

## Statement of Real Estate Rentals

- Use this form if you own and rent real estate or other property. It relates mainly to renting real estate but also covers some other types of rental property such as farmland. This form will help you determine your gross rental income, the expenses you can deduct, and your net rental income or loss for the year.
- To determine whether your rental income is from property or a business, consider the number and types of services you provide for your tenants:
  - If you rent space and only provide basic services such as heating, lighting, parking, laundry facilities, you are earning an income from renting property.
  - If you provide additional services such as cleaning, security, and meals, you may be conducting a business.
- For more information about how to determine if your rental income comes from property or a business, see Interpretation Bulletin IT-434R, Rental of Real Property by Individual, and its Special Release.
- If you are a co-owner of a property, you have to determine if a partnership exists before filling in the Identification part below. To determine if you are in a partnership, see Income Tax Folio S4-F16-C1, What is a Partnership?
- For information on how to fill out this form, see Guide T4036, Rental Income.

<b>Part 1 – Identification</b>							
Your name					Your Social Insurance Number		
Your address				City		Prov./Terr.	Postal code
Fiscal period from	Date (YYYYMMDD)	to	Year	Month	Day	Was this the final year of your rental operation? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Your percentage of the partnership %		Industry code	5	3	1	1	1
Name of person or firm preparing this form				Tax shelter identification number (8 characters)			
Address of person or firm preparing this form				City		Prov./Terr.	Postal code

<b>Part 2 – Details of other co-owners and partners</b>		
Co-owner or partner's name and address	Share of net income (loss) \$	Percentage of ownership %
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<b>Part 3 – Income</b>		
In most cases, you calculate your rental income using the <b>accrual method</b> . If you have no amounts receivable and no expenses outstanding at the end of the year, you can use the <b>cash method</b> .		
List the addresses of your rental properties	Number of units	Gross rents
_____	_____	_____ <b>1</b>
_____	_____	_____ <b>2</b>
_____	_____	_____ <b>3</b>
Enter the total of your gross rents in the year you receive them (amount 1 plus amount 2 plus amount 3) . . . . .	<b>8141</b>	_____
Other income (for example, premiums and leases, sharecropping) . . . . .	<b>8230</b>	_____
<b>Total gross rental income</b> – Enter this amount on your Income Tax and Benefit Return on line 12599 (line 8141 plus line 8230)	<b>8299</b>	=====

**Part 4 – Expenses**

	Total expenses	Personal portion
Advertising .....	8521	
Insurance .....	8690	
Interest and bank charges .....	8710	
Office expenses .....	8810	
Professional fees (includes legal and accounting fees) .....	8860	
Management and administration fees .....	8871	
Repairs and maintenance .....	8960	
Salaries, wages, and benefits (including employer's contributions) .....	9060	
Property taxes .....	9180	
Travel .....	9200	
Utilities .....	9220	
Motor vehicle expenses (not including capital cost allowance) .....	9281	
Other expenses .....	9270	
<b>Total expenses (add the lines listed under "Total expenses")</b> .....	<b>A</b>	
<b>Total for personal portion (add the lines listed under "Personal portion")</b> .....	<b>9949</b>	
Deductible expenses (total expenses from amount A <b>minus</b> total personal portion on line 9949) .....		<b>4</b>
Net income (loss) before adjustments (total gross rental income from line 8299 <b>minus</b> deductible expenses from amount 4) .....	<b>9369</b>	
Co-owner – calculate your share of net income from line 9369. Enter your result on amount 5 .....		<b>5</b>
Other expenses of the co-owner – other deductible expenses you have as a co-owner which you did not deduct elsewhere .....	<b>9945</b>	
<b>Subtotal (amount 5 minus line 9945)</b> .....		<b>6</b>
Recaptured capital cost allowance (co-owners – enter your share of the amount) .....	<b>9947</b>	
<b>Subtotal (amount 6 plus line 9947)</b> .....		<b>7</b>
Terminal loss (co-owners – enter your share of the amount) .....	<b>9948</b>	
<b>Subtotal (amount 7 minus line 9948)</b> .....		<b>8</b>
Total capital cost allowance claim for the year (amount i from Area A) .....	<b>9936</b>	
<b>Net income (loss) (amount 8 minus line 9936)</b> .....		<b>9</b>
If you are a sole proprietor or a co-owner enter this amount on line 9946.		
<b>Partnerships</b>		
Partners – your share of amount 9, or the amount from your T5013 slip, Statement of Partnership Income .....		<b>10</b>
Partners – GST/HST rebate for partners received in the year .....	<b>9974</b>	
Partners – other expenses of the partner .....	<b>9943</b>	
<b>Your net income (loss)</b> – For sole proprietors or co-owners, enter this amount on your income tax and benefit return on line 12600. For partnerships, enter the result of amount 10 <b>plus</b> line 9974 <b>minus</b> line 9943. Enter this amount on your Income Tax and Benefit Return on line 12600 .....	<b>9946</b>	

The capital cost allowance (CCA) you can claim depends on the type of rental property you own and the date you acquired it. Group the depreciable property you own into the appropriate classes. A specific rate of CCA generally applies to each class.

**Area A – Calculation of capital cost allowance (CCA) claim**

1 Class number	2 Undepreciated capital cost (UCC) at the start of the year	3 Cost of additions in the year (see Area B and C below)	4 Cost of additions from column 3 which are for AIIP or one or more zero-emission vehicles (ZEV) (new property must be available for use in the year) <b>Note 1</b>	5 Proceeds of dispositions in the year (see Area D and E below)	6* UCC after additions and dispositions (col. 2 plus col. 3 minus col. 5)	7 Proceeds of dispositions available to reduce additions of AIIP and ZEV (col. 5 minus col. 3, plus col. 4). If negative, enter "0" <b>Note 2</b>	8 UCC adjustment for current-year additions of AIIP and ZEV (col. 4 minus col. 7) multiplied by the relevant factor. If negative, enter "0" <b>Note 3</b>	9 Adjustment for current-year additions subject to the half year-rule 1/2 multiplied by (col. 3 minus col. 4 minus col. 5). If negative, enter "0"	10 Base amount for CCA (col. 6 plus col. 8 minus col. 9)	11 CCA Rate %	12 CCA for the year (col. 10 multiplied by col. 11 or a lower amount)	13 UCC at the end of the year (col. 6 minus col. 12)
<b>Total CCA claim for the year**</b> : Total of column 12 (enter the amount on line 9936 of Part 4, amount i minus any personal part and any CCA for business-use-of-home expenses***)												

\* If you have a negative amount in column 6, add it to income as a recapture under 'Recaptured capital cost allowance' on line 9947. If no property is left in the class and there is a positive amount in the column, deduct the amount from your income as a terminal loss under 'Terminal loss' on line 9948. For more information, read Chapter 3 of Guide T4036.

\*\* For information on CCA for "Calculation of business-use-of-home expenses," see "Special situations" in Chapter 4 of Guide T4002. To help you calculate the capital cost allowance claim, see the calculation charts in Areas B to F.

\*\*\* Sole proprietors and partnerships - enter the total CCA claim for the year from amount i on line 9936. Co-owners - enter only your share of the total CCA claim for the year from amount i on line 9936.

**Note 1:** Columns 4, 7, and 8 apply only to accelerated investment incentive properties (AIIPs) (see Regulation 1104(4) of the Income Tax Regulations for the definition), zero-emission vehicles, and zero-emission passenger vehicles. In this chart ZEV represents both zero-emission vehicles and zero-emission passenger vehicles. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. A ZEV is a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. For more information on AIIP and ZEV, see guide T4036.

**Note 2:** The proceeds of disposition of a zero-emission passenger vehicle (ZEPV) that has been included in Class 54 and that is subject to the \$55,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 as a proportion of the actual cost of the vehicle. For dispositions after July 29, 2019, the government proposes that the actual cost of the vehicle be adjusted for any payments or repayments of government assistance that you may have received or repaid in respect of the vehicle. For more information on proceeds of disposition, read Class 54 in guide T4036.

**Note 3:** The relevant factors for properties available for use before 2024 are 2 1/3 (classes 43.1 and 54), 1 1/2 (class 55), 1 (classes 43.2 and 53), 0 (classes 12 and 13), and 1/2 for the remaining accelerated investment incentive properties.

For more information on AIIP and ZEV, see Guide T4036 or go to [canada.ca/taxes-accelerated-investment-income](http://canada.ca/taxes-accelerated-investment-income).

List all equipment or other property you acquired or improved in the current tax year, and group them into the appropriate classes. Equipment includes appliances such as a washer and dryer; maintenance equipment such as a lawn mower or a snow blower; and other property such as furniture and some fixtures you acquired to use in your rental operation.

**Area B – Equipment additions in the year**

1 Class number	2 Property details	3 Total cost	4 Personal portion (if applicable)	5 Rental portion (col. 3 minus col. 4)
<b>Total equipment additions in the year (total of column 5)</b>				<b>9925</b>

List all building or leasehold interest additions you acquired or improved in the current tax year. Group the depreciable property you own into the appropriate classes.

**Area C – Building additions in the year**

1 Class number	2 Property details	3 Total cost	4 Personal portion (if applicable)	5 Rental portion (col. 3 <b>minus</b> col. 4)
<b>Total building additions in the year (total of column 5)</b>				<b>9927</b>

**Area D – Equipment dispositions in the year**

1 Class number	2 Property details	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal portion (if applicable)	5 Rental portion (col. 3 <b>minus</b> col. 4)
<b>Total equipment dispositions in the year (total of column 5)</b>				<b>9926</b>

**Area E – Building dispositions in the year**

1 Class number	2 Property details	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal portion (if applicable)	5 Rental portion (col. 3 <b>minus</b> col. 4)
<b>Total building dispositions in the year (total of column 5)</b>				<b>9928</b>

**Area F – Land additions and dispositions in the year**

Total cost of all land additions in the year .....	<b>9923</b>	
Total proceeds from all land dispositions in the year .....	<b>9924</b>	

See the privacy notice on your return.