

Revenue
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1994

How to File
the T5 Return of
Investment Income

La version française de la présente publication est intitulée *Comment remplir la Déclaration des revenus de placements (T5)*.

Many filers of the T5 information return do not need all of the detailed information contained in the *T5 Guide Return of Investment Income*.

If you are filing a T5 information return only to report interest and dividend payments, this pamphlet probably contains all the information you need. For a list of some of the topics covered in the T5 Guide, see Part V of this pamphlet.

This pamphlet uses plain language to explain the most common tax situations. If you need more help, please contact your Revenue Canada income tax office.

Your opinion counts!

We review this guide and the related forms each year. If you have any comments or suggestions for improvement, we would like to hear from you. Please write to us at:

Client Assistance Directorate
400 Cumberland Street
Ottawa ON K1A 0L8

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Introduction

If you make certain payments to a resident of Canada, or if you receive certain payments as a nominee or agent for a person resident in Canada, you have to file a T5 information return.

The payments discussed in this pamphlet include:

- dividends paid by taxable Canadian corporations; and
- interest from:
 - a fully registered bond or debenture;
 - money loaned to, on deposit with, or property of any kind placed with a corporation, association, organization, or institution;
 - an account with an investment dealer or broker;
 - an insurance policy or annuity contract (when paid by an insurer); or
 - an amount owing as compensation for property expropriated.

If the amount you paid is not included in this list, see the T5 guide for information on how to complete your T5 information return.

Part I The T5 Information Return

Filing requirements

The T5 information return has two parts: the T5 Summary and the related T5 Supplementary slips. You may also have to complete T5 Segment forms.

You have to file the T5 information return before March 1 of the year after the calendar year for which you are preparing the return. For example, if you are preparing a T5 information return for 1994, you have to file it on or before February 28, 1995.

When a business or activity ends, you have to file the T5 information return no later than 30 days after the date the business or activity ended.

You have to send the recipients' copies of the T5 Supplementary slips or deliver them in person to the recipients at their last known address. Do this by the due date of the information return.

If you file a T5 information return late or distribute the T5 Supplementary slips late, we may penalize you under the *Income Tax Act*. It is an offence to fail to make or to file a T5 information return as required under the *Income Tax Regulations*. For more information, see the T5 guide.

Note

Please do not file a blank T5 information return that contains no T5 Supplementary slips. You do not have to file an information return for a year during which you did not pay or credit any amounts.

Filing on magnetic media

We encourage you to file your T5 information return on magnetic tape, cartridge, or diskette (magnetic media). If you keep financial data on a computerized system, you can file on magnetic media.

For details, see the booklet called *1994 Computer Specifications for Data Filed on Magnetic Media — T5, T5008, T4RSP, T4RIF and NR4*. It is available at any income tax office. For more information about this method of filing, call **1-800-665-5164** (toll-free).

Guidelines for T5 information returns filed on paper

For several years, we have been processing T5 information returns using optical character recognition (OCR) machines that “read” the information you enter on the Supplementary, Segment, and Summary forms. OCR is a fast and cost-effective way to compile the information from the millions of paper forms we receive.

If you are filing your T5 information returns on paper, we will be able to efficiently process your returns if you follow these instructions when you prepare the Supplementary, Summary, and Segment forms:

- You can get all the forms you need from any income tax office.
- Please use the current T5 Supplementary, Summary and Segment forms (**Rev.94**) when you file your T5 information returns. Do **not** use **out-of-date** forms from prior years.
- **Type or machine-print** data entries. Insert data in the middle of the white areas, separated from other printing and entries. Entries should be clear and sharp.
- Avoid writing or printing by hand. However, if you do not have a printer or typewriter and you have to complete the forms by hand, **we will accept your information return.**
- Use **black ink only.**
- Do **not cut** or separate copy 1 of the T5 Supplementary, since you must file this copy as a complete page.
- Use the “VOID” box to cancel T5 Supplementary slips which you may have incorrectly completed.
- When printing, use a font that has characters with **fixed spacing**, not proportional spacing (PS).
- Use a standard **10 or 12 characters-per-inch (CPI) font.**

- Use **capital letters** for all information.
- Do not use **italics, script, or draft-quality** printing.
- Do not tape, tear, stamp, or staple any of the T5 forms.
- Do not send photocopies of T5 forms.
- For all dollar amounts, use a comma to separate thousands and a period to separate dollars from cents. Do not use dollar signs (\$).

Examples

2,222.22

222.00

- Where no entry is required, **leave boxes and areas blank**. Do not enter nil, N/A, dashes (---), or zeros in these empty boxes.
- Do not change the title of any box or area on the forms.
- Do not print or stamp any information within a half-inch of the reference marks (black lines) or the form-identifier numbers (upper right-hand corner).
- Enter an "X" in those boxes that need one. Do not use any other mark (e.g., tick, check-mark).
- Remove **side borders** (pin-feed edges) from copy 1 of all forms.
- Submit only copy 1 of the T5 Supplementary slips to us.

Report information only in the appropriate box or area provided. If you are not sure where to enter the information, contact your income tax office.

Part II

The T5 Supplementary

How to complete the T5 Supplementary

The T5 Supplementary is a three-copy, carbon loaded form. There are three individual slips printed on each page or sheet. Before you complete the slips, read the instructions in Part I under the heading "Guidelines for T5 information returns filed on paper." If you are filing your T5 information return on magnetic media, you do not have to submit the paper copy of your T5 Supplementary slips to us.

Note _____

You do not have to complete a T5 Supplementary slip when the total amount paid to one recipient for the year is less than \$100.

Enter the appropriate year, the recipient's and payer's identification, and financial information on each T5 Supplementary slip. Please note the following when completing T5 Supplementary slips.

Void

If you make an error while typing or machine-printing a T5 Supplementary slip, or if a completed or partially completed T5 Supplementary slip is incorrect, enter an "X" in the void box in the centre area of the slip, above the recipient address area. You can enter the "X" using a medium-lead pencil, as well as typing or machine-printing.

During processing, we will disregard any T5 Supplementary slip marked void.

Recipient's name and full address (six lines)

Type or machine-print the information in the white areas provided.

For an individual, enter the last name first, followed by the usual first name and initials. Even if more than one recipient is entitled to the investment income, you only need to complete one T5 Supplementary slip. If there are two individual recipients, enter both names. For a corporation, enter the corporation's name.

If you made the payment to an organization, association, or institution, enter that name. Do not enter the name of the secretary-treasurer or any other individual who has signing authority.

In all cases, enter the recipient's full mailing address as follows:

Line 1 — Enter, as indicated above, the individual's last and first names or the name of the recipient corporation, organization, or institution.

Line 2 — Enter the second recipient's last and first names. If there is only one recipient, leave this line blank.

Lines 3, 4, and 5 — Enter the recipient's full address, including city and province or territory (you can leave some lines blank). Please use the two-letter abbreviations for the province or territory, as follows:

Newfoundland.....	NF	Manitoba	MB
Prince Edward Island	PE	Saskatchewan	SK
Nova Scotia.....	NS	Alberta.....	AB
New Brunswick.....	NB	British Columbia	BC
Quebec	QC	Northwest Territories	NT
Ontario	ON	Yukon Territory	YT

Line 6 — Enter the recipient's postal code.

Boxes 10, 11, and 12

Dividends from taxable Canadian corporations

Generally, dividends include all dividends in cash or kind (including stock dividends) and all payments we consider to be dividends. For information on deemed dividends, see the T5 guide.

To calculate the taxable amount of dividends that the recipient has to report, increase by 25% the actual amount of dividends from taxable Canadian corporations paid to an individual (other than a trust that is a registered charity). These “grossed-up” dividends are eligible for the federal dividend tax credit. See the instructions for boxes 10 and 11.

Box 10

Actual amount of dividends

Enter the actual amount of taxable dividends, paid by a taxable Canadian corporation to an individual resident in Canada (other than a trust that is a registered charity).

Box 11

Taxable amount of dividends

Calculate and enter the taxable amount of dividends. The taxable amount is 25% more than the actual amount you reported in box 10.

Box 12

Federal dividend tax credit

Calculate and enter the amount of federal dividend tax credit. The amount is 13.334% of the taxable amount you entered in box 11.

Box 13

Interest from Canadian sources

Enter the following amounts as long as you did not previously report them:

- interest on a fully registered bond or debenture;
- interest on money loaned to, on deposit with, or any kind of property placed with a corporation, association, organization, or institution;
- interest on an account with an investment dealer or broker;
- interest an insurer paid in connection with an insurance policy or annuity contract;
- interest on an amount owing as compensation for property that has been expropriated;
- the interest portion of blended payments;

- dividends paid or payable by a credit union to a member who has a share in the credit union that is not listed on a prescribed stock exchange;
- taxable dividends, other than capital gains dividends, a mortgage investment corporation paid to any of its shareholders; and
- amounts reported by life insurers, to be included in a policyholder's income under paragraph 56(1)(j) of the *Income Tax Act*, except if they arise from a policy loan.

Do **not** include:

- interest from a source outside Canada; or
- the accrued income from an annuity described under paragraph 56(1)(d.1) of the *Income Tax Act*, or accrued income of certain life-insurance policies.

If you cannot report the amounts in Canadian currency, see the T5 Guide.

Box 21

Report code

The code you enter in this box helps us determine if this is the original T5 Supplementary slip you issued to the recipient, or if it amends the original.

- Enter **0**, if this is the original T5 Supplementary slip.
- Enter **1**, if this changes the financial or identification information of a T5 Supplementary slip you previously submitted.

When using code 1, enter a brief description at the top of the T5 Supplementary slip (e.g., "AMENDED"). Include a written explanation of why you are filing the slip(s) when you send them to us. Be sure to include your filer identification number.

Note

Do not file a single T5 information return that contains both original and amended T5 Supplementary slips. File amended slips on a separate return.

Box 22

Social insurance number

Enter the recipient's social insurance number (SIN). For interest you credited to a joint account, enter the SIN of only one of the individuals. If you have not received a SIN for the recipient by the time you have to prepare a T5 Supplementary, leave the SIN area blank.

Leave this box blank if the recipient is not an individual.

Box 23

Recipient type

Enter one of the following codes to identify the type of recipient:

- Enter 1, if the investment income was earned by an individual.
- Enter 2, if the investment income was earned by a joint account (two individuals).
- Enter 3, if the investment income was earned by a corporation.
- Enter 4, if the investment income was earned by an association, a trust (fiduciary-trustee, nominee, or estate), a club, or a partnership.
- Enter 5, if the investment income was earned by a government, government enterprise, or international organization.

Distributing the T5 Supplementary

Copy 1

Send us copy 1 of each T5 Supplementary (three slips per sheet or page) along with the T5 Summary before March 1 of the year after the calendar year for which you have to file the T5 information return. You should include T5 Segment forms if you are filing a paper return with more than 300 T5 Supplementary slips (100 sheets or pages). See Part VI for taxation centre addresses.

Copies 2 and 3

Separate copies 2 and 3 of the T5 Supplementary into individual slips, and send both copies to the appropriate recipient before March 1 of the year after the calendar year for which you have to file the T5 information return.

Note

You do not have to keep a copy of the T5 Supplementary slips in your files. However, you have to keep the information from which you prepared the slips in an accessible and readable format.

Correcting, amending or replacing the T5 Supplementary

If you find that a T5 Supplementary slip contains an error, you have to issue an amended slip. Clearly enter the word “AMENDED” at the top of the revised T5 Supplementary slip and enter code 1 in box 21. Send a covering letter to your taxation centre with copy 1 of the amended T5 Supplementary slip explaining the error. Be sure to include your filer identification number from the T5 Summary you filed with the original T5 Supplementary slip. Send copies 2 and 3 of the amended T5 Supplementary slip to the recipient.

If you issue a T5 Supplementary slip to replace one that was lost by the recipient, you **do not have to send us a copy**. Clearly enter the word “DUPLICATE” at the top of the replacement T5 Supplementary slip you give to the recipient, and enter code 0 in box 21.

Part III

The T5 Summary

How to complete the T5 Summary

Before you complete the T5 Summary, read the instructions in Part I, under the heading "Guidelines for T5 information returns filed on paper." If you file your T5 information return on magnetic media, you do not have to submit the paper copy of the T5 Summary to us.

Enter the appropriate year and identification information in the top section of the T5 Summary. Enter financial and contact information in the lower sections.

If you filed a T5 information return for 1993, we mailed you a preprinted T5 Summary in December 1994 with your filer identification number, the name of your organization or business, and your mailing address already included on the form.

Please note the following instructions when you complete the T5 Summary.

Filer identification number

If you did not receive a preprinted T5 Summary, enter your filer identification number in the space provided. This number applies to filers of information returns (including the T5 information return).

If you have not filed a T5 information return in recent years or are unsure of your number, request the information in writing from the Employer Services Section of your taxation centre. Do not delay filing your return if you have not received your identification number before the due date.

Is the preprinted address incorrect?

If we mailed you a preprinted T5 Summary with an incorrect address, enter the correct address in the space provided.

Distributing the T5 Summary

Send us the completed T5 Summary along with the related T5 Supplementary slips and T5 Segment forms (if required), before March 1 of the year after the year for which you have to file the T5 information return. See Part VI for taxation centre addresses. You may want to keep a working copy of the T5 Summary for your records.

Part IV The T5 Segment

How to complete the T5 Segment

Before you complete the T5 Segment, read the instructions in Part I, under the heading “Guidelines for T5 information returns filed on paper.” If you file your T5 information return on magnetic media, you do not have to file T5 Segment forms.

Use the T5 Segment if:

- you are filing your T5 information return on paper; and
- your T5 information return contains more than 300 T5 Supplementary slips (100 sheets or pages).

You should file one T5 Segment for each bundle (or “segment”) of 300 T5 Supplementary slips (100 sheets or pages) you completed.

The filer identification number and the filer name you enter on the T5 Segment has to match the filer identification number and filer name on the T5 Summary.

When you file the T5 Segment, please make sure you place it on top of the correct bundle of T5 Supplementary slips.

Part V The T5 Guide

If you need more detailed information to complete your T5 information return, get the income tax guide called *T5 Guide — Return of Investment Income*. This guide is available from any Revenue Canada income tax office.

In addition to the information in this pamphlet, the T5 guide includes information on the following subjects:

- Accrued income — annuities
- Accrued interest
- Additional T5 Summary forms
- Amending
 - the T5 Summary
 - the T5 Supplementary
- Amounts eligible for the resource allowance deduction
- Blended payments
- Capital gains dividends
- Correcting or replacing
 - the T5 Summary
 - the T5 Supplementary
- Deemed dividends
- Foreign
 - currency codes
 - income
 - tax paid
- Indexed debt obligations

- Interest on penalties
- Investment contracts
- Magnetic-media filing
- Non-qualifying real property
- *Notice of Assessment*
- Other income from Canadian sources
- Payments
 - made to or by nominees or agents
 - to non-residents of Canada
- Penalties and offences
- *Privacy Act*
- Recipient account codes
- Related publications
- Royalties from Canadian sources
- Social insurance number (SIN)
 - failure to provide
 - use of
- Transit codes
- Trustees
- Unclaimed amounts
 - dividends and interest
 - requirements to report
 - subsequently paid out
 - tax remittances
- When and when not to file a T5 information return

Part VI

Taxation Centres

Taxation Centre
St. John's NF A1B 3Z1

T5 Summary forms with addresses in Newfoundland, Prince Edward Island, Nova Scotia, or New Brunswick

Taxation Centre
Shawinigan-Sud QC G9N 7S6

T5 Summary forms with addresses served by Montréal, Laval, or St-Hubert district offices

Taxation Centre
Jonquière QC G7S 5J1

T5 Summary forms with addresses served by Québec, Rouyn-Noranda, Chicoutimi, Rimouski, Trois-Rivières, or Sherbrooke district offices

Taxation Centre
Ottawa ON K1A 1A2

T5 Summary forms with addresses served by Ottawa, Toronto, Scarborough, Mississauga, or North York district offices

Taxation Centre
Sudbury ON P3A 5C1

T5 Summary forms with addresses in Ontario other than those served by the Ottawa Taxation Centre

Taxation Centre
Winnipeg MB R3C 3M2

T5 Summary forms with addresses in Manitoba, Saskatchewan, Alberta, or the Northwest Territories

Taxation Centre
Surrey BC V3T 5E1

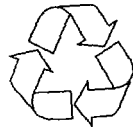
T5 Summary forms with addresses in British Columbia or the Yukon Territory

District Taxation Offices

DISTRICT TAXATION OFFICE	GENERAL ENQUIRIES		FORMS REQUEST	
	LOCAL	LONG DISTANCE	LOCAL	LONG DISTANCE
NEWFOUNDLAND St. John's - Sir Humphrey Gilbert Building, P.O. Box 5968, A1C 5X6	772-2610	1-800-563-2600	772-5088	1-800-563-2600
PRINCE EDWARD ISLAND Charlottetown - 94 Euston Street, P.O. Box 8500, C1A 8L3	628-4200	1-800-884-5711	628-4250	1-800-245-9922
NOVA SCOTIA Halifax - 1256 Barrington Street, P.O. Box 638, B3J 2T5 Sydney - 47 Dorchester Street, P.O. Box 1300, B1P 6K3	426-2210 564-7080	1-800-565-2210 1-800-563-7080	426-2210 564-7120	1-800-565-2210 1-800-563-7120
NEW BRUNSWICK Bathurst - 120 Harbourview Blvd, 4th floor, P.O. Box 8888, E2A 4L8 Saint John - 126 Prince William Street, E2L 4H9	548-7100 636-4600	1-800-561-6104 1-800-222-9622	548-7100 636-4618	1-800-561-6104 1-800-332-6022
QUEBEC Chicoutimi - 100 Lafontaine Street, Suite 211, G7H 6X2 Laval - 3131 St. Martin Boulevard West, H7T 2A7 Montréal - 305 René-Lévesque Boulevard West, H2Z 1A6 Québec - 165 de la Pointe-aux-Lièvres South, G1K 7L3 Rimouski - 320 St-Germain East, 4th floor, G5L 1C2 Rouyn-Noranda - 44 du Lac Avenue, J9X 6Z9 Sherbrooke - 50 Place de la Cité, J1H 5L8 St-Hubert - 5245 Cousineau Blvd, Suite 200, J3Y 7Z7 Trois-Rivières - 25 des Forges Street, Suite 111, G9A 2G4	698-5580 956-9101 283-5300 648-3180 722-3111 764-5171 564-5888 283-5300 373-2723	1-800-463-4421 1-800-363-2218 1-800-361-2808 1-800-463-4421 1-800-463-4421 1-800-567-6403 1-800-567-7360 1-800-361-2808 1-800-567-9325	698-5580 956-9115 283-5623 648-4083 1-800-463-4421 764-5171 821-8565 445-5264 373-2723	1-800-463-4421 1-800-363-2218 1-800-361-2808 1-800-463-4421 1-800-463-4421 1-800-567-6403 1-800-567-7360 1-800-361-2808 1-800-567-9325
ONTARIO Belleville - 11 Station Street, K8N 2S3 Hamilton - 150 Main Street West, P.O. Box 2220, L8N 3E1 Calls from area codes 416 and 905 Calls from area code 519 Kingston - 385 Princess Street, K7L 1C1 Kitchener - 166 Frederick Street, N2G 4N1 London - 451 Talbot Street, N6A 5E5 Mississauga - 77 City Centre Drive, P.O. Box 6000, L5A Calls from area codes 519, 705 and 905 North York - 5001 Yonge Street, Suite 1000, M2N 6R9 Calls from area codes 519, 705 and 905 Ottawa - 360 Lisgar Street, K1A 0L9 Calls from area code 613 Calls from area code 819 Peterborough - 185 King Street West, K9J 8M3 St. Catharines - 32 Church Street, P.O. Box 3038, L2R 3B9 Scarborough - 200 Town Centre Court, M1P 4Y3 Calls from area code 905 Calls from area codes 519 and 705 Sudbury - 19 Lisgar Street South, P3E 3L5 Calls from area code 705 Calls from area codes 613 and 807 Thunder Bay - 130 South Syndicate Avenue, P7E 1C7 Toronto - 36 Adelaide Street East, M5C 1J7 Windsor - 185 Ouellette Avenue, N9A 5S8	969-3706 (905) 522-8671 545-8371 579-2230 845-4211 (905) 566-6700 598-2275 876-6412 688-4000 (416) 296-1950 671-0581 623-3443 869-1500 258-8302	1-800-267-8030 1-800-263-9200 1-800-263-9210 1-800-267-9447 1-800-265-2530 1-800-265-4900 1-800-387-1700 1-800-267-8440 1-800-267-4735 1-800-267-8030 1-800-263-5672 1-800-387-5229 1-800-387-5183 1-800-461-4060 1-800-461-6320 1-800-465-6981 (416) 869-1500 1-800-265-4841 983-6350 780-6015 975-4595 221-8919 423-3510 1-800-232-1966 1-800-232-1966 492-9200 689-5411 1-800-663-9033 1-800-742-6108	969-3707 (905) 572-2609 1-800-267-8043 579-8951 645-4244 (905) 566-6005 1-800-267-8043 957-8088 1-800-267-8043 688-4000 (416) 296-0104 671-0581 623-2751 865-9469 258-8302 983-3942 780-6015 975-4577 221-8900 423-4044 492-9200 669-1033 363-3291	1-800-267-8043 1-800-862-6840 1-800-862-6840 1-800-267-8043 1-800-265-2210 1-800-265-4900 1-800-387-1700 1-800-959-2221 1-800-959-2221 1-800-267-8043 1-800-263-5672 1-800-387-5229 1-800-387-5183 1-800-461-4060 1-800-461-6320 1-800-465-6981 (416) 865-9469 1-800-265-4841 1-800-282-8079 1-800-667-7555 1-800-772-1644 1-800-472-9701 1-800-661-4597 1-800-661-4597 1-800-663-5065 1-800-663-1665 1-800-863-7006
MANITOBA Winnipeg - 325 Broadway Avenue, R3C 4T4	983-6350	1-800-282-8079	983-3942	1-800-282-8079
SASKATCHEWAN Regina - 1955 Smith Street, S4P 2N9 Saskatoon - 340-3rd Avenue North, S7K 0A8	780-6015 975-4595	1-800-667-7555 1-800-667-2083	780-6015 975-4577	1-800-667-7555 1-800-772-1644
ALBERTA Calgary - 220-4th Avenue South East, T2G 0L1 Calls from southern Alberta Edmonton - 9700 Jasper Avenue Suite 10, T5J 4C8 Calls from northern Alberta Calls from northeastern B.C. and the Northwest Territories	221-8919 423-3510 1-800-232-1966 1-800-232-1966	1-800-332-1410 1-800-232-1966 1-800-232-1966	221-8900 423-4044 492-9200 669-1033	1-800-472-9701 1-800-661-4597 1-800-661-4597
BRITISH COLOMBIA Penticton - 277 Winnipeg Street, V2A 1N6 Vancouver - 1166 West Pender Street, V6E 3H8 Calls from northwestern B.C. and the Yukon Victoria - 1415 Vancouver Street, V8V 3W4	492-9200 689-5411 363-0121	1-800-565-5125 1-800-663-9033 1-800-742-6108	492-9200 669-1033 363-3291	1-800-663-5065 1-800-663-1665 1-800-863-7006

Regular hours of service:
Monday to Friday — 8:15 a.m. to 5:00 p.m. (except holidays).

Think recycling!



Printed in Canada