T3 – ☐☐☐☐

PENSION INCOME ALLOCATIONS AND DESIGNATIONS

SCHEDULE 7

- Enter the applicable taxation year in the box above.
- Complete this schedule if you are designating pension income to the beneficiaries of a testamentary trust. How this income is designated will affect its tax treatment for the beneficiaries. You need the amounts from this schedule to complete lines 922, 926, 931, and 936-1 of Schedule 9, *Income Allocations and Designations to Beneficiaries*. You also have to complete the applicable box on the beneficiary's T3 slip.
- You can allocate all pension income as "Other Income." If you do, include the amount on line 926 of Schedule 9 and in box 26 of the T3 slip, and **do not** complete this schedule. However, the beneficiary will not be able to:
  - transfer the qualifying income to a registered retirement savings plan (RRSP) or a registered pension plan (RPP);
  - claim the pension income amount; or
  - transfer the qualifying income to acquire an eligible annuity for a minor beneficiary.
- **Do not** write in the shaded areas.
- Amounts entered in Column A qualify for a transfer to the beneficiary spouse's RRSP or RPP.
- Amounts entered in Column C qualify for the pension income amount.
- Amounts entered in Column D qualify for a transfer to acquire an eligible annuity for a minor beneficiary.

Pension income received by the trust, that is being allocated and designated	**Column A** Lump-sum pension income	**Column B** Other pension income	**Column C** Qualifying pension income	**Column D** Qualifies for an eligible annuity for a minor
1. **Lump-sum payment from an RPP** (box 18 of a T4A slip) that was:				
a) designated to the beneficiary spouse				
b) designated to a minor beneficiary who was under 18 when the person died and was a child or grandchild of the deceased (enter the same amount in columns B and D)				
c) allocated to a beneficiary who is not a person described in a) or b) above				
2. **Life annuity out of a superannuation or pension plan** (box 16 of a T4A slip) that was:				
a) designated to the beneficiary spouse (enter the same amount in columns B and C)				
b) allocated to a beneficiary who is not the beneficiary spouse				
3. **Life annuity out of a pension plan for the deceased person's services while not a resident of Canada** that was:				
a) designated to the beneficiary spouse (enter the same amount in columns B and C)				
b) allocated to a beneficiary who is not the beneficiary spouse				
4. **Lump-sum payment out of a pension plan for the deceased person's services while not a resident of Canada** that was:				
a) designated to the beneficiary spouse or former spouse				
b) allocated to a beneficiary who is not the beneficiary spouse or former spouse				
5. **Lump-sum payment out of a foreign retirement arrangement received for the deceased person's, or the deceased person's spouse, or former spouse's contributions to the plan** that was:				
a) designated to the beneficiary spouse				
b) allocated to a beneficiary who is not the beneficiary spouse				
6. **Lump-sum payment from a deferred profit-sharing plan** (box 18 of T4A slip) that was:				
a) designated to the beneficiary spouse				
b) allocated to a beneficiary who is not the beneficiary spouse				
7. **Periodic payments from an annuity of a minor** (see 1b) for a definition of a minor)				
Pension income being allocated and designated ▶				
Total pension income cannot be more than the lesser of: • the amount on line 02 of the return; and • the amount on line 46 of the return. — Column A total _____ / Column B total + _____ / Total pension income = _____	Enter this amount on line 922 of Schedule 9.	Include this amount on line 926 of Schedule 9.	Enter this amount on line 931 of Schedule 9.	Enter this amount on line 936-1 of Schedule 9.

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