



Canada Revenue
Agency

Agence du revenu
du Canada

T5008 Guide – Return of Securities Transactions

Is this guide for you?

This guide explains how to prepare a T5008 return of securities transactions. Traders or dealers in securities have to file a T5008 information return to report purchases of securities as principal for their own account, and sales of securities they make as an agent or nominee, for any vendor. Issuers of securities and their agents or nominees use this information return to report redemptions, acquisitions, or cancellations of securities. You have to report transactions to all persons, including individuals, corporations, partnerships, trusts, or any other person who resides either in or outside Canada.

You have to report all security transactions falling under any section of the *Income Tax Act* not specifically excluded

under subsection 230(3) of the *Income Tax Regulations*, even if no tax arises as a result of the transaction. For example, transactions undertaken under section 85 and section 85.1 of the *Income Tax Act* are not exempt from the requirement to report.

You must also use the T5008 information return to report dispositions or redemptions of debt obligations in bearer form by individuals resident in Canada. Debt obligations in bearer form include commercial paper and banker's acceptances.

Note

We have developed flowcharts to help you determine the reporting requirements. See page 18.

If you have a visual impairment, you can get our publications in braille, large print, etext (CD or diskette), or MP3. For more information, go to www.cra-arc.gc.ca/alternate or call 1-800-959-2221.

Confidentiality of information

Under the *Privacy Act*, the information you provide on the T5008 information return and related forms can be used only for the purposes authorized by law.

Income Tax Act references

In this guide, unless otherwise noted, all legislative references are to the *Income Tax Act* and *Income Tax Regulations*.

La version française de ce guide est intitulée *Guide T5008 – Déclaration des opérations sur titres*.

What's new?

Internet File Transfer

If you use commercial or in-house-developed software to manage your business, you can now file up to 150 MB. For more information, see "Filing over the Internet" on page 9. If your file is more than 150 MB, you can either compress your return or you can divide it so that each submission is no more than 150 MB.

New terminology for Business Number

The new 15-character Account Number that you will use to send us your T5008 information return consists of three parts—the nine-digit Business Number (BN), a two-letter Program Identifier, and a four-digit reference number. When we require the whole 15-character number, we now refer to the Account Number instead of the Business Number.

Filer Identification Number (FIN) change

Starting in January 2010, the Canada Revenue Agency (CRA) will begin processing the T5008, T5007, T5, and T5013 information returns, as well as the RRSP Contribution Receipts and the new Tax Free Savings Account (TFSA) information returns, using the Business Number (BN).

The BN is a numbering system that simplifies and streamlines the way businesses deal with the federal government. It is based on the idea of one business, one number.

By the end of December 2009, Filer Identification Number (FIN) will be converted to BN. A new RZ Program Identifier will be created to file these information returns. If you are required to file one of the above mentioned returns, you will be required to do so using your BN with RZ Program Identifier.

We will be notifying all businesses of their converted BN with RZ Program Identifier by mail. If you do not receive your notification by the end of December 2009, please call

1-800-959-5525 or write to your local tax centre at the address shown on page 32.

Amendments

If you are filing an amended slip, you must do so using the Account Number you indicated in the original information return. For 2008 and prior years, use the FIN. For amendments to the 2009 and subsequent tax years, use the BN with RZ Program Identifier.

Mandatory electronic filing

Effective January 1, 2010, you must file information returns by Internet File Transfer in eXtensible Markup Language (XML) **if you file more than 50 T5008 information returns (slips)** for a calendar year. Mandatory electronic filing relates to the date of filing, not the tax year of the returns being filed.

Late filing penalty

Effective January 1, 2010, if you file your T5008 information return late, or do not distribute the related slips to the recipients by the due date, you are liable to a penalty. For more information, see page 10.

Failure to file information returns over the Internet

Effective January 1, 2010, **if you file more than 50 T5008 information returns (slips)** for a calendar year and you do not file the information returns over the Internet, you are liable to a penalty. For more information, see page 11.

Deemed disposition

The Canada Revenue Agency (CRA) has identified that there may be incorrect reporting of deemed dispositions on information slip T5008, *Statement of Securities Transactions*. For this reason, we have added more information about deemed dispositions (see page 8).

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Definitions

These are not definitions provided by the *Income Tax Act* or *Income Tax Regulations*. They give only the common usage of the terms for the benefit of the reader.

Agent – A person authorized to act for another.

Amalgamation – Union of different corporations to form a single new corporation.

As principal – On your own account. See “Principal.”

Banker’s acceptance – A draft payable at maturity drawn by a creditor against a debtor. Banker’s acceptances are short-term credit instruments that are commonly sold at a discount.

Bearer – The person in possession of a negotiable instrument.

Bearer form – An instrument is in bearer form if its terms say that it is payable to the bearer, or to cash, or if it does not indicate a payee.

Bond – A security under which the issuer contracts to pay the lender a fixed amount at a stated date in the future, and a series of interest payments. Some bonds are issued at a discount instead of providing for interest payments.

Book Value – The initial outlay or price paid by the investor for a security or debt investment. The book value is important in helping the investor keep track of gains (or losses).

Call – A demand on the holder to submit securities for payment or redemption.

Cancellation of securities – An action of issuers who call back their own securities to cancel them and to reduce the amount of outstanding securities.

Capital – All shares representing ownership, including preferred and common shares.

Commercial paper – A negotiable instrument (promissory note, bank cheque) for the payment of money. It is commonly sold at a discount.

Commodities – Staples such as wool, cotton, or any articles of merchandise that are useful or serviceable.

Consideration – Anything received in a transaction (usually cash) including any tangible or intangible property.

Contract – An agreement between persons that creates an obligation. See “Option.”

Creditor – A person to whom a debt is owed by another person who is the debtor.

Debenture – A promissory note or bond backed by a corporation’s general credit rating.

Debt obligation – A fixed obligation to pay money or some other valuable consideration.

Debtor – One who owes a debt.

Deemed disposition – This term is used when you are considered to have disposed of property, even though a transaction did not take place. A deemed disposition occurs

when the owner of a security transfers certain property to a trust, gifts property, leaves Canada, or dies.

Discount – The difference between present and maturity value. Buying an instrument before maturity at less than par value.

Draft – An order to pay a sum of money on demand or at a definite time.

Exchange – The market place at which different securities are bought and sold (for example, stock exchange, commodity exchange). It also means a transaction that involves trading one security for another.

Face amount – The nominal value that appears on the face of a document, generally a bond. It is the amount to be repaid at maturity.

Futures – A right to get, at a future date, a quantity of a given commodity for a fixed price.

Holder – A person who possesses a security and who is entitled to get a payment of that security.

Index – A list of the current values of marketable securities given through an exchange (stock, commodities, futures exchanges).

Instrument – Any negotiable written document.

Market value – The current price at which an investor can sell a security or debt investment.

Nominee – A person designated to act for another.

Note – An instrument in which the signer promises to pay to a specified person, or the bearer, a sum of money at a specified time.

Numismatic coins – Coins or coin-like objects that have a value to collectors.

Option – A right to buy commodities or securities within an agreed period, at a fixed price, or to sell commodities or securities at an agreed price and time. An option to buy is known as a “call” and an option to sell is called a “put.”

Par – When the nominal or face value of a security equals its market value, it is trading at par. Par value may also refer to a value stated on securities, especially shares, that does not represent market value. The amount of the issue price or market value that is more than the par value is called a premium.

Partnership – The relationship that exists between two or more persons who join to carry on a trade or business to make a profit. Each person contributes money, property, labour, or a skill, and each expects to share in the profits or losses of the venture. You can have a valid partnership without a formal written partnership agreement.

The type and extent of a person’s involvement in the business are important in determining whether the person is a partner. For more details, see Interpretation Bulletin IT-90, *What is a Partnership?*

If you would like more help to determine whether an arrangement is a partnership, you should also see the relevant provincial or territorial laws. We will usually accept a decision based on those laws.

Precious metal – This means coins, metals (especially gold and silver) before coining, or certificates representing such metals. Precious metal does not include jewellery, works of art, or numismatic coins.

Predecessor – This means one of any number of businesses or corporations that have been incorporated into and replaced by a new business or corporation through an amalgamation.

Principal – This means the capital sum of a debt or obligation, as distinguished from interest or other additions to it. See “As principal.”

Proceeds – See “What are proceeds?” on page 7 for the definition of proceeds.

Prospectus – A document a company publishes to invite the public to subscribe to an issue of shares, debentures, or other securities.

Publicly traded – Listed or posted on any exchange (for example, stock exchange, commodity exchange, futures

exchange). Sold or distributed under a prospectus or similar document.

Redemption of securities – An action of issuers who buy back their own securities (frequently shares).

Right – A privilege granted to the holder of a security, such as the right to buy more shares of the issuer or the right to exchange the security held for a different security.

Sale – Includes a short sale. A short sale is a contract for the sale of securities that the seller does not own but that will be delivered at a specified time.

Security – See “What are securities?” on page 7 for the definition of a security.

Trader or dealer in securities – A person registered or licensed to trade in securities or a person who ordinarily sells securities for others.

Treasury bill – Short-term obligations of the federal government. Treasury bills are usually for terms of 3, 6, and 12 months.

Warrant – A certificate granting the owner the right to buy securities.

Chapter 1 – General information

This guide does not deal with every tax situation. For a list of publications that explain situations in more detail, see page 31.

You can order the publications you need, as well as blank copies of T5008 slips, from our Web page or by telephone. Complete the order form at www.cra.gc.ca/orderforms or call 1-800-959-2221.

See the glossary on page 5 for definitions of technical expressions.

Electronic mailing lists

We can notify you immediately about new information for electronic filing for businesses and more. To subscribe, free of charge, go to www.cra.gc.ca/lists.

What are securities?

For the T5008 information return, securities mean:

- publicly traded shares of the capital stock of a corporation;
- publicly traded debt obligations;
- debt obligations of, or guaranteed by:
 - the Government of Canada (such as treasury bills);
 - the government of a province or territory or its agents;
 - a municipality in Canada;
 - a municipal or public body performing a function of government in Canada; or
 - the government of a foreign country or a political subdivision of a foreign country, including a local authority of such a government;
- publicly traded interests in a partnership or a trust;
- any option or contract for any of the properties listed above;
- publicly traded options or contracts for any property including any commodity;
- publicly traded options or contracts for financial futures, foreign currency, or precious metal; and
- publicly traded options or contracts for any index relating to any property.

What are proceeds?

Proceeds is a term used to describe the amount that arises as the result of a sale, disposition, deemed disposition (see “Deemed dispositions” on page 8), redemption, acquisition, or cancellation of securities, or an exchange or conversion of property. The term does not mean only cash or money. For the purposes of *Regulation* 230, it includes all consideration, such as cash, debt obligations, shares, etc. that is paid or payable to the transferor.

Who has to file a T5008 information return?

The following persons have to file a T5008 information return:

- every trader or dealer in securities who buys a security as principal (for their own account) or sells a security as an agent or nominee for any vendor;
- every person in the business of buying and selling precious metals in the form of certificates, bullion, or coins who makes a payment to another person for a sale of precious metals by that other person;
- every person who, as a nominee or agent for another person, gets the proceeds of a sale or other transaction carried out in the name of the nominee or agent;
- every person who makes a payment to, or acts as a nominee or agent for, an individual resident in Canada for the disposition or redemption of a debt obligation in bearer form; and
- every person (other than an individual who is not a trust) who acquires, redeems, or cancels a security issued by that same person, **except** when the transactions involve the following:
 - exchanges of shares for new shares in the course of a reorganization of the capital of a corporation (section 86), if no consideration other than the new shares is receivable;
 - securities disposed of when a partnership ends [subsection 98(3)];
 - securities transferred when a new partnership is formed from a predecessor partnership [subsection 98(6)];
 - convertible property (section 51), that is, when a corporation’s shares, bonds, debentures, or notes are exchanged for shares of the **same** corporation and no consideration other than the new shares is receivable;
 - redemptions, cancellations, or acquisitions of securities made during an amalgamation (section 87); or
- exchange of capital property that is a convertible debt obligation for another debt obligation (section 51.1).

Note

If cash or some other consideration totalling \$200 or less is received instead of a fractional interest in shares during an exchange to which section 51 or 87 applies, you do not need to report the transaction. If the cash or other consideration is more than \$200, you have to report the entire exchange transaction. For more information, see Interpretation Bulletin IT-115, *Fractional Interest in Shares*.

When don’t you have to file a T5008 information return?

You do not need to file a T5008 information return for:

- a purchase of a security by one trader or dealer in securities from another, **other than** a non-resident trader or dealer in securities;

- a sale of a security by a trader or dealer in securities for another trader or dealer in securities;
- a sale of currencies or precious metals in the form of jewellery, works of art, or numismatic coins;
- a sale of precious metals if you ordinarily produce or sell precious metals in bulk or commercial quantities;
- a redemption, acquisition, or cancellation of a debt obligation by the issuer or agent when:
 - the debt obligation was issued for its principal amount;
 - the redemption, acquisition, or cancellation satisfies all of the issuer’s obligations;
 - there are no disproportionate payments of principal and interest to any person with an interest in the debt obligation; and
 - an information return other than a T5008 information return is required as a result of the redemption, acquisition, or cancellation;
- a sale of securities by a trader or dealer in securities on behalf of a person who is exempt from tax under section 149 (for example, municipalities, registered charities, non-profit organizations, and registered retirement savings plans);
- transactions reported under section 202 or 204 of the *Income Tax Regulations*;
- a deemed disposition of a security (see “Deemed dispositions” below for more information); or
- the expiry or exercise of an option, right, or warrant.

Example

A client of a trader or dealer in securities owns an option to buy publicly traded shares in XYZ Corporation. If the trader or dealer buys the option from the client or sells the option to a third party for the client, the trader has to prepare a T5008 information return to reflect the transaction. However, if the client exercises the option and acquires the shares of XYZ Corporation, or if the option is allowed to expire, the trader does not have to file a T5008 information return.

For more information, see Guide RC4268, *Handbook on Securities Transaction – A Summary of the Reporting Requirements under the Income Tax Regulations*. The Guide RC4268 is only available electronically at www.cra.gc.ca/forms.

Deemed dispositions

You do not have to report deemed dispositions on a T5008 slip.

In certain circumstances, the *Income Tax Act* considers that a property has been disposed of, even though no real compensation in the form of money or other consideration has been received.

Some examples of when a deemed disposition may occur are:

- transfers of property to a trust;

- gifts of property;
- the owner dies; or
- the owner ceases to be a resident of Canada.

In this guide, “sale” generally refers to a transaction where the ownership of property is transferred from one person or entity to another for a sum of money or other consideration. In the case of a deemed disposition, ownership of the property is not transferred for money or other consideration. In addition, a deemed disposition is not a purchase, redemption or cancellation of a security. Consequently, a deemed disposition is not considered for the purposes of *Income Tax Regulation* 230 and a T5008 slip is not required.

Are you acting as a trustee?

Publicly traded interests in a trust are securities and can be issued in the form of units or shares. The trust, as issuer of these interests, has to report the redemption, acquisition, or cancellation of the units or shares to the beneficial owner. If a trustee acts for the trust, the trustee must report these transactions.

You have to report income realized by a trust and distributed to its beneficiaries on a T3 slip, *Statement of Trust Income Allocations and Designations*. This income is gained by holding an interest in the trust, and it is different from the proceeds received from the disposition of those interests.

Due date

You have to file your T5008 information return **on or before the last day of February** following the calendar year for which you are preparing it. For example, if you are filing a T5008 information return for 2009, it has to be filed on or before the last day of February, 2010. If this date falls on a Saturday or Sunday, your information return is due on the next business day. Note that several provinces and territories have their own unique holidays. Therefore, due dates may be affected depending on where you reside. For a list of public holidays, go to www.cra.gc.ca/duedates.

If you end your business or activity, you have to file a return for the year or part of the year no later than 30 days after the date the business or activity ended.

You can send recipients an electronic copy of their T5008 slips. The recipient must have consented in writing or by email to receive the slips electronically.

Send the recipients’ copies of the T5008 slips to their last known address or deliver them in person. You have to do this on or before the day you have to file the T5008 information return.

Computer-printed (customized) forms

You can send T5008 slips to your clients on customized forms.

However, **we must pre-approve these customized forms**. We will review your proposed draft and issue an approval number before you can use the customized version.

Your form must contain the information from the back of the CRA's T5008 slip.

For two examples of customized T5008 slips that are acceptable alternatives to the CRA issued forms, see page 30. Example 1 is a sample of a customized T5008 slip that you could use to report more than one transaction to an investor for the year, in the same currency. Example 2 is a sample of a customized T5008 slip that you could use to report a single transaction.

To get our written approval, send two samples of your proposed computer-printed slips to:

Business Integration Division
Electronic and Print Media Directorate
Canada Revenue Agency
Place de Ville, Tower A
320 Queen Street, 9th floor
Ottawa ON K1A 0L5

For more information, go to www.cra.gc.ca/customized or see Information Circular IC97-2, *Customized Forms*, available in electronic format only.

Chapter 2 – T5008 information return

General information

A T5008 information return consists of T5008 slips and the related T5008 Summary.

T5008 slip

Use this slip to report one transaction (or more than one transaction involving identical securities for the same client) you made for a person. There are three slips printed on each T5008 sheet.

For information on how to complete the T5008 slip, see "Completing the T5008 slip" on page 11. For a sample of the slip, see page 27.

T5008 Summary

Use this form to total all the proceeds of disposition or settlement amounts you report on the related T5008 slips.

You have to prepare a **separate** T5008 Summary when a beneficial owner claims previously unclaimed proceeds of disposition for securities transactions. For more details about unclaimed proceeds of disposition, see page 17.

For information on how to complete the T5008 Summary, see "Completing the T5008 Summary" on page 15. For a sample of the form, see page 28.

Chapter 3 – Filing methods

If you file from **1 to 50** information slips, we encourage you to file over the Internet in eXtensible Markup

Language (XML) format by Internet File Transfer. However, you can file up to 50 T5008 slips on electronic media (DVD, CD, or diskette) or on paper.

Effective January 1, 2010, if you file more than **50 T5008 slips** for a calendar year, you **must** file the T5008 information return over the Internet. If you do not, you are liable to a penalty. For more information, see "Failure to file an information return over the Internet" on page 11.

If you use commercial or in-house-developed software to manage your business, you can file up to 150 MB by Internet File Transfer. For example, a service bureau can file multiple T5008 returns in one submission, provided the total submission does not exceed the 150 MB restriction.

Note

If your return is more than 150 MB, you can either compress your return or you can divide it so that each submission is no more than 150 MB.

For more information about filing requirements and on the filing methods available, go to www.cra.gc.ca/iref.

Filing over the Internet

Internet File Transfer

This convenient filing method is for filers who use commercial or in-house-developed software to manage their business. Internet File Transfer allows you to transmit a return with a **maximum file size of 150 MB**. All you need is a Web browser to connect to the Internet, and your software will create, print, and save your electronic T5008 information return in XML format. For information about this filing method, contact your software publisher or go to www.cra.gc.ca/iref.

Note

When using Internet File Transfer (XML), the information is automatically encrypted before it is submitted to the CRA.

Why use Internet filing?

The Internet Filing initiative is part of the Government On-Line (GOL) initiative to deliver more services electronically to increase the efficiency of government while also delivering service and value to taxpayers. It provides you with an easy to use, convenient, secure, and confidential option for filing your information return. Some of the benefits to you will be:

- **Immediate confirmation:** You will receive immediate confirmation that we received your return (legal proof for your records). The **submission number** is your confirmation that the CRA has received your information return. The file name, date and time of receipt are indicated in the confirmation of receipt page.
- **Faster processing:** Your information return will be processed more quickly with less chance of errors than with a paper filed return.
- **Reduced paperwork:** Help the environment by reducing paper consumption.
- **Costs savings:** Save on printing and mailing costs.

Internet filing is available from January 11, 2010, to early December 2010.

Web access code

To file your return using Internet File Transfer, you need a Web access code (WAC). If you qualify, you will receive a letter providing you with your WAC. If you do not receive a WAC, call our help desk at **1-877-322-7849**.

Filing on electronic media

For an explanation of the technical specifications and instructions you need to file on electronic media (DVD, CD, or diskette), go to www.cra.gc.ca/electronicmedia.

Do not send a printed copy to us. You can print **one copy** to keep for your file.

Note

In future years, the CRA will be discontinuing the use of electronic media (DVDs, CDs and diskettes).

For more information about filing requirements and on the filing methods available, go to www.cra.gc.ca/electronicmedia or call **1-800-665-5164**.

If you prefer, you can write to:

Electronic Media Processing Unit
Ottawa Technology Centre
Canada Revenue Agency
875 Heron Road
Ottawa ON K1A 1A2

Note

You may need to correct information you originally filed electronically or on paper. For more information, see "Chapter 7 – After you file" on page 16.

Filing on paper

If you file 1 to 50 T5008 slips, we encourage you to file over the Internet in eXtensible Markup Language (XML) by Internet File Transfer. However, you can file up to 50 T5008 slips on paper.

If you are filing your T5008 information return on paper, keep the following in mind when you complete the forms that make up the return:

- Use the current versions of the T5008 slips and T5008 Summary. You can download them in regular or fillable format at www.cra.gc.ca/forms. You can also order them at www.cra.gc.ca/orderforms or by calling **1-800-959-2221**.
- Do not tape, tear, or stamp any of the T5008 forms.
- For all dollar amounts, use a comma to separate thousands and a period to separate dollars from cents. Do not use dollar signs (\$).

Example
2,345.67

- When no entry is required, leave boxes and areas blank. Do not enter nil, N/A, dashes (-), or zeros in these empty boxes.
- Do not change the title of any box or area on the forms.
- Enter an "X" in those boxes that need to be marked. Do not use any other mark (for example, "3" or "-").

Report information only in the appropriate box or area provided. If you are not sure where to enter the information, see "Completing the T5008 slip" on page 11 or call us at **1-800-959-5525**.

After you complete your paper return, mail it to:

Ottawa Technology Centre
Canada Revenue Agency
P.O. Box 9633, Station T
Ottawa ON K1G 6H3

Chapter 4 – Penalties and offences

Late-filing and failure to file the T5008 information return

You have to file the T5008 information return and give the T5008 slips to the recipients **on or before the last day of February** following the calendar year to which the information return applies. If the last day of February is a Saturday or Sunday, your information return is due the next business day.

Effective January 1, 2010, the penalty for failing to file the T5008 information return by the due date or for distributing T5008 slips to recipients late is the greater of \$100 or a penalty determined as follows:

Number of information returns (slips) by type	Penalty (per day)	Maximum penalty
50 or less	\$10	\$1,000
51 – 500	\$15	\$1,500
501 – 2,500	\$25	\$2,500
2,501 – 10,000	\$50	\$5,000
10,001 or more	\$75	\$7,500

Failure to file an information return over the Internet

Effective January 1, 2010, if you file more than 50 T5008 information returns (slips) for a calendar year and you do not file the information returns by Internet File Transfer in eXtensible Markup Language (XML), you are liable to a penalty determined as follows:

Number of information returns (slips) by type	Penalty
51 – 250	\$250
251 – 500	\$500
501 – 2,500	\$1,500
2,501 or more	\$2,500

Note

The Canada Revenue Agency (CRA) is providing a one year transitional period to allow filers time to adapt to these changes. Penalties will be assessed starting in 2011.

For more information on filing electronically, see “Chapter 3 – Filing methods” on page 9.

Failure to provide information on a return

Anyone who prepares an information return has to make a reasonable effort to get the necessary information, including identification numbers, from the individuals, corporations, or partnerships that will get the slips. If you do not do this, you may be liable to a \$100 penalty for each failure to comply with this requirement.

Failure to provide an identification number

Individuals (other than trusts), corporations, or partnerships have to give their social insurance number (SIN) or Business Number on request to anyone who has to prepare an information slip for them. A person or partnership that does not do so is liable to a \$100 penalty for each failure to comply with this requirement. This penalty does not apply if the person or partnership had applied for, but had not yet received, a SIN or Business Number (BN) at the time the return was filed.

A person or partnership that does not have an identification number must apply for one within 15 days of the date of an information request. After receiving the identification number, the person or partnership has 15 days to provide it to the person who is preparing an information return.

Failure to provide a social insurance number (SIN) on a return

Make sure the social insurance number (SIN) and name you enter on the T5008 slip for each individual recipient are the same as on his or her SIN card.

If the individual does not give you his or her SIN, you should be able to show that you made a reasonable effort to get it. For example, if you contact a recipient by mail to ask

for his or her SIN, record the date of your request and keep a copy of any correspondence that relates to it. If you do not make a reasonable effort to get a SIN, you may be subject to a penalty of \$100 for each failure. If you cannot get a SIN from the recipient, file your information return, without the SIN, no later than the last day of February. If you do not, you may be subject to a **penalty**.

A person who does not have a SIN can apply for one at any Service Canada Centre.

For more information, see Information Circular IC82-2, *Social Insurance Number Legislation That Relates to the Preparation of Information Slips*, or go to the Service Canada Web site at www.servicecanada.gc.ca.

Using the identification number

If you have to prepare an information return, or if you are an officer, employee, or agent of someone who does, you cannot **knowingly** use or communicate an identification number, or allow it to be communicated, without the written consent of the individual, taxpayer, or partnership, other than as required or authorized by law or for the purpose for which the number was provided.

If you use an identification number for unauthorized purposes, you may be guilty of an offence. If convicted, you are liable to a maximum fine of \$5,000 or imprisonment of up to 12 months, or both.

Interest on penalties

We charge interest, compounded daily at the prescribed rate, on the total amount of penalties and interest outstanding. Interest and penalties are payable to the Receiver General.

Cancelling or waiving penalties and interest

The taxpayer relief provisions of the *Income Tax Act* give us some discretion to cancel or waive all or part of any interest charges and penalties. This allows us to consider extraordinary circumstances that may have prevented you from fulfilling your obligations under the *Income Tax Act*. For details, go to www.cra.gc.ca/fairness or see Information Circular IC07-1, *Taxpayer Relief Provisions*.

Notice of assessment

We will issue a notice of assessment for the T5008 information return only if we apply a penalty.

Chapter 5 – T5008 slip

Completing the T5008 slip

Before completing the T5008 slips, see “Filing over the Internet” and “Filing on paper” on pages 9 and 10. We can process your T5008 information return more efficiently if you follow those instructions.

Foreign currency reporting

Complete all T5008 slips in Canadian currency. Use the exchange rate that was in effect at the time of the transaction or an average rate that includes the transaction period.

Foreign currency is usually converted to Canadian funds before it is credited to the recipient's account. However, certain taxpayers keep foreign currency accounts and choose to convert their account balances themselves. If you get proceeds of disposition in a foreign currency and deposit the amounts to your client's foreign currency account **without** converting them to Canadian funds, you can report in the foreign currency that applies. Identify foreign currency amounts by entering in box 13 the applicable currency code under International Standard (ISO) 4217.

Joint ownership

Complete only one T5008 slip to report a transaction even if more than one person owns the securities. Include the names of the joint owners on lines 1 and 2 of the recipient area of the T5008 slip.

Aggregate reporting

You can report more than one transaction involving **identical** securities for the **same** client by totalling the amounts and showing them as one transaction. Examples of identical securities are: units of the same mutual fund, all commodity futures, or the same class of stock of the same corporation.

Recipient's name and address

First and second lines – Enter the individual's last name first, followed by the usual first name and initials or the legal name of a corporation, organization, or institution. Do not enter the name of a secretary, treasurer, or anyone else with signing authority.

Enter any other information, such as the name of a second recipient for a jointly owned security.

In all cases, enter the recipient's full mailing address as follows:

Third, fourth, and fifth lines – Enter the recipient's full address, including city and province or territory (you can leave some lines blank). For the province or territory, use the two-letter abbreviations from the list on page 31.

Postal code – Enter the recipient's postal code.

Name and address of trader or dealer in securities

Give the full name and mailing address of the person required to complete the information return in this area of each T5008 slip. To determine whether or not you have to file a T5008 information return, see "Who has to file a T5008 information return?" on page 7.

Year

Enter the four digits of the calendar year in which the transaction took place.

Void

If you make an error on a T5008 slip, enter an "X." We will disregard transactions on voided T5008 slips during processing.

Box 10 – Report code

Enter on each slip one of the following codes to indicate whether the slip is:

- "O" original;
- "A" amended (changing the financial data or identification information); or
- "C" cancelled.

When using code "A" or "C," enter a description at the top of the slip (that is, "AMENDED" or "CANCELLED") and include a letter of explanation when you file a copy of the slip. For more details, see "Chapter 7 – After you file" on page 16.

Box 11 – Recipient type

On each T5008 slip, enter one of the following codes to identify the person for whom the transaction was made:

- "1" individual (even if the SIN is not provided);
- "2" joint account;
- "3" corporation; or
- "4" other, for example, association, trust (fiduciary-trustee, nominee, or estate), club, or partnership.

Box 12 – Recipient identification number

If the recipient is an individual (other than a trust), enter the individual's social insurance number (SIN). When you report the disposition of a jointly owned security, enter only the SIN of the first individual you identified as a recipient.

You have to make a reasonable effort to get the recipient's SIN. If you do not, you may be liable to a \$100 penalty for each time you do not provide the SIN on a slip. However, when a person tells you that he or she does not have a SIN but is applying for one, make sure you complete and file the return before the filing deadline. If you have not received the SIN by the time you prepare the T5008 slip, leave box 12 blank.

See "Failure to provide a social insurance number (SIN) on a return" on page 11 for more information on your obligation to provide a valid SIN.

Note

If you are reporting a transaction made in trust to an institution for an individual (for example, a payment made to the trustee of a self-directed RRSP), **do not enter the individual's SIN in box 12.**

If the recipient is not an individual, enter the first nine digits of the recipient's Business Number (BN), if available.

Box 13 – Foreign currency

You should report all amounts in Canadian currency, unless the transaction meets the requirements explained in "Foreign currency reporting" on page 12.

For Canadian funds, leave this area blank.

Enter the applicable three-character alphabetic or numeric currency code using International Standard (ISO) 4217.

If possible, use the alphabetic codes, as follows:

- USD – United States, dollar
- JPY – Japan, yen
- HKD – Hong Kong, dollar
- AUD – Australia, dollar
- NZD – New Zealand, dollar
- DKK – Denmark, krone
- GBP – United Kingdom, pound
- EUR – European Union, euro
- OTH – Other

When you report amounts in foreign currency, keep the following rules in mind:

- print the name of the foreign currency on the T5008 slips (for example, U.S. DOLLARS) above box 17 for the recipient's benefit;
- if you file your T5008 information return on paper and leave box 13 blank, we will process the amounts on the T5008 slips as Canadian dollars; and
- when completing the summary, you only have to enter one amount for total proceeds of disposition, whether or not you complete the T5008 slips in different currencies.

Box 14 – Date (MMDD)

Enter the month and day on which the transaction was completed (the settlement date). For example, if you completed the transaction on May 17, enter "0517." If you are reporting the aggregate of transactions that occurred throughout the year, enter "1231" (December 31). Do not enter the year in this box.

Box 15 – Type code of securities

Indicate the type of security by entering one of the following codes:

- BON – Bonds
- BO1 – A bulk transaction in bonds for which the quantity cannot be determined
- DOB – Debt obligations in bearer form
- DO1 – A bulk transaction in debt obligations in bearer form for which the quantity cannot be determined
- FUT – Futures
- MET – Precious metals
- MFT – Units in a mutual fund trust or investment fund trust
- MSC – Miscellaneous
- OPC – Option contracts
- PTI – Publicly traded interest in a trust or partnership

- RTS – Rights
- SHS – Shares
- UNT – Units (for example, a unit consisting of a bond and a warrant)
- WTS – Warrants

These codes are the same as field 35A in the International Standard (ISO) 15022. We have added certain codes and removed others to report transactions as required by the *Income Tax Act*. However, if you use this standard to record transactions, you can use the field 35A codes and reproduce them without changes.

Box 16 – Quantity of securities

Enter the quantity of securities involved in the transaction. The quantity must be in units that apply to that security (for example, for gold, give the number of ounces).

Box 17 – Identification of securities

Enter a description of the securities (for example, treasury bill, banker's acceptance, shares of XYZ Corporation, debt obligation in bearer form).

Box 18 – ISIN/CUSIP number

When the securities are identified by an ISIN number (International Securities Identification Number) or CUSIP number (Committee on Uniform Securities Identification Procedures), enter the number in box 18.

Box 19 – Face amount

If the security represents indebtedness (for example, bonds and other debt obligations), enter the nominal value, **in dollars only**, that appears on the face of the document (that is, the amount to be repaid at maturity).

Leave this box blank if the security does not have a face amount (for example, shares or commodities).

Box 20 – Cost or book value

Enter the cost or book value, **in dollars only**, of the securities involved.

Note

Cost or book value is the initial outlay or price paid or payable for a particular security or debt investment. The preparer is expected to take reasonable measures in order to ensure that the amount reported in box 20 is correct. **Do not enter** the market value or the current price the asset was sold for in box 20. The investor needs this amount to calculate the adjusted cost base (ACB) of the security or debt investment and to track gains (or losses).

This amount may or may not reflect the investor's ACB for the purpose of determining his or her gain or loss from the disposition of the security. The investor should be aware that he or she may have to make adjustments to the amount indicated in box 20 at the time of determining and reporting his or her gain or loss from the disposition.

Box 21 – Proceeds of disposition or settlement amount

You have to prepare a T5008 slip for all reportable transactions, regardless of the amount of proceeds. There is no administrative limit for reporting securities transactions.

Note

Box 21 may contain a negative amount **only if** the type of securities in box 15 is a future (FUT) or an option contract (OPC).

Enter, **in dollars only**, the total proceeds received by or credited to the recipient in exchange for the securities. We define proceeds on page 7.

Example

A \$10,000 treasury bill is disposed of before it matures, and the bearer gets \$9,500. The proceeds of disposition are \$9,500. Enter “9,500” in box 21. Since the **face amount** of the treasury bill is \$10,000, you would enter “10,000” in box 19.

Report **only** the total proceeds in box 21. Do not deduct any expenses from the proceeds and **do not** report negative amounts.

Example

A \$15,000 discounted bond is called before maturity. The bondholder gets a net credit of \$10,480, as follows:

Principal payment	\$ 10,000
Add: Accrued interest	500
Gross proceeds	\$ 10,500
Minus: Bank charges	20
Amount deposited to bondholder’s account	\$ 10,480

Since the proceeds of disposition are \$10,000, enter “10,000” in box 21. Do not include the accrued interest with the transaction proceeds. Report the accrued interest on a T5 slip. The bank charges do not represent an amount payable to the bondholder. Bondholders that are individuals can deduct this amount as outlays and expenses on Schedule 3 of the T1 return to determine the gain realized on the transaction.

Boxes 22, 23, and 24 – Securities received on settlement (if applicable)

In some securities transactions, securities are received as proceeds of disposition. This usually happens in exchange or conversion transactions. **You should complete boxes 22, 23, and 24 only when you cannot readily determine the value of the securities received on settlement.** Do not report any monetary values in these boxes.

Report in box 21 any part of the proceeds that is credited in money.

Note

Some exchanges of securities are exempt from the reporting requirement. For more information, see “Who has to file a T5008 information return?” on page 7.

Certain securities can be redeemed in return for another type of security. For example, bonds may be redeemed for gold. However, gold is often converted, at the fair market value, and the proceeds (see definition on page 7) are credited to the recipient. In this case, you have to report these transactions in box 21.

Use boxes 22, 23, and 24 to report the transaction only if you cannot reasonably determine the fair market value of the securities obtained on conversion.

Example

XYZ Corporation redeems a bond for 20 ounces of gold. If you could not determine the value of the gold, you would complete boxes 22, 23, and 24 as follows:

Box 22 MET

Box 23 20 OZ

Box 24 GOLD

The instructions for completing boxes 22, 23, and 24 are the same as those for boxes 15, 16, and 17.

Report sections 85 and 85.1 transactions in these boxes as follows:

Box 21 Leave this box blank for these transactions.

Box 22 Enter “SHS.”

Box 23 Enter the number of shares, units, or quantity of any other property or securities received as part of the proceeds of disposition.

Box 24 Enter “Section 85” or “Section 85.1,” as applicable.

Distributing the T5008 slips

You can send recipients an electronic copy of their T5008 slips, **on or before the last day of February** following the calendar year to which the information return applies, but they must have consented in writing or by email to receive the slips electronically.

Note

If you file your information return over the Internet or on electronic media, **do not** send us the paper copy of the forms that make up the return.

If you are filing on paper, send us each T5008 slip (three slips printed per sheet), along with the T5008 Summary, **on or before the last day of February** following the calendar year to which the information return applies. Send these forms to:

Data Assessment and Evaluation Programs Division
Ottawa Technology Centre
Canada Revenue Agency
875 Heron Road
Ottawa ON K1A 1A2

Send two copies of the T5008 slip to the recipient on or before the last day of February following the calendar year to which the information return applies.

You do not have to keep a copy of the T5008 slips. However, you have to keep the information from which you prepared the slips in an accessible and readable format.

Note

When a business or activity ends, you have to send the appropriate copies of the T5008 slips to the recipients and us no later than 30 days after the date the business or activity ended.

Chapter 6 – T5008 Summary

You have to complete a T5008 Summary if you prepare one or more T5008 slips.

Completing the T5008 Summary

Before you complete the T5008 Summary, see the information in “Chapter 3 – Filing methods” on page 9. We can process your T5008 information return more efficiently if you follow those instructions.

Do not include amounts on the T5008 Summary for which you have not prepared a T5008 slip.

Information return for the year ended December 31

Enter the four digits of the calendar year to which the information return relates.

Account Number

As of January 2010, the Filer Identification Number (FIN) will no longer be processable on original T5008 returns.

Enter the 15 characters of your Account Number in this area.

The Account Number consists of three parts—the Business Number (BN), the Program Identifier and the reference number.

- The BN is a nine-digit number that identifies the business. It simplifies and streamlines the way businesses deal with the federal government;
- The two-letter Program Identifier identifies the type of BN account, in this case, “RZ”; and
- The four-digit reference number identifies each account a business may have.

Note

Due to the conversion from FIN to BN, as of January 2010, if you are filing a T5008 information return, you must do so using the BN with RZ Program Identifier (for example, 123456789RZ0001) instead of the FIN (for example, HA1234567). If you have filed your T5008 information return using the FIN between January 2008 and September 2009, the CRA will notify you of your converted Account Number by mail. If you do not receive your notification by the end of December 2009, please call 1-800-959-5525 to find out how to obtain a BN with RZ Program Identifier for your T5008 information return.

Please note, in order to create or maintain Account Numbers, you must be authorized to do so.

In the case of amendments for 2008 and prior tax years, or if you have been unable to obtain a BN with RZ Program Identifier, enter your FIN (for example, HA1234567).

For more information on the FIN to BN conversion, see the “What’s new?” section at the beginning of this guide.

Additional T5008 Summary

If this is an additional T5008 Summary, enter an “X.”

You have to file an additional T5008 Summary if you file additional T5008 slips. Include only original T5008 slips with report code “O.” For more information, see “Chapter 7 – After you file” on page 16.

Name and address of trader or dealer filing this T5008 Summary

Enter the name and the full mailing address of the person required to complete the information return. To determine whether or not you have to file a T5008 information return, see “Who has to file a T5008 information return?” on page 7.

Have you filed a T5008 information return before?

If you have filed a T5008 information return in a previous year, enter an “X” in the “Yes” box.

If this is the first year you have filed a T5008 information return, enter an “X” in the “No” box.

Language

Enter an “X” in the appropriate box. Any future correspondence and information we send you will be in the language you choose.

Address on last information return

Enter the address from your last T5008 information return if you:

- entered an “X” in the “Yes” box for the question “Have you filed a T5008 information return before?”; and
- the address on your last T5008 information return was not the same as the address you entered in the “Name and address of trader or dealer filing this T5008 Summary” area of the form.

Box 21 – Total proceeds of disposition or settlement amount

Enter the total proceeds of disposition from box 21 of all the T5008 slips you are filing with this summary.

Box 40 – Number of T5008 slips you have filed

Enter the total number of T5008 slips you are filing with this summary. Don’t include in this total any T5008 slips you marked “VOID” or left blank.

Is this T5008 Summary for an unclaimed proceeds of disposition account?

Enter an "X" in the "Yes" box if this is a separate T5008 Summary to report a payment of previously unclaimed proceeds of disposition. If not, enter an "X" in the "No" box. For more information, see Chapter 8 – Unclaimed proceeds of disposition on page 17.

Box 41 – Person to contact about this information return

Enter the name of the person who will be able to answer any questions we may have about this information return.

Box 42 – Telephone number

Enter the telephone number of the contact person.

Certification

Make sure a person who has signing authority signs and dates the summary.

Filing the T5008 Summary

You can file the T5008 Summary by Internet File Transfer or electronic media. For more information, see "Chapter 3 – Filing methods" on page 9.

If you filed on paper, send the completed T5008 Summary, along with the related T5008 slips to:

Data Assessment and Evaluation Programs Division
Ottawa Technology Centre
Canada Revenue Agency
875 Heron Road
Ottawa ON K1A 1A2

You must send these on or before the last day of February following the calendar year to which the T5008 information return relates.

When a business or activity ends, you have to send the T5008 Summary and the related slips no later than 30 days after the date the business or activity ended.

You may want to keep a working copy of the T5008 Summary for your records.

Chapter 7 – After you file

When we receive your information return, we check it to see if you have prepared it correctly. After an initial review, we enter your return into our processing system, which captures the information and performs various validity and balancing checks. If there are any problems, we may contact you.

Amending, cancelling, adding, or replacing slips

For information on the Filer Identification Number (FIN) to Business Number (BN) conversion and how it relates to amended and additional slips, see the "What's new?" section at the beginning of this guide.

Amending slips

After you file your information return, you may notice that you made an error when preparing the T5008 slips. If so, you will have to prepare amended slips to correct the information.

Amending slips electronically

No matter how you originally filed, you can file amended returns (slips) electronically. Amended slips are indicated with report type code "A". For information on amending slips electronically, go to www.cra.gc.ca/iref and select "Amending returns."

Amending paper slips

Clearly identify the new slips as amended slips by writing "AMENDED" at the top. When you amend a slip, make sure you complete all the necessary boxes, including the information that was correct on the original slip. Send two copies of the amended slips to the recipient in the same way you sent the originals.

Send one copy of the amended slips to any tax centre with a letter explaining the reason for the amendment. The addresses of our tax centres are listed on page 32.

Note

Do not file an amended summary when you send in amended slips.

Cancelling slips

Cancelling slips electronically

A cancelled slip is considered to be an amended slip. Cancelled slips are indicated with report type code "C". See "Amending slips electronically" on this page.

Cancelling paper slips

Send us a copy of the original clearly marked "CANCELLED." The addresses of our tax centres are listed on page 32. Do not file a cancelled summary. Send two copies of the cancelled slip to the recipient in the same way you sent the originals.

Note

If you notice errors on the slips **before** you file them with us, you can correct them by preparing new slips and **removing** any incorrect copies from the information return. If you do not prepare a new slip, initial any changes you make on the slip. Ensure you also correct the summary.

Adding slips

After you file your T5008 information return, you may discover that you need to send us additional T5008 slips. If you have original slips that were not filed with your return, file them in a separate original return. If the total number of T5008 slips you file (original plus additional slips) is more than 50 slips for the same calendar year, you have to file the additional slips over the Internet.

Adding slips electronically

We accept additional original T5008 slips in electronic format. Additional slips are indicated with report type code "O". Go to www.cra.gc.ca/iref.

Adding slips on paper

When submitting additional slips on paper, clearly identify the new slips by writing "ADDITIONAL" at the top. Send a copy of the slips to any tax centre. The addresses of our tax centres are listed on page 32. Do not file an additional summary.

Replacing slips

If you issue slips to replace copies that are lost or destroyed, do not send us copies of these slips. Clearly identify them as "DUPLICATE" copies, and keep them with your records.

Chapter 8 – Unclaimed proceeds of disposition

Remittances

Unclaimed proceeds of disposition are proceeds of disposition you get in a tax year for a person (the beneficial owner) who remains unknown at the end of your next tax year. If you still hold unclaimed proceeds then, you have to deduct a specified percentage of tax from these amounts and send it to the Receiver General within 60 days.

To calculate the tax, subtract from the proceeds of disposition of the property any outlays and expenses relating to its disposition, if you did not deduct the outlays and expenses in calculating your income. Multiply the result by 50%. Send the tax withheld with a statement showing the period covered, net proceeds, and amount of tax deducted. Send the payment and statement separately from any T5008 information return you may be filing.

Example

As a securities dealer with a tax year ending on March 31, you received proceeds of \$30,000 during the previous tax year for an unidentified beneficiary. The rightful owner of the proceeds is still unknown on March 31 of the current tax year. You have to send \$15,000 to the Receiver General before May 31 of the next tax year.

Penalties apply if you do not send amounts withheld. For a first failure in a calendar year, the penalty is 10% of the amount that was withheld but not sent. A second or later failure in the same calendar year could result in a penalty of 20% of the amount that was withheld but not sent.

We will charge you interest on amounts that you do not send as required. Interest accrues at a prescribed rate from the required date of remittance to the date you send it and is payable to the Receiver General.

Reporting requirements

If you hold an unclaimed amount and you later identify the beneficial owner and pay the amount, you have to prepare a separate T5008 information return. In this case, prepare a separate T5008 Summary and related T5008 slips for the applicable tax year to report the proceeds paid and the tax withheld. The beneficial owner has to calculate the amount of income from these securities transactions and include it in income for the calendar year shown on the T5008 slip. The beneficial owner can claim as a credit the tax you withheld. A non-resident will generally claim the credit in the same way as a resident.

In some cases, you can pay unclaimed proceeds of disposition received in different calendar years to the same beneficial owner in one lump sum. If so, you have to prepare separate T5008 slips for each calendar year in which you received the proceeds.

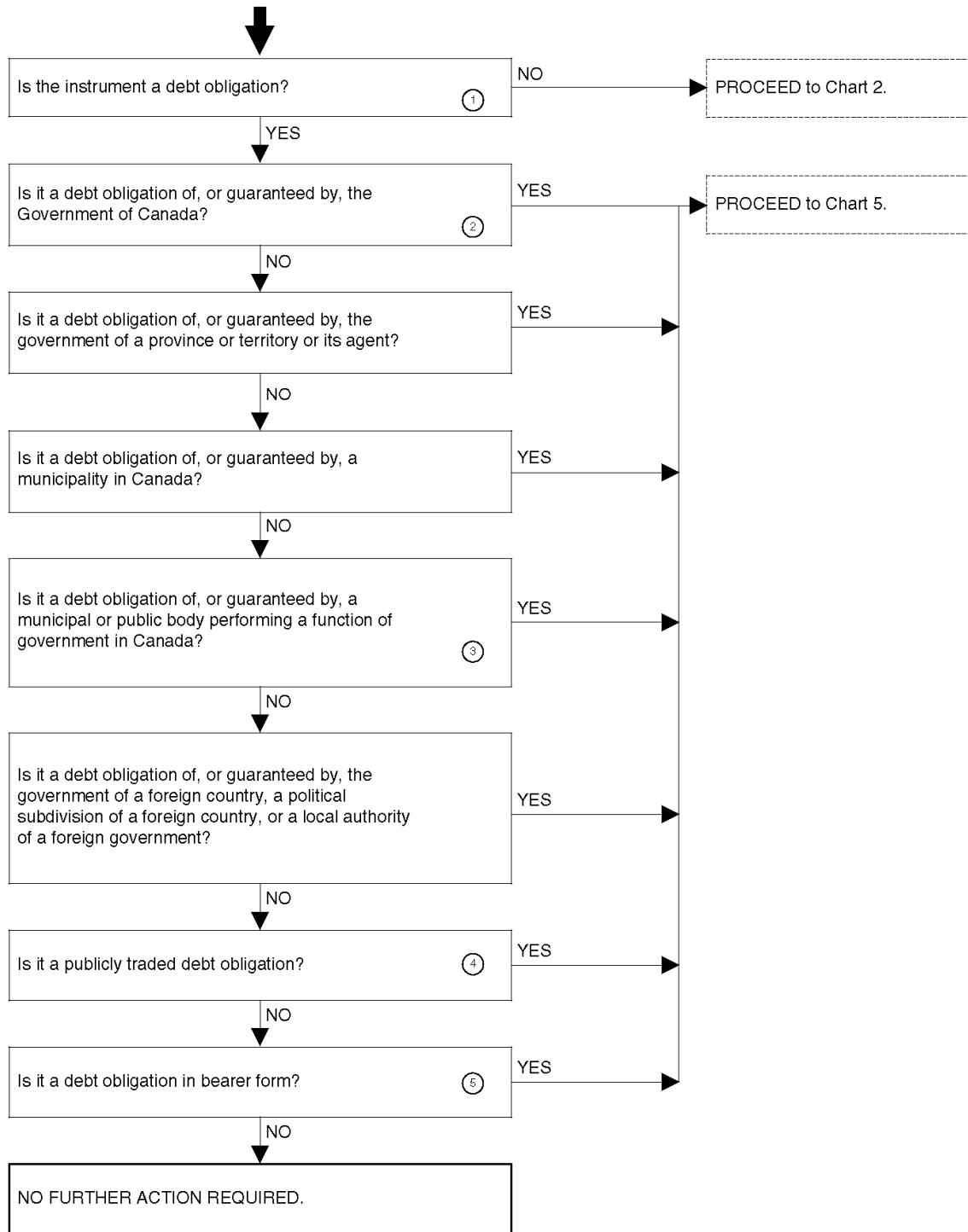
You also have to report the amount of tax withheld on the T5008 slip. Identify the amount as "TAX WITHHELD" and enter it directly below the recipient's name and address. Enter "UNCLAIMED PROCEEDS OF DISPOSITION ACCOUNT" directly below the name and address of the trader or dealer in securities. There is no separate box to enter this amount.

Note

Submissions for unclaimed dividends and unclaimed interest must be filed on paper.

Appendix A – Flowcharts

Chart 1 – Debt obligations

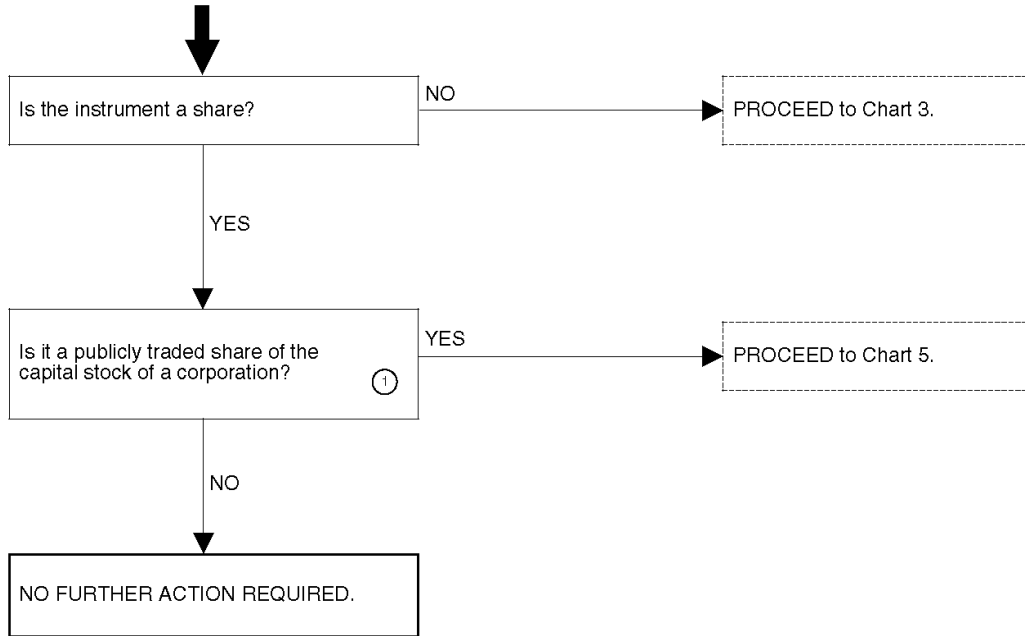


Debt obligations

Notes

1. Debt obligations include bonds, debentures, notes, or any other certificates of indebtedness.
2. This category includes Government of Canada treasury bills.
3. Municipal or public bodies performing a function of government in Canada include school boards, educational institutions, and hospitals.
4. Publicly traded means:
 - listed or posted for trading on a stock exchange, commodity exchange, futures exchange, or any other exchange, including exchanges in foreign jurisdictions; or
 - sold and distributed by prospectus, registration statement, or similar document filed with a public authority such as a provincial securities commission.
5. Banker's acceptances and commercial paper are examples of debt obligations in bearer form that are not usually traded publicly. Debt obligations in bearer form include debt obligations payable to the "bearer" or to "cash." Instruments held in street name (that is, in the name of a broker or another nominee) are usually endorsed to the bearer.

Chart 2 – Shares



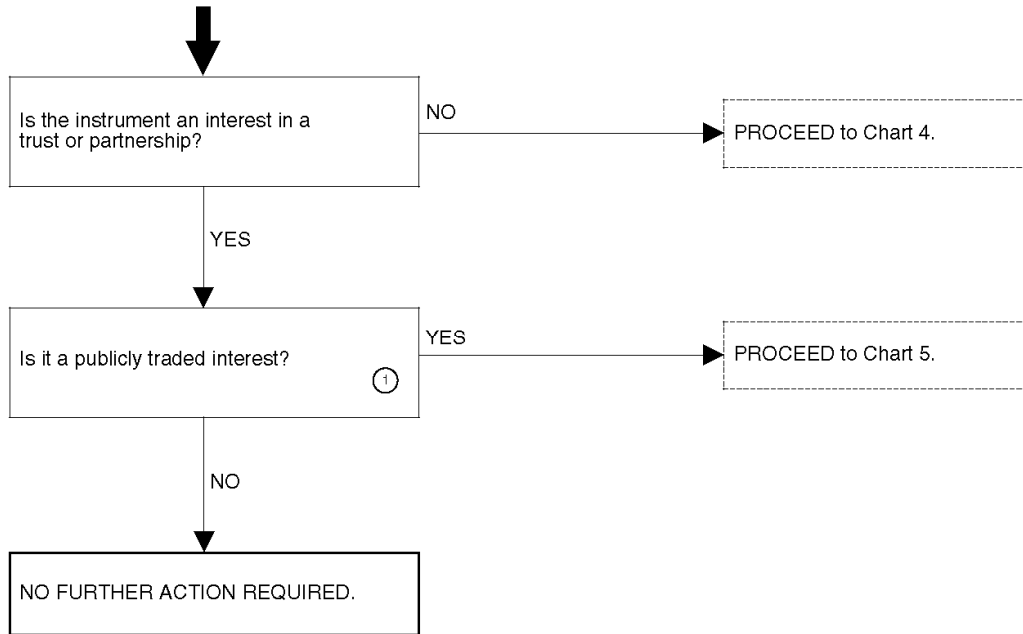
Shares

Note

1. Publicly traded means:

- listed or posted for trading on a stock exchange, commodity exchange, futures exchange, or any other exchange, including exchanges in foreign jurisdictions; or
- sold and distributed by prospectus, registration statement, or similar document filed with a public authority such as a provincial securities commission.

Chart 3 – Interest in a trust or partnership



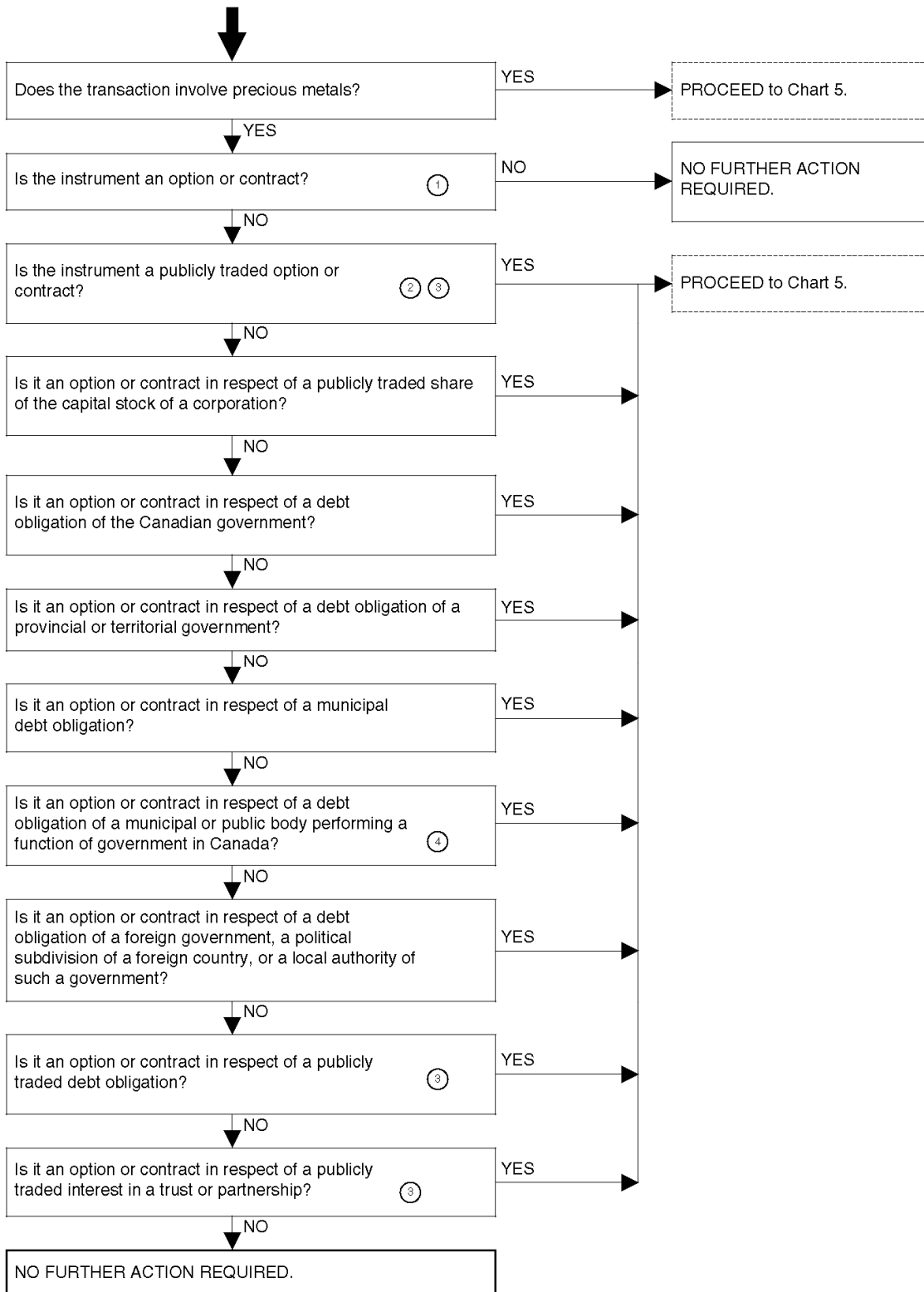
Interest in a trust or partnership

Note

1. Publicly traded means:

- listed or posted for trading on a stock exchange, commodity exchange, futures exchange, or any other exchange, including exchanges in foreign jurisdictions; or
- sold and distributed by prospectus, registration statement, or similar document filed with a public authority such as a provincial securities commission.

Chart 4 – Other securities

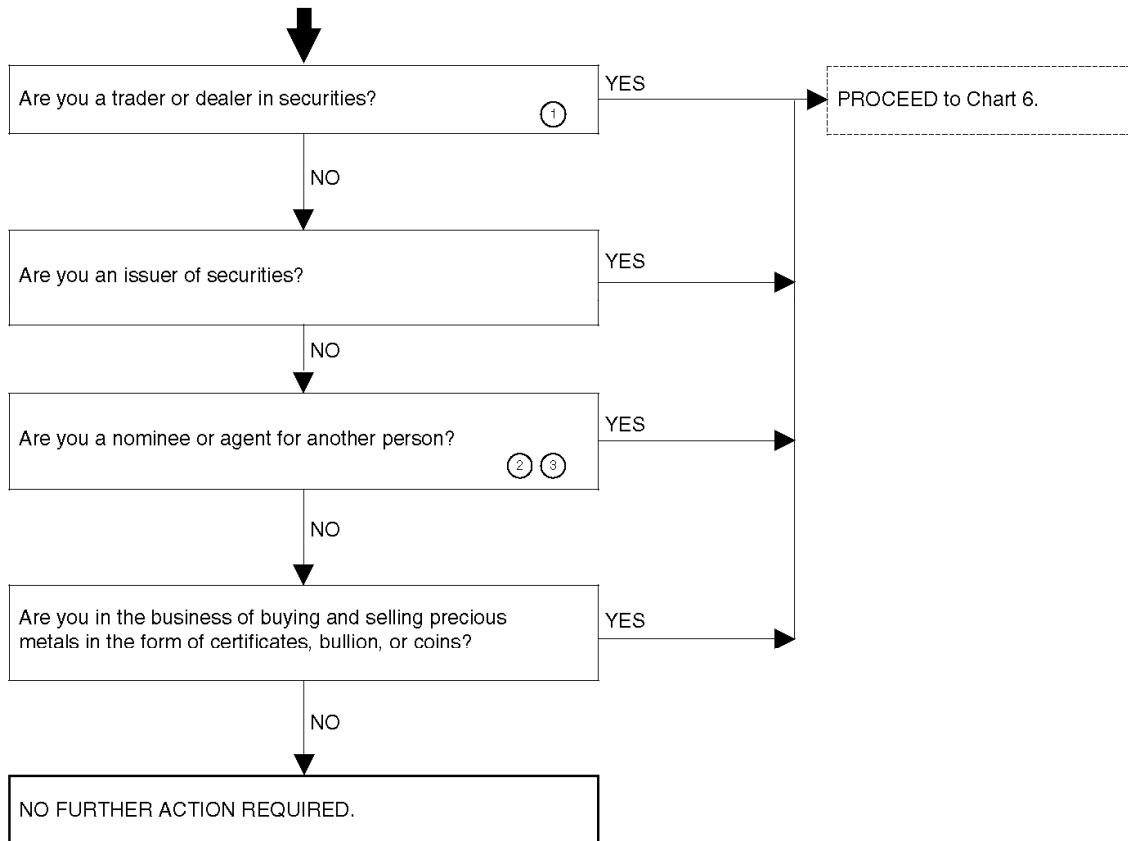


Other securities

Notes

1. An option is a right to buy or sell securities during an agreed period at a fixed price. Unlike an option, a contract for securities creates an obligation to buy or sell the securities.
2. A security includes a publicly traded option or contract for any property, including commodities, financial futures, foreign currency, precious metals, or any index relating to any property.
3. Publicly traded means:
 - listed or posted for trading on a stock exchange, commodity exchange, futures exchange, or any other exchange, including exchanges in foreign jurisdictions; or
 - sold and distributed by prospectus, registration statement, or similar document filed with a public authority such as a provincial securities commission.
4. Municipal or public bodies performing a function of government in Canada include school boards, educational institutions, and hospitals.

Chart 5 – Reporting institutions

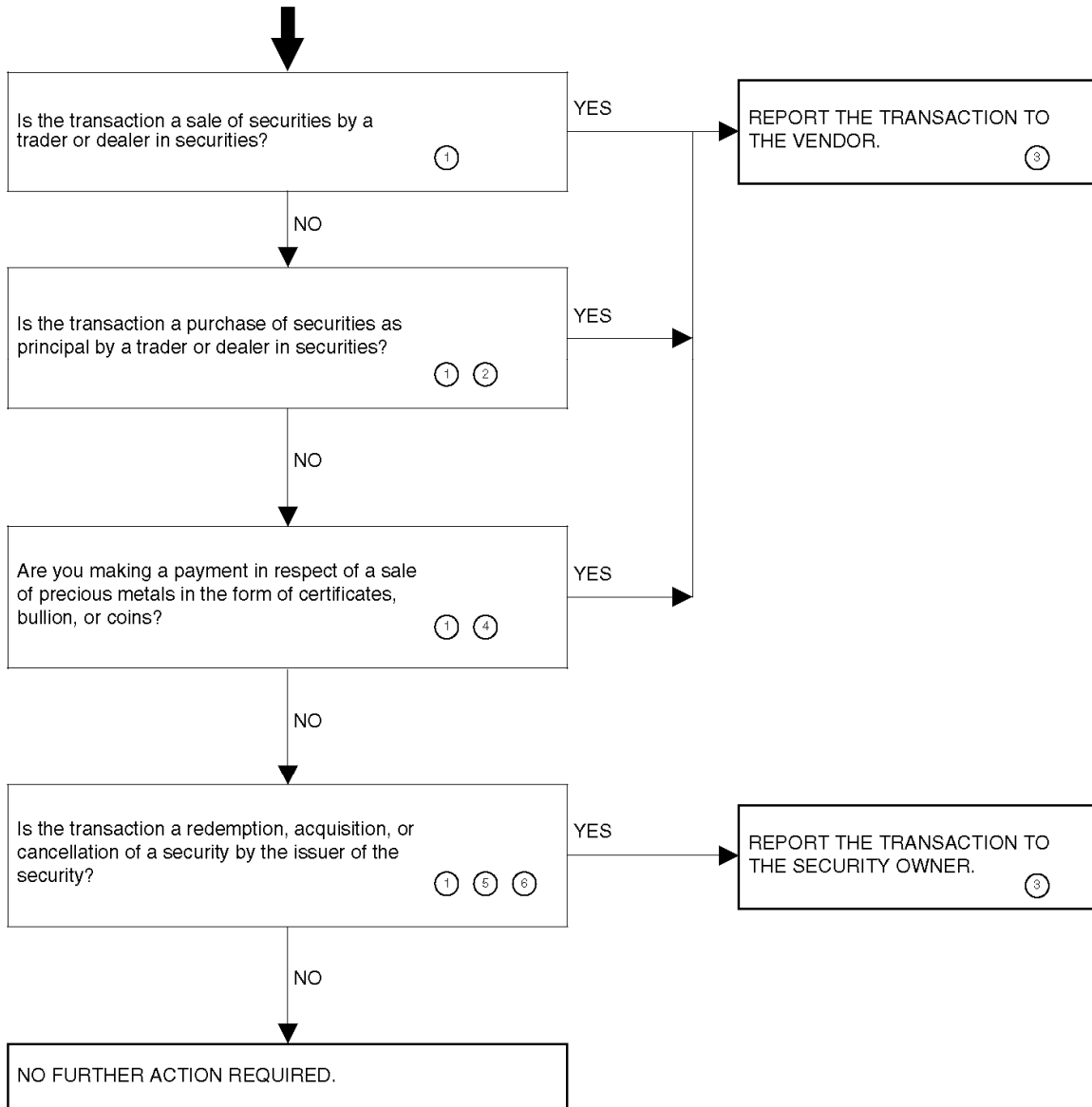


Reporting institutions

Notes

1. A trader or dealer in securities is:
 - a person who is registered or licensed under the laws of a province or territory to trade in securities; or
 - a person who commonly makes sales of securities as an agent for other persons.
2. A nominee is a person or firm, such as a bank official or brokerage house, into whose name securities are transferred to make transactions easier. The customer remains the true owner of the securities.
 An agent is any person authorized to act for another person in transactions involving a third party. An agent includes:
 - an account executive or an investment counsellor who advises and handles orders for clients; or
 - a person appointed by a corporation to maintain records of stock and bond owners, to cancel and issue certificates, and to distribute payments to stock or bond owners.
3. The reporting requirement for securities transactions does not apply to transactions for which an information return is required under section 202 (payments to non-residents) or section 204 (estates and trusts) of the *Income Tax Regulations*.

Chart 6 – Reporting the transactions




Reporting the transactions

Notes

1. If a person acts as nominee or agent of the vendor or security owner and gets the proceeds of disposition from the transaction, that person has to report the transaction to the vendor or security owner.
2. A purchase as principal means a purchase on your own account. Do not report purchases made for clients or other investors.
3. You do not need to:
 - report transactions to another trader or dealer in securities, except if you purchase securities from a non-resident trader or dealer in securities; or
 - report a sale of securities by a trader or dealer in securities on behalf of a non-taxable entity such as a registered retirement savings plan, a deferred profit-sharing plan, a registered pension plan, a municipality, an agricultural organization, a board of trade, a chamber of commerce, or a municipal or public body such as a school board, educational institution, or hospital.
4. Do not report a sale of currencies or precious metal in the form of jewellery, works of art, or numismatic coins. Do not report a sale of precious metals by a person who, in the ordinary course of business, produces or sells precious metals in bulk or commercial quantities.
5. Do not report the redemption, acquisition, or cancellation of a debt obligation if:
 - the debt obligation is issued for its principal amount;
 - the redemption, acquisition, or cancellation satisfies all of the issuer's obligations (that is, once the redemption occurs, no more amounts are payable to any person with an interest in the debt obligation);
 - each person with an interest in the debt obligation is entitled to an equal proportion of principal and interest payments (that is, the debt obligation is not a strip bond); and
 - an information return is already required to be made as a result of the redemption, acquisition, or cancellation (for example, a T5 slip for the redemption of an investment contract or a T600 slip for accrued interest on redemption of a bond, debenture, or similar security).
6. Do not report transactions involving:
 - convertible property, that is, shares, bonds, debentures, or notes of a corporation which give the holder the right to exchange the security for shares of the same corporation (if you get consideration, other than shares, of \$200 or more in the conversion, you have to report the transaction);
 - capital property that is a bond exchanged for another bond of the same debtor when the provisions of the exchanged bond gave the holder the right to make the exchange and the exchanged bond and the acquired bond both have the same maturity value;
 - the redemption, cancellation, or acquisition of shares as a result of an amalgamation (if you get consideration, other than shares, of \$200 or more in the exchange, you have to report the transaction);
 - share-for-share exchanges as a result of a capital reorganization of a corporation (report all transactions when you get any consideration other than shares);
 - interests in a partnership disposed of when a partnership ends; or
 - interests in a partnership transferred when a new partnership continues from a predecessor partnership.


Appendix B – Samples of forms

T5008 slip

Agence du revenu du Canada	Year Année	VOID ANNULÉ	10 Report code Code du feuillet	11 Recipient type Type de bénéficiaire	12 Recipient identification number Numéro d'identification du bénéficiaire	13 Foreign currency Devises étrangères	T5008 STATEMENT OF SECURITIES TRANSACTIONS ÉTAT DES OPÉRATIONS SUR TITRES
	14 Date MMDD – MMJJ	15 Type code of securities Code de genre de titres	16 Quantity of securities Quantité de titres	17 Identification of securities Désignation des titres			
Canada Revenue Agency	18 ISIN/CUSIP number Numéro ISIN/CUSIP	19 Face amount (dollars only) Valeur nominale (dollars seulement)	20 Cost or book value (dollars only) Coût ou valeur comptable (dollars seulement)	21 Proceeds of disposition or settlement amount (dollars only) Produits de disposition ou paiements (dollars seulement)			
	22 Type code of securities received on settlement Code de genre de titres reçus en guise de règlement	23 Quantity of securities received on settlement Quantité de titres reçus en guise de règlement	24 Identification of securities received on settlement Désignation des titres reçus en guise de règlement				
 Recipient Bénéficiaire	Last name (in capital letters) – Nom de famille (en lettres moulées)			First name – Prénom	Initials – Initiales		
	Name and address of trader or dealer in securities Nom et adresse du négociant ou courtier en valeurs						


Privacy Act / Loi sur la protection des renseignements personnels: Numéro CRA/P-PU-005

T5008 (09)

Agence du revenu du Canada	Year Année	VOID ANNULÉ	10 Report code Code du feuillet	11 Recipient type Type de bénéficiaire	12 Recipient identification number Numéro d'identification du bénéficiaire	13 Foreign currency Devises étrangères	T5008 STATEMENT OF SECURITIES TRANSACTIONS ÉTAT DES OPÉRATIONS SUR TITRES
	14 Date MMDD – MMJJ	15 Type code of securities Code de genre de titres	16 Quantity of securities Quantité de titres	17 Identification of securities Désignation des titres			
Canada Revenue Agency	18 ISIN/CUSIP number Numéro ISIN/CUSIP	19 Face amount (dollars only) Valeur nominale (dollars seulement)	20 Cost or book value (dollars only) Coût ou valeur comptable (dollars seulement)	21 Proceeds of disposition or settlement amount (dollars only) Produits de disposition ou paiements (dollars seulement)			
	22 Type code of securities received on settlement Code de genre de titres reçus en guise de règlement	23 Quantity of securities received on settlement Quantité de titres reçus en guise de règlement	24 Identification of securities received on settlement Désignation des titres reçus en guise de règlement				
 Recipient Bénéficiaire	Last name (in capital letters) – Nom de famille (en lettres moulées)			First name – Prénom	Initials – Initiales		
	Name and address of trader or dealer in securities Nom et adresse du négociant ou courtier en valeurs						

Privacy Act / Loi sur la protection des renseignements personnels: Numéro CRA/P-PU-005

T5008 (09)

Agence du revenu du Canada	Year Année	VOID ANNULÉ	10 Report code Code du feuillet	11 Recipient type Type de bénéficiaire	12 Recipient identification number Numéro d'identification du bénéficiaire	13 Foreign currency Devises étrangères	T5008 STATEMENT OF SECURITIES TRANSACTIONS ÉTAT DES OPÉRATIONS SUR TITRES
	14 Date MMDD – MMJJ	15 Type code of securities Code de genre de titres	16 Quantity of securities Quantité de titres	17 Identification of securities Désignation des titres			
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	22 Type code of securities received on settlement Code de genre de titres reçus en guise de règlement	23 Quantity of securities received on settlement Quantité de titres reçus en guise de règlement	24 Identification of securities received on settlement Désignation des titres reçus en guise de règlement				
 Recipient Bénéficiaire	Last name (in capital letters) – Nom de famille (en lettres moulées)			First name – Prénom	Initials – Initiales		
	Name and address of trader or dealer in securities Nom et adresse du négociant ou courtier en valeurs						

Privacy Act / Loi sur la protection des renseignements personnels: Numéro CRA/P-PU-005

T5008 (09)

If you are using this page for the recipient's copies, keep the bottom slip for your records.

For information on how to complete this form, see the back.

Detach this part before filing your T5008 information return.

Si vous utilisez cette page pour en remettre une copie au bénéficiaire, conservez la copie du bas pour vos dossiers.

Les renseignements sur la façon de remplir ce formulaire se trouvent au verso.

Détachez cette partie avant de nous soumettre votre déclaration de renseignements T5008.

T5008 Summary



Canada Revenue Agency / Agence du revenu du Canada

T5008 Summary / Sommaire

RETURN OF SECURITIES TRANSACTIONS / DÉCLARATION DES OPÉRATIONS SUR TITRES

Complete this information return using the instructions in the Guide T4091, T5008 Guide – Return of Securities Transactions / Remplissez cette déclaration de renseignements selon les instructions de la publication T4091, Guide T5008 – Déclarations des opérations sur titres.

Do not use this area / N'inscrivez rien ici

Information return for the year ended December 31 / Déclaration de renseignements pour l'année se terminant le 31 décembre Year – Année

Account number / Numéro de compte

If this is an additional T5008 Summary, enter "X" here. / S'il s'agit d'un formulaire T5008 Sommaire additionnel, inscrivez un « X » ici.

Name and address of trader or dealer filing this T5008 Summary / Nom et adresse du négociant ou du courtier en valeurs qui établit ce formulaire T5008 Sommaire

Address – Adresse

City – Ville Province Postal code – Code postal

Have you filed a T5008 information return before? / Avez-vous déjà produit une déclaration de renseignements T5008? Yes / Oui No / Non

Language – Langue
Indicate your choice of language for correspondence. / Indiquez dans quelle langue vous désirez recevoir votre correspondance. English Français

If **yes**, enter the address from the last information return, if the address has changed. / Si **oui**, inscrivez ici l'adresse indiquée sur la dernière déclaration de renseignements, si elle a changé.

Address – Adresse

City – Ville Province Postal code – Code postal

T5008 slip totals – Totaux des feuillets T5008

Do not include amounts for which you have not issued a T5008 slip. / N'inscrivez pas de montants pour lesquels vous n'avez pas produit un feuillet T5008.

Total proceeds of disposition or settlement amount, as reported in box 21 of the T5008 slips. / Total des produits de disposition ou paiements – montants déclarés à la case 21 des feuillets T5008. 21

Number of T5008 slips you have filed. / Nombre de feuillets T5008 que vous avez produits. 40

Is this T5008 Summary for an unclaimed proceeds of disposition account? / S'agit-il d'un formulaire T5008 Sommaire pour un compte de produits de disposition de propriétaires inconnus? Yes / Oui No / Non

Do not use this area / N'inscrivez rien ici

50

52

Person to contact about this information return – Personne-ressource

Name – Nom Telephone number – Numéro de téléphone

41 42

Certification – Attestation

I certify that the information given on this T5008 Summary form and the related T5008 slips is, to the best of my knowledge, correct and complete. / J'atteste que les renseignements fournis dans ce formulaire T5008 Sommaire et les feuillets T5008 connexes sont, à ma connaissance, exacts et complets.

Authorized person's signature – Signature d'une personne autorisée Position or office – Titre ou poste Date



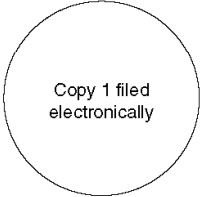
Appendix C – Distributing your copies

How to prepare, distribute and file your T5008 slips with your T5008 Summary

You can use this form whether you file your information return electronically or on paper. For more information on how to complete the T5008 slip and the T5008 Summary, see "Completing the T5008 slip" on page 11 and "Completing the T5008 Summary" on page 15 respectively.

When filing electronically: Follow the instructions and technical specifications at www.cra.gc.ca/iref to file your information return to us. Produce two paper copies for the recipient and one copy (optional) for your records.

Example

	Recipient copies	Recipient copies	Recipient copies
	Paul A.	Max B.	Marie C.
	Paul A.	Max B.	Marie C.

When filing by paper:

- Use one sheet for three different recipients for the copy you are sending to the CRA. Do not separate the slips when you send them with your T5008 Summary.
- Use a separate sheet for the two copies you are giving to the recipient and the copy you are keeping in your records.

Example

CRA copies	Recipient copies	Recipient copies	Recipient copies
Paul A.	Paul A.	Max B.	Marie C.
Max B.	Paul A.	Max B.	Marie C.
Marie C.			

Appendix D – Samples of customized forms

Example 1

T5008

XYZ Filer Limited

Canada Revenue Agency - Agence du revenu du Canada
Statement of Securities Transactions
État des opérations sur titres

Name and Address of Trader or Dealer in Securities
 Nom et adresse du négociant ou courtier en valeurs

Re Account/ re compte:

Year/Année	10 Report Code Code du feuillet	11 Recipient Type Type de bénéficiaire	12 Recipient Identification Number / Numéro d'identification du bénéficiaire	13 Foreign Currency Devises étrangères	15 Type Code of Securities Code de genre de titres

14 Date MM/DD - MM/JJ	16 Quantity of Securities Quantité de titres	17 Identification of Securities Désignation des titres	21 Proceeds of Disposition Produits de disposition	20 Cost or Book Value Coût ou valeur comptable

The securities transaction on this form are disclosed to the Canada Revenue Agency. These transactions are to be reported on your annual income tax return. Please retain for Income tax purposes, as no other form will be issued.

Les opérations sur titres apparaissant sur ce formulaire sont déclarées à l'Agence du revenu du Canada. Ces opérations doivent être inscrites sur votre déclaration de revenus annuelle. Veuillez les conserver aux fins d'impôt car aucun autre formulaire ne vous sera émis.

T5008 (09)
RC-08-914
CAM-0001-251-00002

Example 2

Canada Revenue Agency
 Agence du revenu du Canada

STATEMENT OF SECURITIES TRANSACTIONS
ÉTAT DES OPÉRATIONS SUR TITRES

T5008

Year Année	VOID ANNULÉ	10 Report code Code du feuillet	11 Recipient type Type de bénéficiaire	12 Recipient identification number Numéro d'identification du bénéficiaire	13 Foreign currency Devises étrangères

14 Date MMDD - MMJJ	15 Type code of securities Code de genre de titres	16 Quantity of securities Quantité de titres	17 Identification of securities Désignation des titres	20 Cost or book value (dollars only) Coût ou valeur comptable (dollars seulement)	21 Proceeds of disposition or settlement amount (dollars only) Produits de disposition ou paiements (dollars seulement)

Recipient's name (last name first) and address - Nom du bénéficiaire (nom de famille en premier) et adresse

Name and address of trader or dealer in securities
 Nom et adresse du négociant ou courtier en valeurs

T5008 (09)
RC-08-982

Appendix E – Provincial and territorial codes

Use the following abbreviations when you enter the province or territory on the T5008 slip and the T5008 Summary.

Newfoundland and Labrador.....	NL	Saskatchewan.....	SK
Prince Edward Island.....	PE	Alberta.....	AB
Nova Scotia.....	NS	British Columbia.....	BC
New Brunswick.....	NB	Nunavut.....	NU
Quebec.....	QC	Northwest Territories.....	NT
Ontario.....	ON	Yukon.....	YT
Manitoba.....	MB		

Appendix F – References

The following publications relate to topics included in this guide and are available by going to www.cra.gc.ca/forms or by calling 1-800-959-2221.

Information Circulars

- IC07-1 *Taxpayer Relief Provisions*
- IC82-2 *Social Insurance Number Legislation That Relates to the Preparation of Information Slips*
- IC97-2 *Customized Forms* (available in electronic format only)

Interpretation Bulletins

- IT-95 *Foreign exchange gains and losses*
- IT-96 *Options Granted by Corporations to Acquire Shares, Bonds, or Debentures and by Trusts to Acquire Trust Units*
- IT-115 *Fractional Interest in Shares*
- IT-146 *Shares Entitling Shareholders to Choose Taxable or Capital Dividends*
- IT-346 *Commodity Futures and Certain Commodities*
- IT-396 *Interest Income*
- IT-479 *Transactions in Securities* (and its Special Release)

Archived Interpretation bulletins

The following interpretation bulletins are archived and kept for historical purposes. They are no longer available in print but can be accessed by going to www.cra.gc.ca/menu/ITSA-e.html. These bulletins may contain law not currently in force.

- IT-52 *Income Bonds and Income Debentures*
- IT-77 *Securities in Satisfaction of an Income Debt*
- IT-265 *Payments of Income and Capital Combined*
- IT-410 *Debt Obligations – Accrued Interest on Transfer* (and its Special Release)

Guides and other publications

- T4015 *T5 Guide – Return of Investment Income*
- RC4268 *Handbook on Securities Transactions – A Summary of the Reporting Requirements Under the Income Tax Regulation* (available in electronic format only)

Addresses of tax centres

Traders or dealers served by a tax services office on the left side of the following list should deal with the corresponding tax centre or office on the right.

Bathurst, Nova Scotia, Kingston, Moncton, Newfoundland and Labrador, Peterborough, Saint John, St. Catharines, and Sydney	St. John's Tax Centre 290 Empire Avenue St. John's NL A1B 3Z1
Chicoutimi, Montérégie-Rive-Sud, Outaouais, Québec, Rimouski, and Trois-Rivières	Jonquière Tax Centre 2251 René-Lévesque Boulevard Jonquière QC G7S 5J1
Laval, Montréal, Ottawa, Rouyn-Noranda, Sherbrooke, and Sudbury (Northeastern Ontario* only)	Shawinigan-Sud Tax Centre 4695 – 12th Avenue Shawinigan-Sud QC G9N 7S6
Belleville, Charlottetown, Hamilton, and Kitchener/Waterloo	Summerside Tax Centre 275 Pope Road Summerside PE C1N 6A2
Toronto Centre, Toronto East, Toronto North, Toronto West, and Sudbury (Sudbury/Nickel Belt** only)	Sudbury Tax Centre 1050 Notre Dame Avenue Sudbury ON P3A 5C1
Calgary, Edmonton, Lethbridge, London, Red Deer, Saskatoon, Thunder Bay, Windsor, and Winnipeg	Winnipeg Tax Centre 66 Stapon Road Winnipeg MB R3C 3M2
Burnaby-Fraser, Northern B.C. and Yukon, Regina, Southern Interior B.C., Vancouver, and Vancouver Island	Surrey Tax Centre 9755 King George Highway Surrey BC V3T 5E1
* Northeastern Ontario includes all areas outside Sudbury/Nickel Belt that are served by the Sudbury Tax Services Office.	
** The Sudbury/Nickel Belt area includes all postal codes beginning with P3A, P3B, P3C, P3E, P3G, P3L, P3N, P3P, and P3Y, as well as postal codes beginning with P0M and ending with 1A0, 1B0, 1C0, 1E0, 1H0, 1J0, 1K0, 1L0, 1M0, 1N0, 1P0, 1R0, 1S0, 1T0, 1V0, 1W0, 1Y0, 2C0, 2E0, 2M0, 2R0, 2S0, 2X0, 2Y0, 3A0, 3B0, 3C0, 3E0, and 3H0.	

For more information

If you need more help after reading this guide, go to www.cra.gc.ca or call 1-800-959-5525. To get any forms and publications you may need, go to www.cra.gc.ca/forms or call 1-800-959-2221. For help with using the CRA electronic filing options, call the e-service Helpdesk at 1-877-322-7849.

Our service complaint process

Step 1 – Talk to us

If you are not satisfied with the **service** you have received from us, you have the right to make a formal complaint. Before you make a complaint, we recommend that you try to resolve the matter with the CRA employee you have been dealing with (or call the phone number you have been given).

If you still disagree with the way your concerns are being addressed, ask to discuss the matter with the employee's supervisor.

Step 2 – Contact CRA – Service Complaints

This program is available to individual and business taxpayers and benefit recipients who have dealings with us. It is meant to provide you with an extra level of review if you are not satisfied with the results from the **first step** of our complaint process. In general, service-related complaints refer to the quality and timeliness of the work we performed.

If you choose to bring your complaint to the attention of CRA – Service Complaints, complete Form RC193, *Service-Related Complaint*, which you can get by going to www.cra.gc.ca/complaints or by calling 1-800-959-2221.

Step 3 – Contact the office of the Taxpayers' Ombudsman

If, **after following steps 1 and 2**, you are still not satisfied with the way that the CRA has handled your complaint, you can file a complaint with the Taxpayers' Ombudsman.

For more information on the Taxpayers' Ombudsman and on how to file a complaint, visit their Web site at www.taxpayersrights.gc.ca.

Your opinion counts

If you have any comments or suggestions that could help us improve our publications, we would like to hear from you. Please send your comments to:



Taxpayer Services Directorate
Canada Revenue Agency
750 Heron Road
Ottawa ON K1A 0L5