

**CORPORATION LOSS CONTINUITY AND APPLICATION**  
(1998 and later taxation years)

Name of corporation	Business Number	Taxation year end						
		<table style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%; text-align: center;">Year</td> <td style="width:33%; text-align: center;">Month</td> <td style="width:33%; text-align: center;">Day</td> </tr> <tr> <td style="border-bottom: 1px solid black; height: 20px;"></td> <td style="border-bottom: 1px solid black; height: 20px;"></td> <td style="border-bottom: 1px solid black; height: 20px;"></td> </tr> </table>	Year	Month	Day			
Year	Month	Day						

- For use by a corporation to determine the continuity and use of available losses; to determine the current-year non-capital loss, farm loss, restricted farm loss, and limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that may be applied in a year; and to request a loss carryback to prior years.
- The corporation can choose whether or not to deduct an available loss from income in a taxation year. It can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- For a detailed description and calculation of these losses, see Interpretation Bulletin IT-232, *Losses – Deductibility in the Loss Year or in Other Years*. For information on these losses, see the *T2 Corporation Income Tax Guide*.
- File one completed copy of this schedule with the T2 return, or forward it by itself to the tax centre where the return is filed.
- Parts, sections, subsections, and paragraphs, referred to on this schedule are from the federal *Income Tax Act*.

**Part 1 – Non-Capital losses**

**Determination of current-year non-capital loss**

Net income (loss) for income tax purposes		\$	
<b>Deduct:</b> (increase a loss)			
Net capital losses deducted in the year (enter as a positive amount)	\$		
Taxable dividends deductible under sections 112, 113, or subsection 138(6)			
Amount of Part VI.1 tax deductible			
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)		▶	
<b>Deduct:</b> (increase a loss)			Subtotal (if positive, enter "0")
Section 110.5 – Addition for foreign tax deductions			
Section 111(10) – Adjustments			
Section 80 – Adjustments		▶	
			Subtotal
<b>Add:</b> (decrease a loss)			
Current-year farm loss			
Current-year non-capital loss (if positive, enter "0")		\$	

**Continuity of non-capital losses and request for a carryback**

Non-capital loss at the end of preceding taxation year		\$	
<b>Deduct:</b> Non-capital loss expired after seven taxation years	<b>100</b>		
Non-capital losses at beginning of taxation year	<b>102</b>		
<b>Add:</b> Non-capital losses transferred on amalgamation or wind-up of subsidiary corporation	<b>105</b>		
Current-year non-capital loss (from calculation above)	<b>110</b>	▶	\$
<b>Deduct:</b>			
Amount applied against taxable income (enter on line 331 of the T2 return)	<b>130</b>		
Amount applied against taxable dividends subject to Part IV tax	<b>135</b>		
Section 80 adjustment	<b>140</b>		
Other adjustments	<b>150</b>	▶	
			Subtotal
<b>Deduct – Request to carry back non-capital loss to:</b>			
First preceding taxation year to reduce taxable income	<b>901</b>		
Second preceding taxation year to reduce taxable income	<b>902</b>		
Third preceding taxation year to reduce taxable income	<b>903</b>		
First preceding taxation year to reduce taxable dividends subject to Part IV tax	<b>911</b>		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax	<b>912</b>		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax	<b>913</b>	▶	
Non-capital losses – Closing balance		<b>180</b>	\$

**Election under paragraph 88(1.1)(f)**

Paragraph 88(1.1)(f) election indicator	<b>190</b>	Yes	<input type="checkbox"/>
Loss from a wholly owned subsidiary deemed to be a loss of the parent from its immediately preceding taxation year.			

**Part 2 – Capital losses**

**Continuity of capital losses and request for a carryback**

Capital losses at end of preceding taxation year . . . . .	<b>200</b>	\$ _____		
Capital losses transferred on amalgamation or wind-up of subsidiary corporation . . . . .	<b>205</b>	_____		
Current-year capital loss (from Schedule 6 calculation) . . . . .	<b>210</b>	_____	▶	\$ _____
<b>Add:</b>				
Allowable business investment loss expired as non-capital loss \$ _____ x 4/3 . . . . .				<b>220</b> _____
				Subtotal _____
<b>Deduct:</b>				
Amount applied against current-year capital gain (enter 75% of this amount on line 332 of the T2 return) . . . . .	<b>225</b>	_____		
Section 80 adjustment . . . . .	<b>240</b>	_____		
Other adjustments . . . . .	<b>250</b>	_____	▶	_____
				Subtotal _____
<b>Deduct – Request to carry back capital loss to (see note)</b>				
First preceding taxation year . . . . .	<b>951</b>	_____		
Second preceding taxation year . . . . .	<b>952</b>	_____		
Third preceding taxation year . . . . .	<b>953</b>	_____	▶	_____
Capital losses – Closing balance . . . . .				<b>280</b> \$ _____

**Note:** The amounts on lines 951, 952, and 953 are deductible only at 75% to reduce taxable income.

**Part 3 – Farm losses**

**Continuity of farm losses and request for a carryback**

Farm losses at end of preceding taxation year . . . . .		\$ _____		
<b>Deduct:</b> Farm loss expired after 10 taxation years . . . . .	<b>300</b>	_____		
Farm losses at beginning of taxation year . . . . .	<b>302</b>	_____		
<b>Add:</b> Farm losses transferred on amalgamation or wind-up of subsidiary corporation . . . . .	<b>305</b>	_____		
Current-year farm loss . . . . .	<b>310</b>	_____	▶	\$ _____
<b>Deduct:</b>				
Amount applied against taxable income (enter on line 334 of the T2 return) . . . . .	<b>330</b>	_____		
Amount applied against taxable dividends subject to Part IV tax . . . . .	<b>335</b>	_____		
Section 80 adjustment . . . . .	<b>340</b>	_____		
Other adjustments . . . . .	<b>350</b>	_____	▶	_____
				Subtotal _____
<b>Deduct – Request to carry back farm loss to:</b>				
First preceding taxation year to reduce taxable income . . . . .	<b>921</b>	_____		
Second preceding taxation year to reduce taxable income . . . . .	<b>922</b>	_____		
Third preceding taxation year to reduce taxable income . . . . .	<b>923</b>	_____		
First preceding taxation year to reduce taxable dividends subject to Part IV tax . . . . .	<b>931</b>	_____		
Second preceding taxation year to reduce taxable dividends subject to Part IV tax . . . . .	<b>932</b>	_____		
Third preceding taxation year to reduce taxable dividends subject to Part IV tax . . . . .	<b>933</b>	_____	▶	_____
Farm losses – Closing balance . . . . .				<b>380</b> \$ _____

**Part 4 – Restricted farm losses**

**Current-year restricted farm loss**

Total losses for the year from farming business . . . . .	<b>485</b>	\$ _____	<b>A</b>
Minus the deductible farm loss:			
\$2,500 plus B or C, whichever is less		\$ 2,500	
(Amount A above _____ - \$2,500) divided by 2 =	<b>B</b>	_____	
	<b>C</b>	_____	▶
Current-year restricted farm loss (enter this amount on line 410 of next page) . . . . .		\$ 6,250	\$ _____

**Part 4 – Restricted farm losses (continued)**

Continuity of restricted farm losses and request for a carryback				
Restricted farm losses at end of preceding taxation year			\$	
<b>Deduct:</b> Restricted farm loss expired after 10 taxation years	400			
Restricted farm losses at beginning of taxation year	402			
<b>Add:</b> Restricted farm losses transferred on amalgamation or wind-up of subsidiary corporation	405			
Current-year restricted farm loss (enter on line 233 of Schedule 1)	410			▶ \$
<b>Deduct:</b>				
Amount applied against farming income (enter on line 333 of the T2 return)	430			
Section 80 adjustment	440			
Other adjustments	450			▶
			Subtotal	
<b>Deduct – Request to carry back restricted farm loss to:</b>				
First preceding taxation year to reduce farming income	941			
Second preceding taxation year to reduce farming income	942			
Third preceding taxation year to reduce farming income	943			
Restricted farm losses – Closing balance		480		\$
<b>Note</b>				
The total losses for the year from all farming businesses are computed without including any scientific research expenses.				

**Part 5 – Listed personal property losses**

Continuity of listed personal property loss and request for a carryback				
Listed personal property losses at end of preceding taxation year			\$	
<b>Deduct:</b> Listed personal property loss expired after seven taxation years	500			
Listed personal property losses at beginning of taxation year	502			
<b>Add:</b> Current-year listed personal property loss (from Schedule 6)	510			
			Subtotal	
<b>Deduct:</b>				
Amount applied against listed personal property gains (enter on line 655 of Schedule 6)	530			
Adjustments	550			▶
			Subtotal	
<b>Deduct – Request to carry back listed personal property loss to:</b>				
First preceding taxation year to reduce listed personal property gains	961			
Second preceding taxation year to reduce listed personal property gains	962			
Third preceding taxation year to reduce listed personal property gains	963			▶
Listed personal property losses – Closing balance		580		\$

**Part 6 – Analysis of balance of losses by year of origin**

Year of origin	Non-capital losses	Farm losses	Restricted farm losses	Listed personal property losses
	\$	\$	\$	\$
<b>Total</b>				

**Part 7 – Limited partnership losses**

Current-year limited partnership losses						
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 - 5 If negative, enter "0"	Current-year limited partnership losses  Column 3 - 6
<b>600</b>	<b>602</b>	<b>604</b>	<b>606</b>	<b>608</b>		<b>620</b>
1.						
2.						
3.						
4.						
5.						

Total (enter this amount on line 222 of Schedule 1)

Limited partnership losses from prior taxation years that may be applied in the current year						
1	2	3	4	5	6	7
Partnership identifier	Fiscal period ending	Limited partnership losses at end of preceding taxation year	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 - 5 If negative, enter "0"	Limited partnership losses that may be applied in the year  The lesser of columns 3 and 6
<b>630</b>	<b>632</b>	<b>634</b>	<b>636</b>	<b>638</b>		<b>650</b>
1.						
2.						
3.						
4.						
5.						

Continuity of limited partnership losses that can be carried forward to future taxation years					
Partnership identifier	Limited partnership losses at end of preceding taxation year	Limited partnership losses transferred on amalgamation or wind-up of subsidiary	Current-year limited partnership losses (from column 620)	Limited partnership losses applied (cannot exceed column 650)	Limited partnership losses closing balance (662 + 664 + 670 - 675)
<b>660</b>	<b>662</b>	<b>664</b>	<b>670</b>	<b>675</b>	<b>680</b>
1.					
2.					
3.					
4.					
5.					

Total (enter this amount on line 335 of the T2 return)

**Note:** If you require more space, continue on a separate schedule.