



Election or Revocation for a Qualifying Small Investment Plan to be Treated as a Selected Listed Financial Institution

Use this form if you are, or reasonably expect to be, a qualifying small investment plan (defined on page 3) and you want to elect or revoke a previous election, to be treated as a selected listed financial institution (SLFI) for purposes of the Excise Tax Act (ETA). For more information, see pages 2 and 3.

This form is based on the proposed draft Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations (draft regulations), issued on January 28, 2011. At the time of publication, the proposed amendments were not law. The publication of this form should not be taken as a statement by the Canada Revenue Agency that such amendments will in fact become law in their current form.

Part A – Identification of the investment plan			
Name of investment plan	Business number		
Business address			Postal code
Contact person	Contact person's title	Telephone number for contact person	Extension

Part B – Eligibility	
You must answer yes to the following questions to be eligible to make this election. For more information regarding this part, see pages 2 and 3.	
Are you, or do you reasonably expect to be, a qualifying small investment plan?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Do you have a permanent establishment in a participating province and in any other province?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Do you confirm that you did not make an application under subsection 16(1) of the draft regulations that has been approved by the Minister for the fiscal year of which the election is in effect?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If you answered yes to all of the above questions, you may make the election to have the qualifying small investment plan be treated as an SLFI for the purposes of the ETA.	

Part C – Election													
Complete this part to elect to have a qualifying small investment plan be treated as an SLFI.													
<input type="checkbox"/> The investment plan identified in Part A elects under subsection 15(1) of the draft regulations to be treated as an SLFI.													
Enter the first fiscal year during which the election is to be in effect: From	<table style="display: inline-table; border-collapse: collapse;"> <tr> <td style="text-align: center; padding: 0 5px;">Year</td> <td style="text-align: center; padding: 0 5px;">Month</td> <td style="text-align: center; padding: 0 5px;">Day</td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> </tr> </table> to <table style="display: inline-table; border-collapse: collapse;"> <tr> <td style="text-align: center; padding: 0 5px;">Year</td> <td style="text-align: center; padding: 0 5px;">Month</td> <td style="text-align: center; padding: 0 5px;">Day</td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> </tr> </table>	Year	Month	Day				Year	Month	Day			
Year	Month	Day											
Year	Month	Day											

Part D – Notice of revocation							
Complete this part to revoke a previously made election to have the qualifying small investment plan be treated as an SLFI.							
<input type="checkbox"/> The investment plan identified in Part A revokes the election made under subsection 15(1) of the draft regulations to be treated as an SLFI.							
Enter the effective date of the revocation:	<table style="display: inline-table; border-collapse: collapse;"> <tr> <td style="text-align: center; padding: 0 5px;">Year</td> <td style="text-align: center; padding: 0 5px;">Month</td> <td style="text-align: center; padding: 0 5px;">Day</td> </tr> <tr> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> <td style="border: 1px solid black; width: 20px; height: 20px;"></td> </tr> </table>	Year	Month	Day			
Year	Month	Day					
This election must remain in effect for a minimum of 3 years after the election became effective. For more information, see pages 2 and 3.							

Part E – Certification			
I, _____, (print name), certify that the information given on this form and in any attached documents is correct and complete, and that I am authorized to sign on behalf of the investment plan identified in Part A.			
Signature of authorized person who represents the investment plan	Title	Year	Month Day

Personal information is collected under the Excise Tax Act to administer tax, rebates, and elections. It may also be used for any purpose related to the enforcement of the Act such as audit, compliance and collection activities. It may be shared or verified with other federal, provincial, territorial or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the Privacy Act, individuals have the right to access, or request correction of, their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 241 at canada.ca/cra-info-source.

General information

Who should complete this form?

Complete this form if you are, or reasonably expect to be, a qualifying small investment plan and you want to elect or you want to revoke the election for a qualifying small investment plan to be treated as a selected listed financial institution (SLFI).

Who is eligible to make the election?

To be eligible to be treated as an SLFI, you must meet the following requirements:

- you must be an investment plan that is not a distributed investment plan;
- you must have an unrecoverable tax amount of \$10,000 or less in your immediately preceding fiscal year. This amount is pro-rated where the number of days in the immediately preceding fiscal year is less than 365. For new investment plans, the threshold calculation is based on the unrecoverable tax amount for each reporting period in the first fiscal year, pro-rated according to the number of days in the reporting period;
- you must have a permanent establishment (PE) in a participating province and a PE in any other province at any time during the tax year; and
- you must not have an approved application under subsection 16(1) of the draft Selected Listed Financial Institutions Attribution Method (GST/HST) Regulations (the regulations).

Note

For a particular fiscal year, if a qualifying small investment plan was an SLFI throughout either one or both of its two preceding fiscal years, was not a qualifying small investment plan for either one or both of the two preceding fiscal years, and was not an SLFI throughout its third preceding fiscal year, subparagraph 11(b)(i) of the draft regulations would apply. In this case, the qualifying small investment plan would be an SLFI if it has a permanent establishment in a participating province and in any other province without making this election.

Subparagraph 11(b)(i) is subject to section 16 of the draft regulations. Specifically, if an application under subsection 16(1) has been authorized and is in effect for a particular fiscal year to not have subparagraph 11(b)(i) apply, the qualifying small investment plan would not be an SLFI and would not be eligible to elect to be treated as an SLFI.

For more information regarding an application by a qualifying small investment plan for authorization not to have subparagraph 11(b)(i) apply, see Form RC4612, Application to Not Be Considered a Selected Listed Financial Institution.

What is the effect of the election?

While the election is in effect, a qualifying small investment plan that has a PE in a participating province and a PE in any other province at any time during the tax year will be treated as an SLFI throughout a reporting period that ends in the tax year. The election remains in effect until the day that is the earliest of the first day of the fiscal year that ends in the first tax year of the person for which the person does not meet this PE test, the first day of the fiscal year of the person in which the person is no longer an investment plan, and the day on which a revocation of the election becomes effective (as explained on this page).

How is this election made?

To make this election, complete parts A, B, C, and E and file this form with the Minister on or before the first day of the first fiscal year in which the election becomes effective.

How is this election revoked?

To revoke a previous election, complete parts A, D, and E. This notice of revocation must be filed with the Minister on or before the day the revocation becomes effective. Before you revoke this election, it must be in effect for a minimum of 3 years. A revocation of this election is effective on the first day of the fiscal year of the qualifying small investment plan.

Definitions

Distributed investment plan – means an investment plan that is:

- a mutual fund trust;
- a mutual fund corporation;
- a unit fund trust;
- a mortgage investment corporation;
- an investment corporation;
- a non-resident-owned investment corporation; or
- a segregated fund of an insurer.

Investment plan – means a person referred to in subparagraph 149(1)(a)(vi) or (ix) of the Excise Tax Act (ETA), other than a trust governed by a registered retirement savings plan, a registered retirement income fund, or a registered education savings plan.

A person referred to in subparagraph 149(1)(a)(vi) of the ETA means a segregated fund of an insurer, which means a specified group of properties that is held in respect of insurance policies all or part of the reserves for which vary in amount depending on the fair market value of the properties.

A person referred to in subparagraph 149(1)(a)(ix) of the ETA means an investment plan that is:

- a trust governed by the following (as the following terms are defined in the Income Tax Act (ITA) or the Income Tax Regulations):

- a registered pension plan,
- an employees profit sharing plan,
- a registered supplementary unemployment benefit plan,
- a registered retirement savings plan,
- a deferred profit sharing plan,
- a registered education savings plan,
- a registered retirement income fund,
- an employee benefit plan,
- an employee trust,
- a mutual fund trust,
- a pooled fund trust,
- a unit trust, or
- a retirement compensation arrangement;

- an investment corporation, as defined in the ITA;
- a mortgage investment corporation, as defined in the ITA;
- a mutual fund corporation, as defined in the ITA;
- a non-resident owned investment corporation, as defined in the ITA;
- a corporation exempt from tax under the ITA by reason of paragraph 149(1)(o.1) or (o.2) of that Act; or
- prescribed person, or a person of a prescribed class, but only where the person would be a selected listed financial institution for a reporting period in a fiscal year that ends in a tax year of the person if the person were a listed financial institution included in subparagraph 149(1)(a)(ix) of the ETA during the tax year and the preceding tax year of the person. An employee life and health trust is proposed to be a prescribed person.

Participating province – means the province of British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, or Ontario, but does not include the Nova Scotia offshore area or the Newfoundland offshore area except to the extent that offshore activities are carried on in that area.

Pension entity – of a pension plan means an entity of the plan, as referred to in the definition of pension plan below, that is:

- a trust described in paragraph 149(1)(o) of the Income Tax Act (ITA);
- a corporation described in paragraph 149(1)(o.1) of the ITA; or
- a prescribed person, which could, for example, be a person that is deemed to be a trust or a corporation for the purposes of those paragraphs.

Pension plan – is a registered pension plan as defined in subsection 248(1) of the ITA:

- that governs a person that is a trust or that is deemed to be a trust for the purposes of the ITA;
- for which a corporation is incorporated and operated:
 - solely for the administration of the registered pension plan; or
 - for the administration of the registered pension plan with no purpose other than acting as trustee of, or administering, a trust governed by a retirement compensation arrangement (as defined in subsection 248(1) of the ITA), where the terms of the arrangement provide for benefits only in respect of individuals who are provided with benefits under the registered pension plan;
- for which a corporation is accepted by the Minister, under subparagraph 149(1)(o.1)(ii) of the ITA, as a funding medium for the purpose of the registration for the registered pension plan; or
- for which a person is prescribed for the purposes of the definition of pension entity on the previous page.

Permanent establishment of an investment plan (other than a distributed investment plan) – under proposed changes, generally an investment plan (other than a distributed investment plan) has a permanent establishment in a province if:

- it is a pension entity of a pension plan (for example, a trust governed by a registered pension plan) or an employee life and health trust or a trust governed by a deferred profit sharing plan, an employee benefit plan, an employee trust, an employees profit sharing plan, a registered supplementary unemployment benefit plan, or a retirement compensation arrangement, and at any time in a tax year has a plan member resident in a province;
- it is a corporation and it has a fixed place of business in the province; or
- it is a trust and it has a fixed place of business in the province.

Qualifying small investment plan – an investment plan (other than a distributed investment plan) is a qualifying small investment plan for a particular fiscal year of the investment plan if:

- where the particular fiscal year is the first fiscal year of the investment plan, the amount determined by the following formula for each reporting period of the investment plan included in the particular fiscal year is equal to or less than \$10,000:

$$A \times (365/B)$$

where:

A is the unrecoverable tax amount for the reporting period; and
B is the number of days in the reporting period; or

- in any other case, the amount determined by the following formula is equal to or less than \$10,000:

$$A \times (365/B)$$

where:

A is the total of all amounts, each of which is an unrecoverable tax amount for a reporting period of the investment plan included in the fiscal year of the investment plan (in this paragraph referred to as the "preceding fiscal year") that precedes the particular fiscal year; and

B is the number of days in the preceding fiscal year.

Selected listed financial institution (SLFI) – under proposed changes, a financial institution would generally be considered to be an SLFI throughout a reporting period in a fiscal year that ends in a particular tax year of the financial institution if it is a listed financial institution described in any of subparagraphs 149(1)(a)(i) to (x) of the ETA at any time during the particular tax year, and the financial institution has a permanent establishment in a participating province and a permanent establishment in any other province, at any time during the tax year.

Unrecoverable tax amount for a reporting period of a person – means the amount determined by the formula:

$$A - B$$

where:

A is the total of all amounts, each of which is:

- an amount that would be included in Element A in subsection 225.2(2) of the ETA, read without reference to any adaptation made pursuant to Part 5 of the draft regulations for the reporting period, if the person were an SLFI throughout the reporting period; or
- for fiscal years beginning after January 28, 2011, an amount of tax that the person who is a pension entity is deemed to have paid under subparagraph 172.1(5)(d)(ii) or 172.1(6)(d)(ii) or paragraph 172.1(7)(d) of the ETA during the reporting period; and

B is the total of all amounts that would be included in Element B in subsection 225.2(2) of the ETA, without reference to any adaptation made under Part 5 of the draft regulations for the reporting period, if the person were an SLFI throughout the reporting period.

Where do you send this form?

Send this completed form to your tax centre. To get the address of your tax centre, go to canada.ca/cra-offices.

What if you need help?

For more information, go to canada.ca/gst-hst, see GST/HST Memorandum 17.6.1, Definition of "Selected Listed Financial Institution", or call 1-855-666-5166.

To get our forms and publications, go to canada.ca/gst-hst-pub or call 1-800-959-5525.