



## The T2 Short Return

### Who can use the T2 Short Return?

The *T2 Short Return* is a simpler version of the *T2 Corporation Income Tax Return*. There are two categories of corporations that are eligible to use this return. You can use this return if the corporation is:

- a Canadian-controlled private corporation throughout the tax year and has either a loss or a nil net income for income tax purposes this year; or
- exempt from tax under section 149 of the *Income Tax Act* (such as a non-profit organization).

In addition, the corporation must meet **all** of the following conditions to use this return:

- it has a permanent establishment in only one province or territory;
- it is not claiming any refundable tax credits (other than a refund of instalments paid);
- it did not receive or pay out any taxable dividends;
- it is reporting in Canadian currency;
- it does not have an Ontario transitional tax debit; and
- it does not have an amount calculated under section 34.2 of the federal Act.

File a regular *T2 Corporation Income Tax Return* if the corporation does not fit into either of the above categories or does not meet all of the above conditions.

Except for Quebec and Alberta, the *T2 Short Return* also serves as a provincial or territorial income tax return.

### What should you attach to the T2 Short Return?

There are three schedules you have to attach to this return\*:

- Schedule 100, *Balance Sheet Information*, showing the financial position of the corporation at the end of the tax year;
- Schedule 125, *Income Statement Information*, showing the corporation's income and expenses for the year (if the corporation did not earn any income or incur any expenses, simply state "no income" or "no expenses"); and
- Schedule 141, *Notes Checklist*, for any notes to the financial statement information and to indicate the involvement of an accountant.

\* If your corporation is inactive (you answered **yes** on line 280) and there is no balance sheet or income statement information to report, you do not have to attach these schedules; however, they will be accepted if filed.

**Depending on the circumstances, you may have to attach other forms or schedules, like Schedule 1, Schedule 8 and Schedule 50. For more information, see page 2 of the *T2 Short Return* and the *T2 Guide*.** For your convenience, this package includes the short version of Schedule 1.

#### Note

If you need a copy of Guide T4012, *T2 Corporation – Income Tax Guide*, or other schedules, go to [cra.gc.ca/forms](http://cra.gc.ca/forms) or call **1-800-959-5525**. If you need any additional information to help you complete this return, call Business Enquiries at **1-800-959-5525**.



# Net Income (Loss) for Income Tax Purposes

Corporation's name	Business number	Tax year end Year:         Month:     Day:
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- This schedule lets you reconcile the corporation's net income (loss) as reported on the financial statements and its net income (loss) for tax purposes.
- For more information, see guide T4012, *T2 Corporation – Income Tax Guide*.

Net income (loss) after taxes and extraordinary items per financial statements (from line 9999 of Schedule 125) ..... A

**Add:**

Provision for income taxes – current	101	_____
Provision for income taxes – deferred	102	_____
Amortization of tangible assets	104	_____
Amortization of intangible assets	106	_____
Recapture of capital cost allowance from Schedule 8	107	_____
Gain on sale of eligible capital property from Schedule 10	108	_____
Loss on disposal of assets	111	_____
Charitable donations and gifts from Schedule 2	112	_____
Taxable capital gains from Schedule 6	113	_____
Depreciation in inventory – end of year	117	_____
Non-deductible meals and entertainment expenses	121	_____
Other reserves on lines 270 and 275 from Schedule 13	125	_____
Income or loss for tax purposes – partnerships	129	_____
Income or loss for tax purposes – joint ventures	132	_____

**Other additions** (if you need more space, attach additional schedules):

1 Description	2 Amount
605	295
1. _____	
2. _____	
3. _____	
4. _____	
<b>Total of column 2 296</b>	

Total of lines 101 to 132, and line 296 ..... 500 B

Subtotal (amount A plus amount C) ..... D

**Deduct:**

Bad debt	304	_____
Equity in income from subsidiaries or affiliates	306	_____
Book income of joint venture	348	_____
Book income of partnership	349	_____
Gain on disposal of assets per financial statements	401	_____
Capital cost allowance from Schedule 8	403	_____
Terminal loss from Schedule 8	404	_____
Cumulative eligible capital deduction from Schedule 10	405	_____
Allowable business investment loss from Schedule 6	406	_____
Holdbacks	408	_____
Other reserves on line 280 from Schedule 13	413	_____
Contributions to deferred income plans from Schedule 15	417	_____

**Other deductions** (if you need more space, attach additional schedules):

1 Description	2 Amount
705	395
1. _____	
2. _____	
3. _____	
4. _____	
<b>Total of column 2 396</b>	

Total of lines 304 to 417, and line 396 ..... 510 E

**Net income (or loss) for income tax purposes** – amount D minus amount F ..... G

Enter amount G on line 300 on page 1 of the *T2 Short return*. If the amount on line G is a positive amount, and the corporation is not exempt from tax under section 149, file a regular *T2 Corporation – Income Tax Return*.



# T2 Short Return (2016 and later tax years)

- This form serves as a federal and provincial or territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.
- All legislative references in this return are to the federal *Income Tax Act*. This return may contain changes that had not yet become law at the time of publication.
- Send one completed copy of this return, including schedules, and the *General Index of Financial Information (GIFI)* to your tax centre or tax services office. You have to file the return within six months after the end of the corporation's tax year.
- For more information, see [cra.gc.ca](http://cra.gc.ca) or Guide T4012, *T2 Corporation – Income Tax Guide*.

**055 Do not use this area**

**Identification**

Business number (BN) **001** \_\_\_\_\_ R C \_\_\_\_\_

Corporation's name . . **002** \_\_\_\_\_

**Address of head office**  
Has this address changed since the last time we were notified? . . . . . **010** 1 Yes  2 No   
If **yes**, complete lines 011 to 018.

**011** \_\_\_\_\_  
**012** \_\_\_\_\_  
City \_\_\_\_\_ Province, territory, or state \_\_\_\_\_  
**015** \_\_\_\_\_ **016** \_\_\_\_\_  
Country (other than Canada) \_\_\_\_\_ Postal code/ZIP code \_\_\_\_\_  
**017** \_\_\_\_\_ **018** \_\_\_\_\_

**Mailing address (if different from head office address)**  
Has this address changed since the last time we were notified? . . . . . **020** 1 Yes  2 No   
If **yes**, complete lines 021 to 028.

**021** c/o \_\_\_\_\_  
**022** \_\_\_\_\_  
**023** \_\_\_\_\_  
City \_\_\_\_\_ Province, territory, or state \_\_\_\_\_  
**025** \_\_\_\_\_ **026** \_\_\_\_\_  
Country (other than Canada) \_\_\_\_\_ Postal code/ZIP code \_\_\_\_\_  
**027** \_\_\_\_\_ **028** \_\_\_\_\_

**Location of books and records (if different from head office address)**  
Has the location of books and records changed since the last time we were notified? . . . . . **030** 1 Yes  2 No   
If **yes**, complete lines 031 to 038.

**031** \_\_\_\_\_  
**032** \_\_\_\_\_  
City \_\_\_\_\_ Province, territory, or state \_\_\_\_\_  
**035** \_\_\_\_\_ **036** \_\_\_\_\_  
Country (other than Canada) \_\_\_\_\_ Postal code/ZIP code \_\_\_\_\_  
**037** \_\_\_\_\_ **038** \_\_\_\_\_

**040 Type of corporation at the end of the tax year**

1  Canadian-controlled private corporation (CCPC)  
2  Other private corporation  
3  Public corporation  
4  Corporation controlled by a public corporation  
5  Other corporation (specify) \_\_\_\_\_

**085 If the corporation is exempt from tax under section 149, tick one of the following boxes:**

1  An agricultural organization, a board of trade or a chamber of commerce; or a non-profit club, society or association  
2  Non-profit corporations for scientific research and experimental development  
3  Exempt under other paragraphs of section 149

**To which tax year does this return apply?**

Tax year start \_\_\_\_\_ Tax year-end \_\_\_\_\_  
Year Month Day Year Month Day  
**060** \_\_\_\_\_ **061** \_\_\_\_\_

**Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060?** . . . . . **063** 1 Yes  2 No   
If **yes**, provide the date control was acquired . . . . . **065** \_\_\_\_\_  
Year Month Day

**Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)?** . . . . . **066** 1 Yes  2 No

**Is the corporation a professional corporation that is a member of a partnership?** . . . . . **067** 1 Yes  2 No

**Is this the first year of filing after:**

Incorporation? . . . . . **070** 1 Yes  2 No   
Amalgamation? . . . . . **071** 1 Yes  2 No   
If **yes**, complete and attach Schedule 24.

**Has there been a wind-up of a subsidiary under section 88 during the current tax year?** . . . . . **072** 1 Yes  2 No   
If **yes**, complete and attach Schedule 24.

**Is this the final tax year before amalgamation?** . . . . . **076** 1 Yes  2 No

**Is this the final return up to dissolution?** . . . . . **078** 1 Yes  2 No

**Net income (or loss) for income tax purposes from Schedule 1, financial statements, or GIFI** . . . . . **300** \_\_\_\_\_

**Provincial/territorial jurisdiction** . . . . . **750** \_\_\_\_\_

**Tax instalments paid** . . . . . **840** \_\_\_\_\_

**If there are excess payments in this year's instalment account, indicate the refund code** . . . . . **894**

**Do not use this area**

**095** \_\_\_\_\_  
**096** \_\_\_\_\_

**Attachments**

**Financial statement information** – Use GIFI schedules 100, 125, and 141.

**Schedules** – Depending on the circumstances, you may need to attach some schedules to this return. Answer the following questions.  
For each **yes** response, attach the schedule that applies to the *T2 Short Return*.

	Yes	Schedule
Is the net income/loss shown on the financial statements different from the net income or net loss for income tax purposes? .....	<b>201</b> <input type="checkbox"/>	1
(i) Is the corporation including a schedule to show the continuity of losses? or, (ii) Do you want to carry back the current year's loss to a previous tax year? .....	<b>204</b> <input type="checkbox"/>	4
Has the corporation realized any capital gains or incurred any capital losses during the tax year? .....	<b>206</b> <input type="checkbox"/>	6
Does the corporation have any property that is eligible for capital cost allowance? .....	<b>208</b> <input type="checkbox"/>	8
Is the corporation related to any other corporations? .....	<b>150</b> <input type="checkbox"/>	9
Does the corporation have any property that is eligible capital property? .....	<b>210</b> <input type="checkbox"/>	10
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's-length transactions with non-residents .....	<b>162</b> <input type="checkbox"/>	11
Is the corporation claiming deductible reserves? .....	<b>213</b> <input type="checkbox"/>	13
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada? .....	<b>164</b> <input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan? .....	<b>165</b> <input type="checkbox"/>	15
Is the corporation an associated Canadian-controlled private corporation? .....	<b>160</b> <input type="checkbox"/>	23
Does the corporation (private corporations only) have any shareholders who own 10% or more of the corporation's common and/or preferred shares? .....	<b>173</b> <input type="checkbox"/>	50

**Additional information**

Is the corporation inactive? .....

**280** 1 Yes  2 No

Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.

<b>284</b> _____	<b>285</b> _____ %
<b>286</b> _____	<b>287</b> _____ %
<b>288</b> _____	<b>289</b> _____ %

If the corporation's major business activity is construction, did you have any subcontractors during the tax year? .....

**295** 1 Yes  2 No

If this return was prepared by a tax preparer for a fee, provide their EFILE number .....

**920** \_\_\_\_\_

**Certification**

I, **950** \_\_\_\_\_, **951** \_\_\_\_\_, **954** \_\_\_\_\_,  
Last name First name Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

**955** \_\_\_\_\_ **956** \_\_\_\_\_  
Date (yyyy/mm/dd) Signature of an authorized signing officer of the corporation Telephone number

Is the contact person the same as the authorized signing officer? If **no**, complete the information below .....

**957** 1 Yes  2 No

**958** \_\_\_\_\_ **959** \_\_\_\_\_  
Name of other authorized person Telephone number

**Language of correspondence – Langue de correspondance**

Indicate the language of correspondence by entering **1** for English or **2** for French. **990**

Indiquez la langue de correspondance en inscrivant **1** pour anglais ou **2** pour français.

**Privacy statement**

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial 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 their personal information and request correction if there are errors or omissions. Refer to Info Source [cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html](http://cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html), personal information bank CRA PPU 047.



## Capital Cost Allowance (CCA) (2006 and later tax years)

**Protected B** when completed

Corporation's name	Business Number	Tax year-end	Year	Month	Day
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For more information, see the section called "Capital Cost Allowance" in the *T2 Corporation Income Tax Guide*.

Is the corporation electing under *Regulation 1101(5q)*? **101** 1 Yes  2 No

1 Class number	2 Undepreciated capital cost at the beginning of the year (amount from column 13 of last year's schedule 8)	3 Cost of acquisitions during the year (new property must be available for use)  (see note 1 below)	4 Adjustments and transfers (show amounts that will reduce the undepreciated capital cost in brackets)  (see note 2 below)	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 <b>plus</b> column 3 <b>plus</b> or <b>minus</b> column 4 <b>minus</b> column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) (see note 3 below)	8 Reduced undepreciated capital cost (column 6 <b>minus</b> column 7)	9 CCA rate %  (see note 4 below)	10 Recapture of capital cost allowance  (see note 5 below)	11 Terminal loss	12 Capital cost allowance (for declining balance method, column 8 <b>multiplied</b> by column 9, or a lower amount (see note 6 below))	13 Undepreciated capital cost at the end of the year (column 6 <b>minus</b> column 12)
<b>200</b>	<b>201</b>	<b>203</b>	<b>205</b>	<b>207</b>	<b>209</b>	<b>211</b>	<b>213</b>	<b>212</b>	<b>213</b>	<b>215</b>	<b>217</b>	<b>220</b>
1.												
2.												
3.												
4.												
5.												
6.												
7.												
8.												

- Note 1.** Include any property acquired in previous years that has now become available for use. This property would have been previously excluded from column 3. List separately any acquisitions that are not subject to the 50% rule, see *Regulation 1100(2)* and (2.2).
- Note 2.** Enter in column 4, "Adjustments and transfers", amounts that increase or reduce the undepreciated capital cost (column 6). Items that **increase** the undepreciated capital cost include amounts transferred under section 85, or transferred on amalgamation or winding-up of a subsidiary. Items that **reduce** the undepreciated capital cost (show amounts that reduce the undepreciated capital cost in brackets) include government assistance received or entitled to be received in the year, or a reduction of capital cost after the application of section 80. See the *T2 Corporation Income Tax Guide* for other examples of adjustments and transfers to include in column 4.
- Note 3.** The net cost of acquisitions is the cost of acquisitions (column 3) **plus** or **minus** certain adjustments and transfers from column 4. For exceptions to the 50% rule, see Interpretation Bulletin IT-285, *Capital Cost Allowance – General Comments*.
- Note 4.** Enter a rate only if you are using the declining balance method. For any other method (for example the straight-line method, where calculations are always based on the cost of acquisitions), enter N/A. Then enter the amount you are claiming in column 12.
- Note 5.** For every entry in column 10, the "Recapture of capital cost allowance" there must be a corresponding entry in column 5, "Proceeds of dispositions during the year". The recapture and terminal loss rules do not apply to passenger vehicles in Class 10.1.
- Note 6.** If the tax year is shorter than 365 days, prorate the CCA claim. Some classes of property do not have to be prorated. See the *T2 Corporation Income Tax Guide* for more information.

**Totals**

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Enter the total of column 10 on line 107 of Schedule 1.  
Enter the total of column 11 on line 404 of Schedule 1.  
Enter the total of column 12 on line 403 of Schedule 1.



SHAREHOLDER INFORMATION (2006 and later tax years)

Name of corporation	Business Number	Year	Tax year-end Month	Day
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All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

	Provide only one number per shareholder					
	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number	Percentage common shares	Percentage preferred shares
	100	200	300	350	400	500
1.						
2.						
3.						
4.						
5.						
6.						
7.						
8.						
9.						
10.						