

## Agence des douanes et du revenu du Canada

## da ELECTION ON DISPOSITION OF PROPERTY BY A PARTNERSHIP TO A TAXABLE CANADIAN CORPORATION

received as consideration shares of any class of capital stock of the corporation.		Do not use this area		
File one completed copy of the election and related schedules (if any) as follows:  — by a partner designated for the purpose by the partnership;  — on or before the earlier date on which any party to the election has to file an income tax return for the taxation year in which the transaction occurred (due date);  — at the tax centre serving the area where the partnership is located; and  — separate from any tax returns. You may put it in the same envelope with a return, but do not insert it in or attach it to the return.  Sections and subsections referred to on this form are from the <i>Income Tax Act</i> .				
	1			
ame of partnership (transferor) (print)	Business Nu	umber or Social Insurance Numb		
ddress		Postal code		
axation year of Year Month Day Year Month Day Tax services from           to	office			
ame of corporation (transferee) (print)	Business	Number		
ddress		Postal code		
axation year of Year Month Day Year Month Day Tax services from Total To	office			
ame of person to contact for more information  Area code	Telephone	e number		
Develop for late filed and amonded elections				
An election that is filed after its due date is subject to a late-filing penalty. Form T2058 can be filed within 3 years after its due date if an estimate of the penalty is paid at the time of filing. Form T2058 can be amended or filed after the 3-year period, but in these situations, attach both an estimate of the penalty and a written submission for consideration by the Minister, explaining the reason why the election is amended or late.	Do not use	this area		
Calculation of late-filing penalty:  Fair market value of property transferred				
Less: agreed amount				
Difference A				
Amount A x 1/4 x 1% x N* = B \$100 x N* = C				
*N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.				
Late-filing penalty is the lesser of B and C above				
Make cheque or money order payable to the Receiver General. Specify "T2058" on the remittance, and				

T2058 (00) (Français au verso) 0532 Canada

Information r	equired ————									
consideration received attach a schedule of th You have to designate materials: schedules so the method of evaluating	list, describe, and state the has to be shown opposite e calculation of the adjuste the order of disposition of exporting this designation; and the fair market value of eask to see them at a later of	the related cost be cach depended	ed prop ase. If s preciable ntation r	erty tra pace o e prop relatino	ansferon the erty. V	rred. W form i With th e resp	here s ins is ele onse	the transfufficient, a ection, you s to the qu	erred property is a partne ttach schedules giving sind do not have to file the fouestions below; and a brie	ership interest, milar details. Ilowing ef summary of
	ment relating to this transfent clause apply to any of the									no no
	han the members of the pa	artnership	o own o	r contr	ol, diı	ectly c	r ind	irectly, any	shares of any	□ no
	gth intercorporate rollover er been transferred to the o									☐ no
Are any partners non-re	esidents of Canada?								yes	□ no
Are any of the propertie	es transferred capital prope	erties? .							ges	□ no
	ed continuously since Valu								— <i>'</i>	□ no □ no
<ul><li>since V-Day, has the non-arm's length tra</li></ul>	have they been acquired after V-Day in a transaction considered not to be at arm's length?									
Is the agreed amount of	of any of the transferred pro	perties l	based o	n an e	stima	ite of fa	air ma	arket value	e on V-Day?  ues	☐ no
Has an election under on behalf of the transfe	documented V-Day value r subsection 26(7) of the <i>Inc</i> eror?	ome Tax	Applica	ation F	Rules 	(Form	T207	6) been fil	ed by or yes	□ no
Name of corporation	·		Busines					Paid-up c	-	
·								shares tra	ansferred	
—— Description of	f shares received ——									
Number of shares		R	Redemptio	on .		Dei	d a	anital	Voting or non voting	Are shares
transferor received	Class of shares		ue per sh			Pai	d-up c	арпаі	Voting or non-voting	retractable?*
										yes no
										yes no
										yes no
										yes no
										yes no
*Retractable means rede	emable at the option of the ho	older.								
Informative	••									
	on 85 elections are comple	x. Essen	itial info	rmatio	n is c	ontain	ed in	Informatio	n Circular 76-19 and Inte	erpretation

- For this election to be considered valid, you have to complete all the information areas and answer all questions. If incomplete, Canada Customs and Revenue Agency will consider the election invalid, and subsequent submissions will be subject to a late-filing

F	Particulars of property	disposed	of and co	nsideratio	n received			
	e or transfer of all properties	-	Year		Day <b>Note:</b> For	properties sold or tr arate Form T2058.	ansferred on differer	nt dates, use
	Property dispo	sed of		Agreed	Amount to be		Consideration receive	ed
		Elected amo	ount limits*	amount	reported B-A	Non-share	Share	
	Description	Fair market value	Α	В	(if greater than 0, see note 4)	Description	Number and class	Fair market value
Capital	(Brief legal)		(see note 1)					
property excluding depreciable property								
	(Description and prescribed class)		(see note 2)					
Depreciable property								
1 11 7								
Eligible	(Kind)		(see note 3)					
capital property								
Inventory	(Kind)		(cost amount)					
excluding								
real property								
	(Brief legal)		nil					
Resource property			nil					
			nil					
Security or debt	(Description)		(cost amount)					
obligation								
property								

## Notes

- 1. Adjusted cost base (subject to adjustment per section 53.)
- 2. The lesser of undepreciated capital cost of all property of the class and the cost of the property.
- 3. The lesser of 4/3 x cumulative eligible capital and the cost of the property. Use "2" instead of "4/3" for dispositions in taxation years starting before July 1, 1988, in the case of a corporation or for dispositions in fiscal periods starting before January 1, 1988, in any other case.

The corporation and all members of the partnership hereby jointly elect under subsection 85(2) in respect of the property specified, and certify that the

information given in this election, and in any documents attached, is true, correct and complete to the best of their knowledge.

- 4. Report this amount either as a capital gain or as income, whichever applies. Also, in the case of depreciable property and eligible capital property, you may have to report a portion of the amount as a capital gain and another portion of as income.
- \* See Interpretation Bulletin IT-291 for an explanation of the limits.

Election and certification

Social insurance number or

**Business Number** 

authorized officer

Signature of partner or

	Date Signa	ture of authorized officer of corporation	Position or office		
	Social insurance number or Business Number	Name of partner, authorized person or authorized officer	Partner's tax services office		
1	Signature of partner, authorized person or authorized officer	Position of office of authorized person or authorized officer	Date		
	Social insurance number or Business Number	Name of partner (print)	Partner's tax services office		
2	Signature of partner or authorized officer	<u>,</u>	Date		

Name of partner (print)

Partner's tax services office

Date

The election form must be signed by all partners, or by a person authorized in writing by all partners to sign for them, and by an authorized officer of the transferee. A person who is authorized to sign for all the partners should complete area 1 above, and attach a copy of the authorizing agreement. If space is insufficient, attach "Election and Certification" giving similar details. Attach a list containing the name, Social insurance number, or Business Number of each partner. If a member of the partnership is in itself a partnership, attach a list showing the name, Social insurance number, or Business Number of each member of that partnership. Also, indicate the fiscal period of the partnership.

3