Taxation

Revenue Canada Revenu Canada Impôt

CALCULATION OF CAPITAL GAINS DEDUCTION FOR 1990 ON ALL CAPITAL PROPERTY

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For use by an individual who was resident in Canada throughout 1990 to compute a deduction for taxable capital gains realized on a disposition of capital property in 1990 in accordance with section 110.6 of the Income Tax Act. Capital property for the purposes of this form includes qualified farm property and qualified small business corporation shares. If you did not dispose of qualified farm property and/or qualified small business corporation shares in 1990 OR IN PREVIOUS YEARS, you should not use this form. Instead, you should complete form T657A. An individual who eased to be resident in Canada in 1990, but who was resident in Canada in throughout 1990, shall be deemed for the purpose of section 110.6 to be resident in Canada throughout 1990. An individual who immigrated to Canada during 1990 and was not resident for the entire year is only eligible for this deduction if residing in Canada throughout 1991. A reserve claimed in respect of a disposition of capital property after 1984 will qualify for the capital gains deduction when brought into income in a subsequent year. You must file an income tax return for 1990 if you have a capital disposition to report even if you have no tax payable. Failure to report a capital gain or to file an income tax return may result in the loss of the capital gains deduction in respect of the disposition.

For further information on capital gains/losses and details of what is considered to be qualified farm property and qualified small business corporation shares, refer to the 1990 Capital Gains Tax Guide. . Additional information may be obtained from your District Taxation Office. .

Name in Full (Print)			ę	Social Ir	surance	e Numbe	er	
PART 1 PART 1 CALCULATION OF ANNUAL GAINS LIMIT F	FOR	1990						
(For all dispositions of capital property, including reserves on dispositions after 1984, re	reporte	ed in	1990	сотр	lete Pa	rt 1)		
(a) Total net capital gain (loss) for 1990 (total of line 537 (Schedule 3) and line 390 (form T2017)) (1) .								
Taxable capital gains (allowable capital losses) (3/4 of amount at line (1))								
ADD: Taxable capital gain on disposition of eligible capital property (total of lines 543 and 544 on Schedule 3) (3) .								
Total taxable capital gains for 1990 (line (2) plus line (3))					► (4)			
(b) Net capital losses of other years (from line 253 on page 2 of your return) (5)								
ADD: Allowable business investment losses (from line 217 on page 2 of your return)				\rightarrow				
Total of above losses claimed in 1990 (line (5) plus line (6))					► (7)			
ANNUAL GAINS LIMIT FOR 1990 (line (4) minus line (7): if negative, enter zero)		•••		• • • • •	(8)			
PART 2 CALCULATION OF CUMULATIVE GAINS LIMIT	FOR	1990)			·		
(For all dispositions of capital property, including reserves on dispositions after 1984, re	eporte	ed in	1990	, сотр	lete Pa	irt 2)		
(a) Taxable capital gains reported after 1984 and before 1990 (do not include reserves				1				
reported before 1988 other than reserves on qualified farm property dispositions after 1984) , (9)	_			_				
ADD: Total taxable capital gains reported in 1990 (line (4) in Part 1)								I
Cumulative taxable capital gains reported after 1984					▶(11)			
(b) ADD: Allowable capital loss claimed in 1985 (Maximum \$2000.00)								
(from line 127 of your 1985 return, if a loss was claimed)	·····							
Total allowable business investment losses after 1984 and before 1990								-
(from line 217 of your 1985 to 1989 returns)				+				
Total net capital losses of other years claimed after 1984 and before 1990								
(from line 253 of your 1985 to 1989 returns and form T1A (Losses carried-back))								
Cumulative net investment loss (line (C) on form T936)								
Total losses claimed in 1990 (line (7) in Part 1)								
Total capital gains deductions claimed after 1984 and before 1990								
(from line 254 of your 1985 to 1989 returns)					► ₍₁₈₎			1
Sub-total CUMULATIVE GAINS LIMIT FOR 1990 (line (11) minus line (18): if negative, enter zero)								
PART 3CALCULATION OF CAPITAL GAINS DEDUCTION ON QUALI (Complete this part if you disposed of qualified farm property or are reporting reserves on disposition						fter 19	84, in 19	990)
Maximum farm capital gains deduction for 1990							07	5,000 00
Total capital gains deductions claimed after 1984 and before 1988		••••			(20)			
(from line 254 of your 1985 to 1987 returns)				1				
ADD: Adjustment of pre-1988 capital gains deductions (1/2 of amount reported at line (21)) (22)								
Total capital gains deductions claimed in 1988 and 1989 (from line 254 of your 1988 and 1989 returns) (23)								
Adjustment of 1988 and 1989 capital gains deductions (1/8 of amount at line (23))								
Sub-total					► ₍₂₅₎			
Farm capital gains deduction available for 1990 (line (20) minus line (25))								
Total of all net capital gains from disposition of qualified farm property in 1990								
(total of lines 516 (Schedule 3), 373 and 377 (form T2017))								
Taxable capital gains on disposition of qualified farm property in 1990 (3/4 of amount at line (26)) (27)								
ADD: Taxable capital gain on disposition of eligible capital farm property in 1990								
(reported at line 543 on Schedule 3)								I
Total taxable capital gains on disposition of qualified farm property (line (27) plus line (28))					. 🏲 (В))		
Annual gains limit (line (8) in Part 1)					(C))		
Cumulative gains limit (line (19) in Part 2)) (
CAPITAL GAINS DEDUCTION ON QUALIFIED FARM PROPERTY: The maximum amount to be entered at line (E) is	5							ł
the least of (A), (B), (C) and (D), however, you may enter an amount that is less than the maximum					. (E))		
If you did not have other dispositions or reserves on dispositions of capital property in 1990, complete Part 6.								

PART 4 CALCULATION OF CAPITAL GAINS DEDUCTION ON QUALIFIED SMALL BUSINESS CORPORA		T I I I I I I I I I I I I I I I I I I I
(Complete this part if you disposed of qualified small business corporation shares or are reporting reserves on d qualified small business corporation shares after June 17, 1987, in 1990)		
Maximum small business corporation shares capital gains deduction for 1990	(29)	375,000 00
Total capital gains deductions claimed after 1984 and before 1988		
(from line 254 of your 1985 to 1987 returns)		
ADD: Adjustment of pre-1988 capital gains deductions (1/2 of amount at line (30))		
Total capital gains deductions claimed in 1988 and 1989 (from line 254 of your 1988 and 1989 returns) (32)		
Adjustment of 1988 and 1989 capital gains deductions (1/8 of amount at line (32))	(34)	
Small business corporation shares capital gains deduction available for 1990 (line (29) minus line (34))	(F)	
Total of all net gains from disposition of qualified small business corporation shares in 1990	.,	
(total of lines 513 (Schedule 3) and 381 (form T2017))		
Taxable capital gains on disposition of gualified small business corporation shares in 1990		
(3/4 of amount at line (35))	• (G)	
Annual gains limit (line (8) in Part 1)	.,	
SUBTRACT: Farm capital gains deduction (line (E) in Part 3)		
Net annual gains limit (if negative, enter zero)	► (H)	
Cumulative gains limit (line (19) in Part 2)		
SUBTRACT : Farm capital gains deduction (line (E) in Part 3)		
Net cumulative gains limit (if negative, enter zero)	► m	
CAPITAL GAINS DEDUCTION ON QUALIFIED SMALL BUSINESS CORPORATION SHARES: The maximum amount to be entered	(·)	
at line (J) is the least of (F), (G), (H) and (I), however, you may enter an amount that is less than the maximum	(J)	
If you did not have other dispositions or reserves on dispositions of capital property in 1990, complete Part 6.	(-)	
		lified farm
(Complete this part if you disposed of capital property or are reporting reserves, other than dispositions or reserves reporting reserves corporation shares, in 1990)	ncu on quu	
Maximum capital gains deduction for 1990	(36)	75,000 00
Total capital gains deductions claimed after 1984 and before 1988 on other capital property only		
(from lir_e 254 of your 1985 to 1987 returns)		
ADD: Adjustment of pre-1988 other capital property capital gains deductions		
(1/2 of amount at line (37))		
(from line 254 of your 1988 and 1989 returns)		
Adjustment of 1988 and 1989 other capital property capital gains deductions		
(1/8 of amount at line (39))		
Sub-total	► ₍₄₁₎	
Capital gains deduction available for 1990 (line (36) minus line (41): if negative, enter zero)	(K)	
Annual gains limit (line (8) in Part 1)		
SUBTRACT: Farm and small business corporation shares capital gains deductions		
(total of line (E) in Part 3 and line (J) in Part 4)		I
Net annual gains limit (if negative, enter zero)	(L)	
Cumulative gains limit (line (19) in Part 2)		
SUBTRACT: Farm and small business corporation shares capital gains deductions		
(total of line (E) in Part 3 and line (J) in Part 4)	•	1
Net cumulative gains limit (if negative, enter zero)	(M)	
CAPITAL GAINS DEDUCTION ON OTHER CAPITAL PROPERTY: The maximum amount to be entered at line (N)		1
is the least of (K), (L), and (M), however, you may enter an amount that is less than the maximum	(N)	
PART 6 CALCULATION OF CAPITAL GAINS DEDUCTION FOR 1990 ON ALL CAPITAL PROPE	RTY	
MAXIMUM LIFETIME DEDUCTION ON ALL CAPITAL PROPERTY		375,000 00
Total capital gains deductions claimed after 1984 and before 1988 (from line 254 of your 1985 to 1987 returns) (43)	(-/	i
ADD: Adjustment of pre-1988 capital gains deductions (1/2 of amount at line (43))		
Total capital gains deductions claimed in 1988 and 1989 (from line 254 of your 1988 and 1989 returns) (45)		
Adjustment of 1988 and 1989 capital gains deductions (1/8 of amount at line (45))		
	►(47)	
Capital gains deduction available for 1990 (line (42) minus line (47): if negative, enter zero)	()	
SUBTRACT: Total of amounts (E), (J) and (N)	• • • = =	
Capital gains deduction available for subsequent taxation years (if negative enter zero)		
The maximum amount to be entered on line 254 (page 2 of your return) is the lesser of amount (O) and (P), however, you may claim an amount that is less than the maximum. If less than the amount allowable is claimed, the amount at (O) will increase accordingly.		