

# 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 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. 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](http://www.cra.gc.ca/forms) or call **1-800-959-5525**. 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)

- 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, 601, 602, 603, 604, 290, 291, 292, 293, 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, 701, 702, 703, 704, 390, 391, 392, 393, 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  
(2015 and later tax years)**

**Protected B**  
when completed

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 [www.cra.gc.ca](http://www.cra.gc.ca) or Guide T4012, *T2 Corporation – Income Tax Guide*.

**055 Do not use this area**

**Identification**

**Business number (BN)** ..... **001**

**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**

**To which tax year does this return apply?**  
Tax year start  Tax year-end   
**060**    **061**     
YYYY MM DD YYYY MM DD

**Has there been an acquisition of control to which subsection 249(4) applies since the tax year start on line 060? ...** **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 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.

**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**

**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

**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)

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

**Provincial/territorial jurisdiction** ..... **750**

**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  
4  Exempt under other paragraphs of section 149

**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? . . . . .	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 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 (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.  
 Indiquez la langue de correspondance en inscrivant **1** pour anglais ou **2** pour français. **990**

**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 <http://www.cra-arc.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html>, personal information bank CRA PPU 047.