

- Enter the applicable taxation year in the box above.
- Use this schedule to calculate a spousal or common-law partner trust's capital gains deduction for the taxation year in which the beneficiary spouse or common-law partner died.  
**Note:** A joint spousal or common-law partner trust, an alter ego trust, or a trust that elected to defer the deemed realization day, **cannot** claim a capital gains deduction.
- Before completing this schedule, you have to calculate:
  - the trust's eligible taxable capital gains (line 34 of Schedule 3, *Eligible Taxable Capital Gains*); and
  - the spouse's or common-law partner's unused lifetime capital gains deduction limit for the year the spouse or common-law partner died (Form T657, *Calculation of Capital Gains Deduction*, for the year of death).
- If the spousal or common-law partner trust is subject to the deemed realization rule, see the section, "Form T1055, *Summary of Deemed Realizations*" in the T3 guide.
- A **post-1971 spousal or common-law partner trust** can claim a capital gains deduction on qualified farm property or qualified small business corporation shares in the taxation year the beneficiary spouse or common-law partner dies. The trust can claim the deduction to the extent that the beneficiary spouse or common-law partner could have claimed a deduction for the eligible taxable capital gains if the gains had belonged to that spouse or common-law partner and not to the trust.
- A **pre-1972 spousal trust** can claim a capital gains deduction on qualified farm property or qualified small business corporation shares when reporting a deemed realization on the day the beneficiary spouse dies. The trust can claim this deduction if the trustee has never elected to defer the deemed realization day.
- For definitions of **post-1971 spousal or common-law partner trust** and **pre-1972 spousal trust**, see the *T3 Trust Guide*.

**Part A – Deceased beneficiary spouse or common-law partner information**

Name of deceased beneficiary spouse or common-law partner	Address	Social insurance number	Date of death		
			Year	Month	Day

**Part B – Calculating the spousal or common-law partner trust's capital gains deduction on all property**

Spousal or common-law partner <b>trust's</b> eligible taxable capital gains for the year, from line 34 of Schedule 3			1
Amounts designated on line 930 of Schedule 9	-		2
<b>Trust's</b> eligible taxable capital gains for the year (line 1 minus line 2)	=		3
<b>Spouse's or common-law partner's</b> cumulative loss amount claimed after 1984 (see note 1)	5020 •		4
<b>Spouse's or common-law partner's</b> cumulative eligible taxable capital gains reported after 1984 (see note 2)	5030 • -		5
<b>Subtotal</b> (line 4 minus line 5; if negative, enter "0")	=		6
<b>Net amount</b> (line 3 minus line 6)	=		7
Spousal or common-law partner <b>trust's</b> taxable capital gains for the year on qualified farm property and qualified small business corporation shares (line 6 of Schedule 3)			8
<b>Spouse's or common-law partner's</b> unused capital gains deduction for the year (see note 3 – attach a copy of Form T657)	5200 •		9
<b>Capital gains deduction for spousal or common-law partner trust</b> (line 7, 8, or 9, whichever is <b>less</b> ) Enter this amount on line 53 of the T3 return.			10

**Note 1**  
The cumulative loss amount claimed after 1984 is the amount on line 30 of Form T657.

**Note 2**  
The cumulative eligible taxable capital gains reported after 1984 is the amount on line 23 of Form T657.

**Note 3**  
The unused capital gains deduction is the **lesser** of lines 52 and 55 of Form T657, **MINUS** the amount entered on line 56 of Form T657.