



## SUMMARY OF DEEMED DISPOSITIONS (2002 and later tax years)

Name of trust	Trust account number T       -           -	Tax year 
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### Instructions

- Use this form to report deemed dispositions on the following days:
  - A – for a spousal or common-law partner trust, on the day the beneficiary spouse or common-law partner dies;
  - B – for a joint spousal or common-law partner trust, on the day the settlor or the beneficiary spouse or common-law partner dies, whichever is later;
  - C – for an alter ego trust, on the day the settlor dies; however, if the trust filed an election not to be considered an alter ego trust, see H below;
  - D – for a trust that distributes property to a beneficiary for the beneficiary's capital interest in the trust, and it is reasonable to consider that the distribution was financed by a liability of the trust, and one of the reasons for incurring the liability was to avoid paying taxes because of the death of any individual, on the day the property was distributed;
  - E – where an individual has transferred property (other than Canadian real estate, Canadian resource property or a timber resource property, property of a business the trust carried on through a permanent establishment in Canada, or certain pension interests or rights) after December 17, 1999, to a trust for the transferor's spouse or common-law partner, and it is reasonable to conclude that the individual transferred the property while planning to emigrate from Canada, on the day the individual stops being a resident of Canada;
  - F – for a trust to which property was transferred by an individual (other than a trust) where the transfer did not result in a change in beneficial ownership of that property and no person (other than the individual) has any absolute or contingent right as a beneficiary under the trust, on the day the individual dies;
  - G – for a deemed resident trust, on the day before it stops having resident contributors with unlimited liability for the trust's tax liability;
  - H – for trusts other than those described in A, B, C, and F, on the day that is 21 years after the day the trust was created; and
  - I – for all trusts, on every 21st anniversary of the day established above in A, B, C, F, or H.
  
- See "Types of Trusts" in the publication T4013, *T3 Trust Guide* for definitions of "spousal or common-law partner trust," "joint spousal or common-law partner trust," and "alter ego trust."
  
- Do not report a deemed disposition on any property that was actually disposed of in the tax year, unless this is a spousal or common-law partner trust, a joint spousal or common-law partner trust, or an alter ego trust. For more information, see "Form T1055, *Summary of Deemed Dispositions*" in Chapter 3 of the *T3 Trust Guide*.

### Deceased beneficiary spouse, common-law partner, deceased settlor, or transfer information

Name of deceased beneficiary spouse or common-law partner	Address	Social insurance number 	Date of death Year       Month     Day
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Name of deceased settlor	Address	Social insurance number 	Date of death Year       Month     Day
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Did an individual transfer property to the trust in the tax year, according to situation E above?  
If **yes**, enter the date the individual stopped being a resident of Canada.

Yes  No

Date		
Year	Month	Day

**Qualified small business corporation shares  
Before March 19, 2007**

Number	Name of corporation and class of shares	(1)	(2)	(3)	(4)
		Year of acquisition	Deemed proceeds of disposition	Adjusted cost base	Gain (or loss) (col. 2 minus col. 3)

A •

**After March 18, 2007**

<b>Total of A and B</b>				<b>Total of A and B</b>	

B

▶            1 •

**Qualified farm or fishing property  
Before March 19, 2007**

Address or legal description	(1)	(2)	(3)	(4)

C •

**After March 18, 2007**

<b>Total of C and D</b>				<b>Total of C and D</b>	

D

▶ +            2 •

**Mutual fund units and other shares**

Number	Name of fund or corporation and class of shares	(1)	(2)	(3)	(4)

▶ +

           3 •

**Real estate and depreciable property**

Address or legal description	(1)	(2)	(3)	(4)

▶ +

           4 •

**Bonds, debentures, promissory notes, and other similar properties**

Face value	Maturity date	Name of issuer	(1)	(2)	(3)	(4)

▶ +

           5 •

**Personal-use property (full description)**

(Full description)	(1)	(2)	(3)	(4)

(if negative, enter "0")

▶ +

           6 •

**Listed personal property (LPP) (full description)**

(Full description)	(1)	(2)	(3)	(4)

7 •

Subtract: LPP losses from line 7 of Schedule 1 and unapplied LPP losses of other years not claimed on line 8 of Schedule 1

-

8 •

**Total (gain only – line 7 minus line 8)**

=

▶ +

           9

Total of all net gains (or losses) from capital properties (add lines 1 to 6 plus line 9)

=

=

           20

Total deemed taxable capital gains (allowable capital losses) from deemed dispositions line 20

× 1/2 =

=

           25 •

Deemed taxable capital gains (positive amount only, from line 25)

          

30

Net capital losses (line 21 of Schedule 1)

-

31

Adjusted deemed taxable capital gains (line 30 minus line 31; if negative, enter "0")

=

▶ +

           32 •

**Depreciable property – Recapture**

Class number	Capital cost **	Undepreciated capital cost	Recapture (positive amounts only)
<b>Total</b>			

▶ +

           33 •

\*\* Enter the fair market value if it is less than the capital cost. For timber resource property, always enter the fair market value.

Canadian and foreign resource property (income amount)

          

34 •

Subtract: Canadian and foreign resource property (deduction amount)

-

35 •

Net Canadian and foreign resource property (line 34 minus line 35)

=

▶ +

           36

Land held in inventory (income/loss amount)

+           

37 •

**Total income/losses** from deemed dispositions (add lines 32, 33, 36, and 37). Enter this amount on line 11 of the T3 return.

=           

38 •

           42 •

**Schedule 1, adjusted line 21**

- Complete this area if you calculated a deemed allowable capital loss on line 25 of this form **and** a taxable capital gain on line 21 of Schedule 1.

Taxable capital gains (positive amount only, from line 21 of Schedule 1)		51
Deemed allowable capital losses (line 25 of this form)	-	52
Adjusted taxable capital gains (line 51 <b>minus</b> line 52; if negative, enter "0"). Enter this amount on line 01 of the T3 return.	=	53

**Calculation for election on Form T2223, Election Under Subsection 159(6.1) of the Income Tax Act, by a Trust to Defer Payment of Income Tax**

- To determine how much tax the trust can elect to defer, you need to calculate the following amounts:

- Line 82 (below) – Taxable income excluding deemed dispositions reported on line 11 of the T3 return;  
You may have to adjust the following lines on the T3 return if the amounts have increased or decreased as a result of deemed dispositions:
  - Line 01 – Taxable capital gains;
  - Line 47 – Total income allocations and designations to beneficiaries;
  - Line 51 – Non-capital losses of other years;
  - Line 52 – Net capital losses of other years;
  - Line 53 – Capital gains deduction for resident spousal or common-law partner trust only; and
  - Line 54 – Other deductions to arrive at taxable income, if this line includes losses from previous years that have been fully or partially applied against income from deemed dispositions.
- Line 83 (below) – Total taxes payable, based on taxable income excluding deemed dispositions; and
- Line 84 (below) – Increase in total taxes payable, resulting from the deemed dispositions.

Total taxes payable on taxable income with deemed dispositions <b>included</b> in income (lines 81 and 82 of the T3 return)		81
Taxable income with deemed dispositions excluded from income (attach a copy of the calculation)	82 •	
Total taxes payable on taxable income with deemed dispositions <b>excluded</b> from income (attach a copy of the calculation)	-	83 •
Amount of tax on which the trust can elect to defer payment (line 81 <b>minus</b> line 83). Enter this amount on Form T2223.	=	84