



CALCULATION OF CAPITAL GAINS DEDUCTION FOR 1991 ON ALL CAPITAL PROPERTY

- Use this form to determine the amount you may claim as a capital gains deduction for dispositions of capital property included in income (including reserves on dispositions after 1984 of capital property) in 1991, in accordance with section 110.6 of the Income Tax Act. If you have never disposed of capital property that was qualified farm property or qualified small business corporation shares, you should use form T657A rather than this form.
- You must be a resident of Canada for all of 1991 to be eligible for this deduction. Please note, you are considered a resident for the purposes of this deduction, if you left Canada permanently in 1991 but you had resided in Canada for all of 1990. You are also eligible for this deduction if you took up permanent residence in Canada in 1991 and you reside in Canada for all of 1992.
- Even if you have no tax payable, your gains from 1991 capital dispositions must be recorded on your 1991 income tax return. Failure to report a capital gain may result in the loss of the capital gains deduction for that disposition.
- Refer to the **1991 Capital Gains Tax Guide** for more information or contact your District Taxation Office.
- Please complete Parts 1, 2 and 6 in full and Parts 3, 4 and 5 as applicable.

Name in Full (Please Print)	Social Insurance Number																				
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PART 1 CALCULATION OF ANNUAL GAINS LIMIT FOR 1991

(a) Total net capital gain (loss) for 1991 (total of line 537 on Schedule 3 and line 390 on form T2017). (1)					
Taxable capital gains (allowable capital losses) (3/4 of amount at line (1) above). (2)					
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 1991 (line (2) plus line (3); if negative, enter zero).		▶	(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) (6)					
Total of above losses claimed in 1991 (line (5) plus line (6)).		▶	(7)		
ANNUAL GAINS LIMIT FOR 1991 (line (4) minus line (7); if negative, enter zero)			(8)		

PART 2 CALCULATION OF CUMULATIVE GAINS LIMIT FOR 1991

(a) Taxable capital gains reported after 1984 and before 1991 (do not include reserves reported before 1988 other than reserves on qualified farm property dispositions after 1984) (9)					
ADD: Total taxable gains reported in 1991 (line (4) of Part 1 above). (10)					
Cumulative taxable capital gains reported after 1984 (line (9) plus line (10))		▶	(11)		
(b) Allowable capital loss claimed in 1985 (maximum \$2,000) (from line 127 of your 1985 return, if a loss was claimed). (12)					
ADD: Total allowable business investment losses after 1984 and before 1991 (from line 217 of your 1985 to 1990 returns) (13)					
Total net capital losses of other years claimed after 1984 and before 1991 (from line 253 of your 1985 to 1990 returns and form T1A (Request for loss carry-back)). (14)					
Cumulative net investment loss (line (C) on form T936) (15)					
Total losses claimed in 1991 (line (7) of Part 1 above) (16)					
Total capital gains deductions claimed after 1984 and before 1991 (from line 254 of your 1985 to 1990 returns) (17)					
Subtotal (add lines 12 to 17 inclusive)		▶	(18)		
CUMULATIVE GAINS LIMIT FOR 1991 (line (11) minus line (18); if negative, enter zero)			(19)		

PART 3 CALCULATION OF CAPITAL GAINS DEDUCTION ON QUALIFIED FARM PROPERTY

(Complete this Part if you disposed of qualified farm property or are reporting reserves on dispositions of qualified farm property after 1984, in 1991)

Maximum farm capital gains deduction for 1991	(20)	\$375,000	00
Total capital gains deductions claimed after 1984 and before 1988 (from line 254 of your 1985 to 1987 returns)	(21)		
ADD: Adjustment of pre-1988 capital gains deductions (1/2 of amount at line (21))	(22)		
Capital gains deductions claimed in 1988 and 1989 other than for eligible capital property: (line 254 of your 1988 and 1989 returns less any amounts reported at lines 543 and 544 on Schedule 3 for 1988 and 1989; if negative, enter zero)	(23)		
Adjustment of 1988 and 1989 capital gains deductions other than for eligible capital property (1/8 of amount at line (23))	(24)		
Capital gains deductions claimed in 1988 and 1989 in respect of eligible capital property (not to exceed the total of line 543 and 544 for 1988 and 1989) (line 254 of your 1988 and 1989 returns less the amount at line (23) above)	(25)		
Total capital gains deduction claimed in 1990 (from line 254 of your 1990 return)	(26)		
Subtotal (add lines 21 to 26 inclusive)	(27)		
Farm capital gains deduction available for 1991 (line (20) minus line (27); if negative, enter zero)	(28)		
Total of all net capital gains from disposition of qualified farm property in 1991 (total of lines 516 (Schedule 3), 373 and 377 (form T2017))	(29)		
Taxable capital gains on disposition of qualified farm property in 1991 (3/4 of amount at line (29))	(30)		
ADD: Taxable capital gain on disposition of eligible capital farm property in 1991 (from line 543 on Schedule 3)	(31)		
Total taxable capital gains on disposition of qualified farm property (line (30) plus line (31))	(32)		
CAPITAL GAINS DEDUCTION ON QUALIFIED FARM PROPERTY: The maximum amount to be entered at line (33) is the least of lines (8), (19), (28) and (32); however, you may enter an amount that is less than the maximum	(33)		

If you did not have any other dispositions or reserves on dispositions of capital property in 1991, complete Part 6. If you did, continue on to Part 4 or 5 as applicable.

PART 4 CALCULATION OF CAPITAL GAINS DEDUCTION ON QUALIFIED SMALL BUSINESS CORPORATION SHARES

(Complete this Part if you disposed of qualified small business corporation shares or are reporting reserves on dispositions of qualified small business corporation shares after June 17, 1987, in 1991)

Maximum small business corporation shares capital gains deduction for 1991	(34)	\$375,000	00
Total capital gains deductions claimed after 1984 and before 1988 (from line 254 of your 1985 to 1987 returns)	(35)		
ADD: Adjustment of pre-1988 capital gains deductions (1/2 of amount at line (35))	(36)		
Capital gains deductions claimed in 1988 and 1989 other than for eligible capital property: (line 254 of your 1988 and 1989 returns less any amounts reported at lines 543 and 544 on Schedule 3 for 1988 and 1989; if negative, enter zero)	(37)		
Adjustment of 1988 and 1989 capital gains deductions other than for eligible capital property (1/8 of amount at line (37))	(38)		
Capital gains deductions claimed in 1988 and 1989 in respect of eligible capital property (not to exceed the total of line 543 and 544 for 1988 and 1989) (line 254 of your 1988 and 1989 returns less the amount at line (37) above)	(39)		
Total capital gains deduction claimed in 1990 (from line 254 of your 1990 return)	(40)		
Subtotal (add lines 35 to 40 inclusive)	(41)		
Small business corporation shares capital gains deduction available for 1991 (line (34) minus line (41); if negative, enter zero)	(42)		
Total of all net capital gains from disposition of qualified small business corporation shares in 1991 (total of lines 513 (Schedule 3) and 381 (form T2017))	(43)		
Taxable capital gains on disposition of qualified small business corporation shares in 1991 (3/4 of amount at line (43))	(44)		
Annual gains limit (line (8) in Part 1)	(45)		
SUBTRACT: Farm capital gains deduction (line (33) in Part 3)	(46)		
Net annual gains limit (line (45) minus line (46); if negative, enter zero)	(47)		
Cumulative gains limit (line (19) in Part 2)	(48)		
SUBTRACT: Farm capital gains deduction (line (33) in Part 3)	(49)		
Net cumulative gains limit (line (48) minus line (49); if negative, enter zero)	(50)		
CAPITAL GAINS DEDUCTION ON QUALIFIED SMALL BUSINESS CORPORATION SHARES: The maximum amount to be entered at line (51) is the least of lines (42), (44), (47) and (50); however, you may enter an amount that is less than the maximum	(51)		

If you did not have other dispositions or reserves on dispositions of capital property in 1991, complete Part 6. If you did, continue on to Part 5.

PART 5 **CALCULATION OF CAPITAL GAINS DEDUCTION ON OTHER CAPITAL PROPERTY**

(Complete this Part if you disposed of capital property or are reporting reserves, other than dispositions or reserves on qualified farm property or qualified small business corporation shares, in 1991)

Maximum capital gains deduction for 1991	(52)	\$75,000	00
Total capital gains deductions claimed after 1984 and before 1988 on other capital property only (from line 254 of your 1985 to 1987 returns)	(53)		
ADD: Adjustment of pre-1988 other capital property capital gains deductions (1/2 of amount at line (53))	(54)		
Capital gains deductions claimed in 1988 and 1989 on other capital property other than for eligible capital property; (line 254 of your 1988 and 1989 returns less any amounts reported at line 544 on Schedule 3 for 1988 and 1989; if negative, enter zero)	(55)		
Adjustment of 1988 and 1989 other capital property capital gains deductions other than for eligible capital property (1/8 of amount at line (55))	(56)		
Capital gains deductions claimed in 1988 and 1989 in respect of other eligible capital property (not to exceed line 544 for 1988 and 1989) (line 254 of your 1988 and 1989 returns less the amount at line (55) above)	(57)		
Total of other capital property capital gains deduction claimed in 1990 (from line 254 of your 1990 return)	(58)		
Subtotal (add lines 53 to 58 inclusive)			(59)
Capital gains deduction available for 1991 (line (52) minus line (59); if negative, enter zero)			(60)
Annual gains limit (line (8) in Part 1)	(61)		
SUBTRACT: Farm and small business corporation shares capital gains deductions (total of line (33) in Part 3 and line (51) in Part 4)	(62)		
Net annual gains limit (line (61) minus line (62); if negative, enter zero)			(63)
Cumulative gains limit (line (19) in Part 2)	(64)		
SUBTRACT: Farm and small business corporation shares capital gains deductions (total of line (33) in Part 3 and line (51) in Part 4)	(65)		
Net cumulative gains limit (line (64) minus line (65); if negative, enter zero)			(66)
CAPITAL GAINS DEDUCTION ON OTHER CAPITAL PROPERTY: The maximum amount to be entered at line (67) is the least of lines (60), (63) and (66); however, you may enter an amount that is less than the maximum			(67)

PART 6 **CALCULATION OF CAPITAL GAINS DEDUCTION FOR 1991 ON ALL CAPITAL PROPERTY**

MAXIMUM LIFETIME DEDUCTION ON ALL CAPITAL PROPERTY	(68)	\$375,000	00
Total capital gains deductions claimed after 1984 and before 1988 (from line 254 of your 1985 to 1987 returns)	(69)		
ADD: Adjustment of pre-1988 capital gains deductions (1/2 of amount at line (69))	(70)		
Capital gains deductions claimed in 1988 and 1989 other than for eligible capital property; (line 254 of your 1988 and 1989 returns less any amounts reported at lines 543 and 544 on Schedule 3 for 1988 and 1989; if negative, enter zero)	(71)		
Adjustment of 1988 and 1989 capital property capital gains deductions other than for eligible capital property (1/8 of amount at line (71))	(72)		
Capital gains deductions claimed in 1988 and 1989 in respect of eligible capital property (not to exceed the total of line 543 and 544 on Schedule 3 for 1988 and 1989) (line 254 of your 1988 and 1989 returns less the amount at line (71) above)	(73)		
Total capital gains deduction claimed in 1990 (from line 254 of your 1990 return)	(74)		
Subtotal (add lines 69 to 74 inclusive)			(75)
Capital gains deduction available for 1991 (line (68) minus line (75); if negative, enter zero)			(76)
SUBTRACT: Total of lines (33), (51) and (67)			(77)
Capital gains deduction available for subsequent taxation years (line (76) minus line (77); if negative, enter zero)			(78)
The maximum amount to be entered on line 254 (page 2 of your return) is the lesser of line (76) and (77); however, you may claim an amount that is less than the maximum			