



# 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 meets **all** of the following conditions:
  - it is a Canadian-controlled private corporation throughout the tax year;
  - it has either a nil net income for income tax purposes this year or a loss this year;
  - 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; and
  - it does not have an Ontario transitional tax debit.
- You can also use this return for a tax-exempt corporation (such as a non-profit organization) that has a permanent establishment in only one province or territory.

If the corporation does not fit into either of the above categories, please file a regular *T2 Corporation Income Tax Return*.

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, visit our Web site at [www.cra.gc.ca/forms](http://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**

Corporation's name _____	Business Number _____	Tax year-end <table style="margin: auto;"> <tr> <td style="text-align: center; font-size: small;">Year</td> <td style="text-align: center; font-size: small;">Month</td> <td style="text-align: center; font-size: small;">Day</td> </tr> <tr> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> <td style="border: 1px solid black; width: 30px; height: 20px;"></td> </tr> </table>	Year	Month	Day			
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 .....	<b>101</b>	_____
Provision for income taxes – deferred .....	<b>102</b>	_____
Amortization of tangible assets .....	<b>104</b>	_____
Amortization of intangible assets .....	<b>106</b>	_____
Recapture of capital cost allowance from Schedule 8 .....	<b>107</b>	_____
Gain on sale of eligible capital property from Schedule 10 .....	<b>108</b>	_____
Income or loss for tax purposes – joint ventures or partnerships .....	<b>109</b>	_____
Loss on disposal of assets .....	<b>111</b>	_____
Charitable donations from Schedule 2 .....	<b>112</b>	_____
Taxable capital gains from Schedule 6 .....	<b>113</b>	_____
Depreciation in inventory – end of year .....	<b>117</b>	_____
Non-deductible meals and entertainment expenses .....	<b>121</b>	_____
Tax reserves deducted in prior year from Schedule 13 .....	<b>125</b>	_____

**Other additions:**

<b>600</b>	_____	<b>290</b>	_____
<b>601</b>	_____	<b>291</b>	_____
<b>602</b>	_____	<b>292</b>	_____
<b>603</b>	_____	<b>293</b>	_____
<b>604</b>	_____	<b>294</b>	_____

Total of lines 101 to 294 **500** ..... **B**

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

**Deductions:**

Bad debt .....	<b>304</b>	_____
Book income of joint venture or partnership .....	<b>305</b>	_____
Equity in income from subsidiaries or affiliates .....	<b>306</b>	_____
Gain on disposal of assets per financial statements .....	<b>401</b>	_____
Capital cost allowance from Schedule 8 .....	<b>403</b>	_____
Terminal loss from Schedule 8 .....	<b>404</b>	_____
Cumulative eligible capital deduction from Schedule 10 .....	<b>405</b>	_____
Allowable business investment loss from Schedule 6 .....	<b>406</b>	_____
Holdbacks .....	<b>408</b>	_____
Tax reserves claimed in current year from Schedule 13 .....	<b>413</b>	_____
Contributions to deferred income plans from Schedule 15 .....	<b>417</b>	_____

**Other deductions:**

<b>700</b>	_____	<b>390</b>	_____
<b>701</b>	_____	<b>391</b>	_____
<b>702</b>	_____	<b>392</b>	_____
<b>703</b>	_____	<b>393</b>	_____
<b>704</b>	_____	<b>394</b>	_____

Total of lines 304 to 394 **510** ..... **D**

**Nil 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, please file a regular *T2 Corporation – Income Tax Return*.



**CAPITAL COST ALLOWANCE (CCA) (2006 and later tax years)**

Name of corporation	Business Number	Taxation 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 (undepreciated capital cost at the end of the year from column 13 of last year's CCA schedule)	3 Cost of acquisitions during the year (new property must be available for use) <small>See note 1 below</small>	4 Net adjustments (show negative amounts in brackets) <small>See note 2 below</small>	5 Proceeds of dispositions during the year (amount not to exceed the capital cost)	6 Undepreciated capital cost (column 2 plus column 3 plus or minus column 4 minus column 5)	7 50% rule (1/2 of the amount, if any, by which the net cost of acquisitions exceeds column 5) <small>See note 3 below</small>	8 Reduced undepreciated capital cost (column 6 minus column 7)	9 CCA rate %	10 Recapture of capital cost allowance	11 Terminal loss	12 Capital cost allowance (column 8 multiplied by column 9; or a lower amount) <small>See note 4 below</small>	13 Undepreciated capital cost at the end of the year (column 6 minus column 12)
<b>200</b>	<b>201</b>	<b>203</b>	<b>205</b>	<b>207</b>		<b>211</b>		<b>212</b>	<b>213</b>	<b>215</b>	<b>217</b>	<b>220</b>
1.												
2.												
3.												
4.												
5.												
6.												
7.												
8.												
9.												
10.												

**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.** Include amounts transferred under section 85, or on amalgamation and winding-up of a subsidiary. See the *T2 Corporation Income Tax Guide* for other examples of adjustments to include in column 4.

**Note 3.** The net cost of acquisitions is the cost of acquisitions (column 3) plus or minus certain adjustments from column 4. For exceptions to the 50% rule, see Interpretation Bulletin IT-285, *Capital Cost Allowance - General Comments*.

**Note 4.** 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.						



### T2 SHORT RETURN (2009 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.

Sections, subsections, and paragraphs mentioned on this return refer to the *Income Tax Act*. This return may contain changes that had not yet become law at the time of printing.

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

**001** Business Number (BN) .....           **R C**

**002** Corporation's name

#### Address of head office

Has this address changed since the last time you filed your T2 return? **010** 1 Yes  2 No   
If **yes**, complete lines 011 to 018.

**011**   
**012**

**015** City  **016** Province, territory, or state

**017** Country (other than Canada)  **018** Postal code/ZIP code

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

Tax year start	Tax year-end
<b>060</b> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	<b>061</b> <input type="text"/> <input type="text"/> <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 you filed your T2 return? **020** 1 Yes  2 No   
If **yes**, complete lines 021 to 028.

**021** c/o   
**022**   
**023**

**025** City  **026** Province, territory, or state

**027** Country (other than Canada)  **028** Postal code/ZIP code

Is the date on line 061 a deemed tax year-end in accordance with 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 you filed your T2 return? **030** 1 Yes  2 No   
If **yes**, complete lines 031 to 038.

**031**   
**032**

**035** City  **036** Province, territory, or state

**037** Country (other than Canada)  **038** Postal code/ZIP code

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

"Nil" or "net 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**

#### 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  Certain farmers' and fishermen's insurers
- 4  Exempt under other paragraphs of section 149

Do not use this area

**091**  **092**  **093**  **094**  **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*.

	<b>Yes</b>	<b>Schedule</b>
Is the net income/loss shown on the financial statements different from the nil 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 reserves of any kind? . . . . .	<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

Has the major business activity changed since the last return was filed? (enter **yes** for first-time filers) . . . . . **281** 1 Yes  2 No

What is the corporation's major business activity? . . . . . **282** \_\_\_\_\_  
(only complete if **yes** was entered at line 281)

If the major activity involves the resale of goods, indicate whether it is wholesale or retail . . . . . **283** 1 Wholesale  2 Retail

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.

<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

**Certification**

I, **950** \_\_\_\_\_ **951** \_\_\_\_\_ **954** \_\_\_\_\_,  
Last name in block letters First name in block letters 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 further 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 in block letters 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.