

- Enter the applicable taxation year in the box above.
- Complete this schedule if you claimed a reserve on the disposition of the trust's capital property at the end of the previous year, or are claiming a reserve on the disposition of the trust's capital property at the end of the current taxation year.
- Use the information from this schedule to complete Schedule 1, *Dispositions of Capital Property*, Schedule 3, *Eligible Taxable Capital Gains*, and Schedule 12, *Minimum Tax*.
- A trust cannot claim a reserve if, at the end of the year, or at any time in the immediately following year, it was not a resident of Canada or was exempt from tax. This restriction does not apply to a charitable gift of a non-qualifying security.

Time limit for reserves:

In most cases, you can only claim a reserve for four years. However, if the disposition occurred before November 13, 1981, there is an exception. For more details on the time limit and on how to calculate a reserve, get Interpretation Bulletin IT-236, *Reserves – Disposition of Capital Property*.

Reserves on dispositions of capital property	1 Previous-year reserve	2 Current-year reserve	3 Column 1 minus column 2 (see note below) Include the total in current-year capital gains	
For dispositions after November 12, 1981 from:				
• Qualified farm property	2311 •	2312 •		1
• Qualified small business corporation shares	2321 •	2322 •		2
• Other property	2341 •	2342 •		3
For dispositions before November 13, 1981	2151 •	2152 •		4
Total (add lines 1 to 4)		2363 •		5

Note

- Transfer the total from column 3 (line 5) to line 14 of Schedule 1.
- If the amount in column 2 is more than the amount in column 1, use brackets in column 3 to show the negative amount.
- If the trust is claiming reserves for dispositions before November 13, 1981, contact us.
- For 1997 and subsequent taxation years, a trust that makes a charitable gift of a non-qualifying security may claim a reserve for any gain realized from the gift. Include the reserve on line 3. For more information, see the *Capital Gains* guide.