

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.
- You can also use this return if the corporation is exempt from tax under section 149 (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 *Income Tax 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. 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, a Schedule 8, and a Schedule 50.

Note

If you need a copy of Guide T4012, *T2 Corporation – Income Tax Guide*, or other schedules, go to www.cra.gc.ca/forms or call **1-800-959-2221**. If you need any additional information that would help you complete this return, call our Business Enquiries line at **1-800-959-5525**.



Net Income (Loss) for Income Tax Purposes

Protected B

when completed

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 _____ **A**

Additions:

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 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	
Tax reserves deducted in prior year from Schedule 13	125	
Income or loss for tax purposes – partnerships	129	
Income or loss for tax purposes – joint ventures	132	

Other additions:

600 _____	290	
601 _____	291	
602 _____	292	
603 _____	293	
604 _____	294	

Total of lines 101 to 294 **500** _____ ▶ _____ **B**

Subtotal (amount A plus amount B) _____ **C**

Deductions:

Bad debt	304	
Book income of joint venture or partnership	305	
Equity in income from subsidiaries or affiliates	306	
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	
Tax reserves claimed in current year from Schedule 13	413	
Contributions to deferred income plans from Schedule 15	417	

Other deductions:

700 _____	390	
701 _____	391	
702 _____	392	
703 _____	393	
704 _____	394	

Total of lines 304 to 394 **510** _____ ▶ _____ **D**

Net income (or loss) for income tax purposes – amount C minus amount D _____ **E**

Enter amount E on line 300 on page 1 of the *T2 Short return*. If the amount on line E 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 (2012 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.

Protected B
when completed

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 www.cra.gc.ca or Guide T4012, *T2 Corporation – Income Tax Guide*.

055 Do not use this area

Identification

001 Business number (BN)

002 Corporation's name

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**

To which tax year does this return apply?

Tax year start			Tax year-end		
060	<input type="text"/>	<input type="text"/>	061	<input type="text"/>	<input type="text"/>
	YYYY	MM DD		YYYY	MM DD

Has there been an acquisition of control to which subsection 249(4) applies since the previous tax year? **063** 1 Yes 2 No

If **yes**, provide the date control was acquired **065**
YYYY MM DD

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**

Is the date on line 061 a deemed tax year-end in accordance with:

subparagraph 88(2)(a)(iv)? **064** 1 Yes 2 No
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.

Location of books and records

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**

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 or 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 nil net income or net loss for income tax purposes?	201 <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?	204 <input type="checkbox"/>	4
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	206 <input type="checkbox"/>	6
Does the corporation have any property that is eligible for capital cost allowance?	208 <input type="checkbox"/>	8
Is the corporation related to any other corporations?	150 <input type="checkbox"/>	9
Does the corporation have any property that is eligible capital property?	210 <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	162 <input type="checkbox"/>	11
Is the corporation claiming deductible reserves?	213 <input type="checkbox"/>	13
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	164 <input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	165 <input type="checkbox"/>	15
Is the corporation an associated Canadian-controlled private corporation?	160 <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?	173 <input type="checkbox"/>	50

Additional information

Is the corporation inactive? **280** 1 Yes 2 No

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

284	<input type="text"/>	285	<input type="text"/>	%
286	<input type="text"/>	287	<input type="text"/>	%
288	<input type="text"/>	289	<input type="text"/>	%

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 (print) First name (print) 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 (print) 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.