.</p>
C	<p>Interest paid to tax-exempt non-resident persons: Exemption for interest payable on any bond, debenture, or similar obligation to a person with whom the payer is dealing at arm's length, and to whom a certificate of exemption that is in force on the day the amount is paid or credited was issued under subsection 212(14) of the <i>Income Tax Act</i>.</p>	<p><i>Income Tax Act</i>, subparagraph 212(1)(b)(iv)</p> <p>Information Circular 77-16, <i>Non-Resident Income Tax</i>.</p>
D	<p>Interest on mid- and long-term corporate debt: Exemption for interest payable by a corporation resident in Canada to a person with whom that corporation is dealing at arm's length on any obligation issued after June 23, 1975, that satisfies the requirements of the <i>Income Tax Act</i> concerning the repayment of principal (commonly referred to as the "5-year rule").</p>	<p><i>Income Tax Act</i>, subparagraph 212(1)(b)(vii)</p> <p>Interpretation Bulletin IT-361, <i>Exemption From Part XIII Tax on Interest Payments to Non-Residents</i>.</p>
E	<p>Interest for a foreign deposit in Canadian currency: Exemption for interest payable in Canadian currency to a person with whom the payer is dealing at arm's length on account of an amount in Canadian currency that has been deposited in a foreign country with a branch or office of a payer who is or is eligible to be a member of the Canadian Payments Association, or a credit union that is a shareholder or member of a body corporate or organization that is central for the purposes of the <i>Canadian Payments Association Act</i>.</p>	<p><i>Income Tax Act</i>, subparagraph 212(1)(b)(ix)</p>
F	<p>Interest on deposits with an International Banking Centre: Exemption for interest payable on an amount deposited with a prescribed financial institution for the period during which the amount was an eligible deposit under the international banking centres provisions of subsection 33.1(1) of the <i>Income Tax Act</i>.</p>	<p><i>Income Tax Act</i>, subparagraph 212(1)(b)(xi)</p>
K	<p>Interest on a loan to wholly-owned subsidiary: Exemption for interest payable by a subsidiary wholly-owned corporation resident in Canada to its non-resident parent corporation if the capital loaned to the subsidiary corporation has been borrowed by the parent corporation from a resident Canadian person, or a non-resident insurance corporation, and if the subsidiary's principal business is the making of loans.</p>	<p><i>Income Tax Act</i>, section 218</p>
L	<p>Interest for certain securities lending arrangements: Exemption for interest payable under certain securities lending arrangements if the payer is a lender that is a prescribed financial institution or a resident Canadian trader in securities.</p>	<p><i>Income Tax Act</i>, subparagraph 212(1)(b)(xii)</p>

¹ A prescribed financial institution is a corporation that is a member of the Canadian Payments Association, or a credit union that is a shareholder or member of a body corporate or organization that is a central for the purposes of the *Canadian Payments Association Act*.

Code	Description	References
Exemptions applicable to dividends only		
M	Capital gains dividends and dividends from a foreign business corporation: Exemption for capital gains dividends described in any of the subsections 130.1(4), 131(1), or 133(7.1) of the <i>Income Tax Act</i> . This exemption does not apply to the portion of a capital gains dividend described in subsection 131(1) that represents a taxable Canadian property (TCP) gains distribution. The TCP gains distribution is considered a taxable dividend subject to withholding tax. Exemption for certain dividends paid for a share of the capital stock of a foreign business corporation.	<i>Income Tax Act</i> , subsections 212(2) and 131(5.1) <i>Income Tax Act</i> , section 213
Exemptions applicable to rents, royalties, and similar payments only		
G	Copyright royalties: Exemption for a royalty or a similar payment, if the payment is made on, or for, a copyright for the production or reproduction of any literary, dramatic, musical, or artistic work.	<i>Income Tax Act</i> , subparagraph 212(1)(d)(vi)
N	Certain rental and leasing payments: Exemption for payments made under certain leasing arrangements involving railway rolling stock, corporeal property used outside Canada, and aircraft.	<i>Income Tax Act</i> , subparagraphs 212(1)(d)(vii), 212(1)(d)(ix) and 212(1)(d)(xi)
O	Cost-sharing arrangements: Exemption for payments made under a bona fide cost-sharing arrangement for research and development expenses.	<i>Income Tax Act</i> , subparagraph 212(1)(d)(viii)
Authorization to apply a reduced rate of withholding		
H	Rents from real property and timber royalties: A reduction was approved by the Canadian Revenue Agency allowing Canadian agents who receive rent from real property or timber royalties for non-residents to withhold tax on the net rental income rather than on the gross rental income.	<i>Income Tax Act</i> , section 216
J	Pension and similar payments, and acting services: A reduction was approved by the Canada Revenue Agency allowing payers to withhold tax at a lower rate on certain pensions and similar payments, or on payments made for the acting services of a non-resident actor in a film or video production.	<i>Income Tax Act</i> , section 217 and subsection 212(5.3)
Exemptions applicable to management or administration fees or charges		
P	Management or administration fees or charges: Exemption under a tax convention between Canada and another country (business profits article) or in the <i>Income Tax Act</i> on management or administration fees or charges.	<i>Income Tax Act</i> , subsection 212(4) or business profits article of a tax convention signed by Canada.
Exemptions for payments made to non-resident tax-exempt persons		
C	Interest paid to tax-exempt non-resident persons: Exemption for interest payable on any bond, debenture, or similar obligation to a person with whom the payer is dealing at arm's length, and to whom a certificate of exemption that is in force on the day the amount is paid or credited was issued under subsection 212(14) of the <i>Income Tax Act</i> .	<i>Income Tax Act</i> , subparagraph 212(1)(b)(iv) Information Circular 77-16, <i>Non-Resident Income Tax</i>
I	Article XXI of the U.S. tax convention: Exemption for organizations that have received a letter of exemption under Article XXI of the Canada-U.S. Tax Convention. The letter must be in force when the amount is paid or credited.	Information Circular 77-16, <i>Non-Resident Income Tax</i> .

Code	Description	References
Other exemptions		
Q	<p>Payments to a non-resident that carries on a business in Canada through a permanent establishment in Canada: Exemption under a tax convention between Canada and another country on dividend, interest, and royalty payments. For example, under the Canada-U.S. Tax Convention, these payments may be exempt if the beneficial owner of the payments carries on a business in Canada through a permanent establishment in Canada, or performs independent personal services from a fixed base in Canada, and if the holding, debt-claim, or property or right for which the payment is made is effectively connected with the permanent establishment or fixed base.</p>	Dividend, interest, or royalties article of a tax convention signed by Canada
R	<p>Payments made for a business carried on in a country other than Canada: Exemption under the <i>Income Tax Act</i> for interest payments on obligations entered into during the course of carrying on a business in a country other than Canada.</p> <p>Exemption on certain arm's length royalty payments to the extent that the amounts are deductible in calculating the income of the payer under Part I from a business carried on by the payer in a country other than Canada.</p> <p>Exemption under a tax convention between Canada and another country (for example, under the Canada-U.S. Tax Convention) if the payer has, in a country other than Canada, a permanent establishment or fixed base in connection with which the obligation to pay the interest or royalty was incurred, and the payments are deducted against the income of the permanent establishment or fixed base.</p>	<p><i>Income Tax Act</i>, clause 212 (1)(b)(iii)(E) and subparagraph 212(1)(b)(v)</p> <p><i>Income Tax Act</i>, subparagraph 212(1)(d)(x)</p> <p>Interest and royalties article of a tax convention signed by Canada</p>
S	<p>Other exempting provisions – <i>Income Tax Act</i>: Exemption from withholding tax as a result of other exempting provisions in the <i>Income Tax Act</i>, other than those given above in codes A through G, and K through P, R, and U.</p>	
T	<p>Other exempting provisions: Exemption from withholding tax as a result of other exempting provisions of a tax convention, other than those given above in codes I, and P through R.</p>	
U	<p>Exemption from withholding tax on payments of certain reasonable travel expenses and per diem amounts reimbursed to a non-resident actor.</p>	<i>Income Tax Act</i> , subparagraph 212(5.1)

Appendix D – Currency codes

Use the correct three-letter code. The amounts entered for gross income and tax withheld are reported in the same currency as indicated by the currency code. We will convert amounts reported in foreign currency to Canadian funds based on the average annual exchange rate published by the Bank of Canada.

Most frequently used

Currency name	Currency code
Canadian dollar	CAD
United States dollar ¹	USD
Australian dollar ¹	AUD
Euro ¹	EUR
Hong Kong dollar	HKD
Philippine peso	PHP
Pound sterling	GBP

Other currencies

Currency	Currency code	Currency	Currency code
Argentine peso	ARS	Mexican peso	MXN
Bahamian dollar	BSD	Moroccan dirham ¹	MAD
Brazilian real	BRL	Myanmar kyat	MMK
Chilean peso	CLP	Netherlands Antillian guilder	ANG
Chinese yuan renminbi	CNY	New Zealand dollar ¹	NZD
Colombian peso	COP	Norwegian krone ¹	NOK
Communauté Financière Africaine Franc BCEAO ^{1, 2}	XOF	Pakistan rupee	PKR
Communauté Financière Africaine Franc BEAC ^{1, 3}	XAF	Panamanian balboa	PAB
Comptoirs Français du Pacifique franc (CFP) ¹	XPF	Peruvian nuevo Sol	PEN
Croatian kuna	HRK	Polish zloty	PLN
Czech koruna	CZK	Russian ruble	RUB
Danish krone ¹	DKK	Singapore dollar	SGD
East Caribbean dollar ¹	XCD	Slovak koruna	SKK
Fiji dollar	FJD	South African rand ¹	ZAR
Ghana cedi	GHS	South Korean won	KRW
Guatemalan quetzal	GTQ	Sri Lanka rupee	LKR
Honduran lempira	HNL	Swedish krona	SEK
Hungarian forint	HUF	Swiss franc ¹	CHF
Iceland krona	ISK	Taiwan New dollar	TWD
Indian rupee ¹	INR	Thai baht	THB
Israeli New shekel	ILS	Trinidad and Tobago dollar	TTD
Jamaican dollar	JMD	Tunisian dinar	TND
Japanese yen	JPY	Turkish New lira	TRY
Malaysian ringgit	MYR	Venezuelan Bolivar fuerte	VEF
		Vietnamese dong	VND

¹ This currency is also used in other countries. For more information, refer to the International Standard (ISO) 4217 called the Codes for the Representation of Currencies and Funds.

² Responsible authority: Banque Centrale des États de l'Afrique de l'Ouest

³ Responsible authority: Banque des États de l'Afrique Centrale

Appendix E – Province, territory or U.S. state, territory, or possession codes

Use the following abbreviations when you enter the Canadian province or territory, or U.S. state, territory or possession on the slip and summary.

Canada

Province or territory	Code
Alberta	AB
British Columbia	BC
Manitoba	MB
New Brunswick	NB
Newfoundland and Labrador	NL
Northwest Territories	NT
Nova Scotia	NS

Province or territory	Code
Nunavut	NU
Ontario	ON
Prince Edward Island	PE
Quebec	QC
Saskatchewan	SK
Yukon	YT

United States

State, territory or possession	Code
Alabama	AL
Alaska	AK
American Samoa	AS
Arizona	AZ
Arkansas	AR
Armed Forces Americas (except Canada)	AA
Armed Forces Africa	AE
Armed Forces Canada	
Armed Forces Europe	
Armed Forces Middle East	
Armed Forces Pacific	AP
California	CA
Colorado	CO
Connecticut	CT
Delaware	DE
District of Columbia	DC
Florida	FL
Georgia	GA
Guam	GU
Hawaii	HI
Idaho	ID
Illinois	IL
Indiana	IN
Iowa	IA
Kansas	KS
Kentucky	KY
Louisiana	LA
Maine	ME
Marshall Islands	MH
Maryland	MD
Massachusetts	MA
Michigan	MI
Micronesia (Federation state of)	FM

State, territory or possession	Code
Minnesota	MN
Minor Outlying Islands	UM
Mississippi	MS
Missouri	MO
Montana	MT
Nebraska	NE
Nevada	NV
New Hampshire	NH
New Jersey	NJ
New Mexico	NM
New York	NY
North Carolina	NC
North Dakota	ND
Northern Mariana Islands	MP
Ohio	OH
Oklahoma	OK
Oregon	OR
Palau	PW
Pennsylvania	PA
Puerto Rico	PR
Rhode Island	RI
South Carolina	SC
South Dakota	SD
Tennessee	TN
Texas	TX
Utah	UT
Vermont	VT
Virgin Islands	VI
Virginia	VA
Washington	WA
West Virginia	WV
Wisconsin	WI
Wyoming	WY