

- 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*.
- Column 3 is the capital gain amount from reserves you have to report on line 117 of Schedule 1.
- 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 limits for reserves:**
  - For dispositions after 1981 of qualified farm property or qualified small business corporation shares, claim a reserve of up to 9 years.
  - For dispositions after 1981 of all other property, claim a reserve of up to 4 years.
  - For dispositions before November 13, 1981, you can claim a reserve indefinitely.
- For details on how to calculate a reserve, get Interpretation Bulletin IT-236, *Reserves – Disposition of Capital Property*.

	1	2	3
Reserves on dispositions of capital property	Previous-year reserve	Current-year reserve	Column 1 minus column 2 (see note below)  Include the total in current-year capital gains
<b>For dispositions after 1984 from:</b>			
• Qualified farm property			
– 1985 dispositions			210
– 1986 and subsequent-year dispositions			211
• Qualified small business corporation shares dispositions after June 17, 1987			
			212
• Other property			
			214
<b>For dispositions before 1985</b>			
			215
<b>Total</b>			216

**Note**  
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 related to dispositions before 1986, transfer 25% of the amounts from lines 210 and 215 in columns 1 and 2 to "Chart 1 – Adjusted line 1203" on Schedule 12.

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 214. For more information, see the *Capital Gains* guide.

Transfer the total from column 3 (line 216) to line 117 of Schedule 1.