

SCHEDULE 3

CALCULATION OF A TRUST'S ELIGIBLE TAXABLE CAPITAL GAINS

Name of Trust	Account Number T - -	Taxation Year
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- Complete this schedule if the trust is designating net taxable capital gains to an individual beneficiary (to determine the amount that is eligible for the beneficiary's capital gains deduction) or if a spousal trust is claiming a capital gains deduction (available only in year beneficiary spouse dies).
- For continuity in future years, you should complete this schedule on a yearly basis and keep it with your records until a designation is made.

PART I. Trust's Annual Gains Limit For Current Year

Total taxable capital gains (losses) for the current year (from Schedule 1, line 122 and Form T1055, line 25).		301	
Reserves related to capital dispositions before 1985 (from Schedule 2, line 215)		302	
Add: Non-qualifying real property (see back) (if loss, show in brackets)		303 •	
Subtotal: (add lines 302 and 303)		304	
Amount from line 304	x 3/4 =		305
Subtract line 305 from line 301 (if line 305 is negative, add lines 301 and 305)			306
Total qualifying taxable capital gains reported in year (lesser of lines 301 and 306)			307
Net capital losses of other years deducted in the year (from line 52, page 4 of return)		308	
(line 301 less line 307) (if negative enter zero)		309	
Subtotal: (subtract line 309 from line 308) (if negative, enter zero)		310	
Allowable business investment loss (from line 25, page 2 of return)		311	
Total losses (add lines 310 and 311)			312
Annual gains limit (subtract line 312 from line 307) (if negative, enter zero).			313

PART II. Trust's Cumulative Gains Limit (at the end of the trust's current taxation year)

Cumulative gains reported in previous years, after 1984 (from 1991 Schedule 3, line 322)		320 •	
Qualifying taxable capital gains reported in current year (from Part I, line 307)		321	
Cumulative taxable capital gains reported after 1984 (add lines 320 and 321)			322
Cumulative loss amount reported in previous years, after 1984 (from 1991 Schedule 3, line 325)	A		
Subtract: Taxable portion of reserves from pre-1985 dispositions included in income for the years 1988 to 1991, to the extent that the reserve amount does not exceed the net capital losses of other years claimed in the same year. (see guide).	B		
Adjusted cumulative loss amount reported in previous years, after 1984 (subtract line B from line A)			323 •
Total losses claimed in current year (from Part I, line 312)		324	
Cumulative loss amount claimed after 1984 (add lines 323 and 324)		325	
Add: Cumulative net investment loss (from Schedule 4, line 433)		326	
Total losses (add lines 325 and 326)			327
Cumulative gains limit (subtract line 327 from line 322)			328

PART III. Trust's Eligible Taxable Capital Gains For Current Year

Annual gains limit (from PART I, line 313)		330	
Cumulative gains limit (from PART II, line 328)		331	
Subtract: Eligible Taxable Capital Gains designated in previous years			
From: 1991 Trust Schedule 3, line 332			
From: 1991 Trust Schedule 9, line 930			332
Subtotal (subtract line 332 from line 331, if negative, enter 0)			333
Eligible Taxable Capital Gains (lesser of line 330 and line 333)			334
(enter this amount on Schedule 5, line 501, or use to calculate taxable capital gains eligible for deduction (see guide, line 930))			

Line 303 - Non-qualifying real property

- Use this form to determine the capital gains (or losses) from real property reported in the current year that do not qualify for the capital gains deduction.

Description	A	B	C	D	E	Calculate non-qualifying amount $C \times \frac{D}{E}$ (a separate calculation is required for each property)	F Non-qualifying amount (use brackets to show loss amounts)
	Gain (or loss) from real property, reported on Schedule 1 and form T1055			Number of calendar months after February 1992 during which the trust owned the property	Total number of calendar months after 1971 during which the trust owned the property		
	Gain (or loss) included in amount on Schedule 1, line 116 or on Form T1055, line 25	Reserve included in amount on Schedule 1, line 117 (if B is negative, show in brackets)	Total gain (or loss) from real property (add columns A and B)				
Real estate				Part months qualify as one month			
Shares *							
Interest in a partnership or trust *							
Interest in an option *							
Total non-qualifying real property (enter this amount on Schedule 3, line 303) (enter 3/4 of this amount on Schedule 6, line 614)							

* whose fair market value comes mostly from real estate