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 throughout the tax year;
 - 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;
 - it is reporting in Canadian currency; and
 - it does not have an Ontario transitional tax debit.
- 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 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 schedules 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.
- * If your corporation is inactive (you answered **yes** on line 280) and there is no balance sheet or income statement information to report, you do not have to attach these schedules. However, they will be accepted if filed.

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

Note

If you need a copy of Guide T4012, *T2 Corporation – Income Tax Guide*, or other schedules, visit our Web site at **www.cra.gc.ca/forms** or call **1-800-959-2221**. If you need any additional information that would help you complete this return, call our Business Enquiries line at **1-800-959-5525**.



NET INCOME (LOSS) FOR INCOME TAX PURPOSES

Corporation's name	Business Number	Ta	x year-end	
		Year	Month	Day
		1 1 1 1	1 1	1 1

- This schedule lets you reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.
- For more information, see Guide T4012, T2 Corporation Income Tax Guide.

Net income (loss) after taxes and extraordinary items per financial statements	A
Additions:	<u> </u>
Provision for income taxes – current	101
Provision for income taxes – deferred	102
Amortization of tangible assets	104
Amortization of intangible assets	106
Recapture of capital cost allowance from Schedule 8	107
Gain on sale of eligible capital property from Schedule 10	108
Income or loss for tax purposes – joint ventures or partnerships	109
Loss on disposal of assets	111
Charitable donations from Schedule 2	112
Taxable capital gains from Schedule 6	113
Depreciation in inventory – end of year	117
Non-deductible meals and entertainment expenses	121
Tax reserves deducted in prior year from Schedule 13	
Other additions:	_
600	290
601	291
602	292
603	293
604	294
	_ \
Total of lines 101 to	294 500 =
	Subtotal (amount A plus amount B)
Deductions:	994
Bad debt	
Book income of joint venture or partnership	305
Equity in income from subsidiaries or affiliates	306 401
Gain on disposal of assets per financial statements	403
Capital cost allowance from Schedule 8	
Terminal loss from Schedule 8	405
Cumulative eligible capital deduction from Schedule 10	
Allowable business investment loss from Schedule 6	
Holdbacks	
Tax reserves claimed in current year from Schedule 13	
Contributions to deferred income plans from Schedule 15	417
Other deductions:	
700	390
701	
701	
702	202
703	
704	394
	510
Total of lines 304 to	394 510
	r
Nil net income or (loss) for income tax purposes – amount C minus amount D .	
Enter amount E on line 300 on page 1 of the <i>T2 Short return</i> . If the amount on line E blease file a regular <i>T2 Corporation – Income Tax Return</i> .	is a positive amount,

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CAPITAL COST ALLOWANCE (CCA) (2006 and later tax years)

SCHEDULE 8 Code 0601

١	lame of corp	oration								Busine	ss Number	Taxati Year	on year end Month Day
L													
	For more	e information, see t	he section called '	'Capital Cost Allo	wance" in the T	2 Corporation Inco	ome Tax Guide.						
	Is the co	rporation electing ι	under Regulation 1	1101(5q)? 101	1 Yes	2 No]						
	1	2	3	4	5	6	7	8	9	10	11	12	13
	Class number	Undepreciated capital cost at the beginning of the year (undepreciated capital cost at the end of the year from column 13 of last year's CCA schedule)	Cost of acquisitions during the year (new property must be available for use) See note 1 below	Net adjustments (show negative amounts in brackets)	Proceeds of dispositions during the year (amount not to exceed the capital cost)	Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) See note 3 below	Reduced undepreciated capital cost (column 6 minus column 7)	CCA rate %	Recapture of capital cost allowance	Terminal loss	Capital cost allowance (column 8 multiplied by column 9; or a lower amount) See note 4 below	Undepreciated capital cost at the end of the year (column 6 minus column 12)
	200	201	203	205	207		211		212	213	215	217	220
1.													
2.													
3.													
4.													
5.													
6.													
7.													
8.													
9.													
10.													
							y would have been pregulation 1100(2) and		Totals				
		Include amounts trans			•	up of a subsidiary. S	See the T2 Corporation	n Income	_		+		
	Note 3.		sitions is the cost of a	acquisitions (column	3) plus or minus o		rom column 4. For exc	ceptions		Enter the total of	column 11 on line	107 of Schedule 1. 404 of Schedule 1.	
		If the tax year is short T2 Corporation Incom			n. Some classes of	property do not have	e to be prorated. See	the	L	Enter the total of	column 12 on line	403 of Schedule 1.	

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du Canada	

SHAREHOLDER INFORMATION (2006 and later tax years)

SCHEDULE 50 Code 0601

Name of corporation	Business Number	l Tax ve	ear-end	
		Year	Month	Day
			1 1 '	1 1

All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

					_	
		Provide	only one number per sha	reholder		
	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
	100	200	300	350	400	500
١.						
2.						
3.						
1.						
5.						
6.						
7.						
3.						
9.						
).						

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T2 SHORT RETURN (2010 and later tax years)



This form serves as a federal and provincial or territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

Sections, subsections, and paragraphs mentioned on this return refer to the federal Income Tax Act. This return may contain changes that had not yet become law at the time of printing.

Send one completed copy of this return, including schedules, and the General Index of Financial Information (GIFI) to your tax centre or tax services office. You have to file the return within six months after the end of the corporation's tax year.

For more information see www.cra.gc.ca or Guide T4012, T2 Corporation - Income Tax Guide.

	200 3
	Code 1001
055	Do not use this area

	Identi	fication	
Corpo	ness Number (BN)		
002			
	ess of head office his address changed since the	To which tax year does this return apply?	
	mo you filed your T2 return?	Tax year start	Tax year-end
	, complete lines 011 to 018.	YYYY MM DD	YYYY MM DD
011		Has there been an acquisition of control	TTTT WIIVI DD
012		to which subsection 249(4) applies since	063 1 Yes 2 No
	City Province, territory, or state	the previous tax year?	
015	016	If yes , provide the date control was acquired	065
	Country (other than Canada) Postal code/ZIP code	acquired	YYYY MM DD
017	018		· · · · · · · · · · · · · · · · · · ·
Has th	ng address (if different from head office address) nis address changed since the last rou filed your T2 return?	Is the date on line 061 a deemed tax year-end in accordance with subsection 249(3.1)?	066 1 Yes 2 No
	, complete lines 021 to 028.	Is the corporation a professional	
021	c/o	corporation that is a member of a partnership?	067 1 Yes 2 No
022		partitership:	
023	City Province, territory, or state	Is this the first year of filing after:	070 1 Yes 2 No
020	Country (other than Canada) Postal code/ZIP code	Incorporation?	071 1 Yes 2 No
027	028	Amalgamation? If yes , complete and attach Schedule 24.	2110
Has the change T2 ret	tion of books and records ne location of books and records ged since the last time you filed your turn?	Has there been a wind-up of a subsidiary under section 88 during the current tax year? If yes, complete and attach Schedule 24.	072 1 Yes 2 No
032		Is this the final tax year before	
035	City Province, territory, or state 036	amalgamation?	076 1 Yes 2 No
037	Country (other than Canada) Postal code/ZIP code 038	Is this the final return up to dissolution?	078 1 Yes 2 No
040	Type of corporation at the end of the tax year		
1	Canadian-controlled private corporation (CCPC)	"Nil" or "net loss" for income tax	
2	Other private corporation	purposes from Schedule 1, financial	200 /
3	Public corporation	statements, or GIFI	300 ()
4	Corporation controlled by a public corporation		
5 _	Other corporation (specify)	Provincial or territorial	750
085	If the corporation is exempt from tax under section 149, tick one of the following boxes:	jurisdiction	
1	An agricultural organization, a board of trade or a chamber of commerce; or a non-profit club, society or association	T	840
2	Non-profit corporations for scientific research and experimental development	Tax instalments paid	
3	Certain farmers' and fishermen's insurers	If there are excess payments in this year's	
4	Exempt under other paragraphs of section 149	instalment account, indicate the refund co	Jue
	Do not us	se this area	
091	092 093	094 095	096

(Vous pouvez obtenir ce formulaire en français à www.arc.gc.ca ou au 1-800-959-3376.)

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 <i>T2 Short Return</i> .	Yes Schedule
Is the net income/loss shown on the financial statements different from the nil net income or net loss for income tax purposes?	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 previous tax year?	4
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	6
Does the corporation have any property that is eligible for capital cost allowance?	8
Is the corporation related to any other corporations?	9
Does the corporation have any property that is eligible capital property?	10
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	11
Is the corporation claiming deductible reserves?	13
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	15
Is the corporation an associated Canadian-controlled private corporation?	23
Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	50
Additional information	
Is the corporation inactive? Has the major business activity changed since the last return was filed? (enter yes for first-time filers) What is the corporation's major business activity? 280 1 Yes 281 1 Yes	2 No
(only complete if yes was entered at line 281)	2 Retail
If the major activity involves the resale of goods, indicate whether it is wholesale or retail	Z i letali
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.	% %
If the corporation's major business activity is construction, did you have any subcontractors during the tax year?	2 No
Contification	
Certification —	
I, 950 Last name in block letters First name in block letters 954 Position, office, or rank	,
am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statement 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 year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.	
955 Date (yyyy/mm/dd) Signature of an authorized signing officer of the corporation Telephone numb	per
Is the contact person the same as the authorized signing officer? If no , complete the information below 957 1 Yes 2 No	
958	
Name in block letters Telephone number	per
Indicate the language of correspondence 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.	