

# RECONCILIATION OF 1998 BUSINESS INCOME FOR TAX PURPOSES

- Use this form **only** if your first fiscal period ending in 1998 does **not** end on December 31, 1998, or if you completed either part of this form last year.
- For more information and **instructions** on completing this form, see the guide called *Reconciliation of Business Income for Tax Purposes*.
- If you are completing Part 2 of this form for the first time, please sign and date your election at the bottom of this page.

<b>Identification</b> <b>Social insurance number:</b> <div style="border: 1px solid black; width: 100%; height: 20px; display: flex; justify-content: space-between;"> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> </div>	<b>Business Number:</b> <div style="border: 1px solid black; width: 100%; height: 20px; display: flex; justify-content: space-between;"> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> <span style="width: 10%;"></span> </div>
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**Part 1 – Converting to a December 31 fiscal period end**

	Business 1		Business 2	
Net income (loss) for your first fiscal period ending in 1998 (if applicable) .....		A		A
Net income (loss) for the period ending December 31, 1998 .....		B		B
Reserve deducted last year .....		C		C
Subtotal (line A plus lines B and C) .....		D		D
Last year's additional business income (if converting this year) .....		E		E
Subtotal (line D minus line E) .....		F		F
<b>Calculating your allowable reserve:</b>				
	Business 1		Business 2	
December 31, 1995 income for each business (if negative, enter "0") .....		G		G
• Amount from line G for each business x 65% .....		H		H
• Reserve deducted last year .....		I		I
• Your income for the year (according to the chart at the end of this guide) .....		J		J
<b>Reserve amount</b> – Enter an amount not more than the least of the amounts at lines H, I, and J for each business .....		K		K
	+			▶ <b>6672</b>
<b>Net income (loss) for each business</b> – Report this amount on the appropriate line of your income tax return (line F minus line K) .....		L		L

**Part 2 – Electing to keep a fiscal period which does not end on December 31 (alternative method)**

	Business 1		Business 2	
Net income (loss) for your fiscal period ending in 1998 .....		M		M
Additional business income .....		N		N
Reserve deducted last year .....		O		O
Subtotal (line M plus lines N and O) .....		P		P
Last year's additional business income .....		Q		Q
Subtotal (line P minus line Q) .....		R		R
<b>Calculating your allowable reserve:</b>				
	Business 1		Business 2	
December 31, 1995 income for each business (if negative, enter "0") .....		S		S
• Amount from line S for each business x 65% .....		T		T
• Reserve deducted last year .....		U		U
• Your income for the year (according to the chart at the end of this guide) .....		V		V
<b>Reserve amount</b> – Enter an amount not more than the least of the amounts at lines T, U, and V for each business .....		W		W
	+			▶ <b>6675</b>
<b>Net income (loss) for each business</b> – Report this amount on the appropriate line of your income tax return (line R minus line W) .....		X		X

**Election**

I choose to keep a fiscal period that does not end on December 31 for all businesses listed in Part 2.

I choose to revoke my previously filed election to keep a fiscal period that does not end on December 31 and convert to a December 31 fiscal period end. (attach a note to list the business(es) you want to convert). Check the box at line number 6673.  **6673**

\_\_\_\_\_  
Name (please print)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date