

INDEX

Note: References are to sections of the *Income Tax Act*. “Reg.” references are to the *Income Tax Regulations*. “Reg. Sch. II:Cl.” are references to the capital cost allowance Classes in Schedule II of the *Income Tax Regulations*, reproduced at the end of the Regulations. “ITAR” references are to the *Income Tax Application Rules*, reproduced after the text of the *Income Tax Act*.

A

- AAII**, *see* Adjusted aggregate investment income
- ABIL**, *see* Allowable business investment loss
- ACB**, *see* Adjusted cost base
- ACB reduction**
 - defined, for small business investment capital gain rollover, 44.1(1)
- ADR**, *see* American Depositary Receipt
- AET**, *see* Alter ego trust
- AFB**, *see* Authorized foreign bank
- AGRA**, *see* Allocated group ratio amount
- AIP**, *see* Accelerated investment incentive property
- AIP**, *see* Accumulated income payment
- ALDA**, *see* Advanced life deferred annuity
- ALDA dollar limit**
 - defined, 205(1)
- AML/KYC procedures**
 - defined, for Common Reporting Standard, 270(1)“anti-money laundering and know your customer procedures”
- AMT (Alternative Minimum Tax)**, *see* Minimum tax
- APA**, *see* Advance Pricing Agreement
- ASPA**, *see* Adjusted stub period accrual
- ATI**, *see* Adjusted taxable income
- ATIP (Access to information and privacy)**, 241(1) (Notes)
- AVC**, *see* Additional voluntary contribution (AVC) [to pension plan]
- Abatement of tax**
 - corporations, 124(1)
 - manufacturing and processing credit, 125.1
 - small business deduction, 125
 - individuals, re provincial schooling allowance, 120(2), Reg. 6401
- Abeyance letter**, 225.1(5)
- Aboriginal government**
 - defined, re disclosure of taxpayer information, 241(10)
- Aboriginal peoples**, *see* Indian
- Abortion**
 - charity must disclose if it does not provide abortion counselling, 149.1(27)–(30), Reg. 3703(d)
- Absconding taxpayer**, 226
- Absorbed capacity**
 - defined, for interest deduction restrictions, 18.2(1), 248(1)
 - reduces limitation on interest expense, 18.2(2)E
- Absorbed capacity year**
 - defined, 18.2(1)“cumulative unused excess capacity”(b)(ii)
- Absorptive merger of foreign corporations**
 - qualifies as foreign merger, 87(8.2)
- Accelerated Canadian development expense**
 - deduction for, 66.2(2)(d)
 - defined, 66.2(5)
- Accelerated Canadian oil and gas property expense**
 - deduction for, 66.4(2)(c)
 - defined, 66.4(5)
- Accelerated capital cost allowance**, *see also* Accelerated investment incentive property
 - productivity-enhancing assets (Classes 44, 46, 50), 2024–2026, Reg. 1100(2)A(c.1)–(c.3)
- Accelerated investment incentive property**
 - defined, Reg. 1104(4)
 - fast writeoff, Reg. 1100(2)A
 - Canadian vessel, Reg. 1100(1)(v)(iv)(A)
 - Class 13, Reg. 1100(1)(b)(i)(A)
 - Class 14, Reg. 1100(1)(c)(i)(B)
 - Class 43 (after 2025), Reg. 1100(2)A(d)
 - Class 43.1, Reg. 1100(2)A(b)
 - Class 43.2, Reg. 1100(2)A(c)
 - Class 53, Reg. 1100(2)A(d)
- Acceleration clause exercised by creditor**, 20(1)(n)
- Acceptable accounting standards**
 - defined, 18.21(1)
- Access road**
 - access rights to, 13(7.5)(c)
 - forest, Reg. Sch. II:Cl. 10(p)
- Access to information**, 241(1) (Notes)
- Accident and sickness insurance**
 - defined, for insurers’ policy reserves, Reg. 1408(1)
- Accident claims**, *see also* Accident insurance plan
 - motor vehicle, payments exempt, 81(1)(q), Reg. 6501
- Accident insurance plan**
 - death coverage is not group life insurance, Reg. 2700(2)
 - employer’s contribution not a taxable benefit, 6(1)(a)(i)
 - payment to employee under, taxable, 6(1)(f), ITAR 19
- Account holder**
 - defined, for Common Reporting Standard, 270(1)
- Accountant**, *see also* Professional practice
 - examination fees to qualify as, tuition credit, 118.5(1)(d)
 - penalty for misrepresentation by, 163.2
- Accounting**
 - accrual method for professionals until 2017, 34
 - transitional rule 2017–2020, 10(14.1)
 - branch
 - insurer, by, 138(9)
 - cash method for farming or fishing business, 28(1)–(3)
 - consolidation method prohibited, 61.3(1)(b)C(i), 248(24)
 - equity method prohibited, 61.3(1)(b)C(i), 248(24)
 - functional currency reporting, 261
 - records, not protected by solicitor-client privilege, 232(1)“solicitor-client privilege”
 - rule changes for insurers (2023), 138(16)–(25), 142.51
 - securities held by financial institutions, 142.2–142.6
- Accounts**
 - contingent, limitation on deductibility, 18(1)(e)
 - factoring of, *see* Factoring of accounts
 - penalty for failure to keep, 238(1), 239(1)(b)
 - receivable, *see* Accounts receivable
 - separate, for tax deductions
 - penalty for default, 238(1)
 - tax, transfers of payments among, 211.2
 - to be kept, 230(1)

Index

Accounts receivable

- bad, *see* Bad debt
- ceasing to carry on business, on, 28(5)
- doubtful, reserve for, 12(1)(d), 20(1)(l)
- factoring of, *see* Factoring of accounts
- sale of, 22

Accredited film or video production certificate, 125.5(1)

Accredited production

- defined, for film/video production services credit, 125.5(1), Reg. 9300

Accrual method of reporting income

- required generally, 9(1)
- • exception for farmers and fishers, 28
- • mark-to-market requirement for financial institutions, 142.5(2)
- • work in progress deferral for professionals until 2017, 34
- • • transitional rule 2017–2020, 10(14.1)

Accrued interest, *see* Interest (monetary): accrued

Accrued return (from specified debt obligation)

- defined, Reg. 9102(1), (3)

Accumulated income payment, *see* Registered education savings plan: accumulated income payment

Accumulated 1968 deficit

- defined, 219(7)

Accumulated overpayment amount

- defined, for corporate interest offset, 161.1(1)

Accumulated PSPA

- defined, Reg. 8303(1)(a), 8303(2)

Accumulated underpayment amount

- defined, for corporate interest offset, 161.1(1)

Accumulating fund

- computation of, Reg. 307
- defined, Reg. 307

Accumulating income (of trust)

- defined, 108(1)
- election re, *see* Preferred beneficiary: election

Accumulation of property

- by registered charity, 149.1(8), (9)

Acquired affiliate

- defined, for FAPI blocking-deficit rules, Reg. 5905(7.1)(a)

Acquired for consideration

- meaning of, 108(7)

Acquiror (re butterfly transactions)

- defined, 55(1)“permitted exchange”(b)

Acquisition of control, *see* Control of corporation: change of

Act, *see also* Legislation

- defined, *Interpretation Act* s. 35(1)

Acting services, *see* Actor

Action, *see also* Offences

- defined, 222(1)
- none for withholding taxes, 227(1)
- recovery of tax by Crown, for, 222(2)

Active asset

- defined, 125(7)

Active Biotech spinoff, Reg. 5600(a)

Active business, *see also* Small business deduction

- corporation, *see* Active business corporation
- defined, 95(1), 125(7)“active business carried on by a corporation”, 125(7)“income of the corporation for the year from an active business”, 248(1), Reg. 5907(1)
- income from
 - • defined, 95(1), 125(7)“income of the corporation for the year from an active business”
 - • foreign affiliates, 95(1), 95(2)(a)
 - • investment income from associated corporation, deemed to be, 129(6)
- income incident or pertaining to, 129(4)“income” or “loss”(b)(ii)

Active business corporation

- defined, for small business investment capital gain rollover, 44.1(1), (10)

Active member

- defined, Reg. 8306(4)(a), 8500(1)

Active NFE

- defined, for Common Reporting Standard, 270(1)

Active partner, *see* Partner

Active seller

- defined, for digital platform operator reporting rules, 282(1)

Active trade or business

- exception to limitation-on-benefits rule, Canada-U.S. Tax Treaty:Art. XXIX:3

Actor

- deduction from employment income, 8(1)(q)
- non-resident
 - • deferred payment by actor’s corporation, 115(2.2)
 - • election to be taxed under Part I, 216.1
 - • income excluded from Part I unless election filed, 115(2.1)
 - • information return, Reg. 202(1.1)
 - • tax return not required unless election filed, 150(1)(a)(i)(B)
 - • withholding tax on acting services, 212(5.1)–(5.3)

Actor payment, defined, 212(5.2)

Actual carbon intensity

- change in, recapture of clean hydrogen credit, 127.48(18)–(24)
- defined, 127.48(1), (6)

Actual eligible use percentage

- defined, for CCUS credit, 211.92(1)

Actual emission intensity

- defined, for clean electricity credit, 127.491(1)
- excessive, recapture of clean electricity credit, 127.491(17), (19)

Actual stub period accrual (corporate inclusion of partnership income shortfall)

- adjustment if different than amount reported, 34.3(1)“income shortfall adjustment”, 34.3(3)
- defined, 34.3(1)

Actuarial report, for registered pension plan, 147.2(3), Reg. 8410

Actuarial surplus

- no transfer from RPP on death, 147.3(7)(a)
- no transfer to money-purchase RPP, RRSP or RRIF, 147.3(4)(a)
- no transfer to spouse on marriage breakdown, 147.3(5)(a)
- transfer of, 147.3(4.1)

Actuary

- defined
 - • for employee life and health trusts, 144.1(1)
 - • for registered pension plans, 147.1(1)

Additional tax

- clawback of OAS, 180.2
- income not earned in a province, 120(1)
- • minimum tax and, 120(4)“tax otherwise payable under this Part”
- non-Canadian corporations carrying on business in Canada, 219
- • limitations on, 219.2
- surtax, *see* Surtax

Additional voluntary contribution (AVC) [to pension plan]

- defined, 248(1)
- past service, undeducted
- • refund, 60.2(1)

Address

- changing, deduction for costs, 62(3)(h)

Adjusted aggregate investment income

- defined, 125(7)

Adjusted amounts

- defined, for transfer pricing rules, 247(2.02)

Adjusted business income

- application in calculation of M&P credit, Reg. 5200, 5201
- defined, 125.2(1), Reg. 5202, 5203(1)

Adjusted cost base, *see also* Property

- bond or debt obligation, 53(1)(g), (g.1), 53(2)(l), (l.1), (q)
- computing
 - amounts to be added, 53(1)
 - amounts to be deducted, 53(2)
 - reduction for assistance received, 53(2)(k)
 - reduction on debt forgiveness, 53(2)(g.1), 80(9)–(11)
- debts
 - owing by predecessor corporation, 87(6), (6.1), (7); ITAR 26(23)
- defined, 54
- excessive election for capital gains exemption, 53(2)(v)
- expropriation asset, 53(1)(k), 53(2)(n)
- farmland, 53(1)(i)
- flow-through entity, 53(1)(p)
- identical properties, 47(1)(c), (d); ITAR 26(8)
- indexed debt obligation, 53(1)(g.1), 53(2)(l.1)
- land, 53(1)(h), (i)
- negative, deemed gain, 40(3), (3.1)
- offshore investment fund property, 53(1)(m)
- option, of, 53(2)(g.1)
- reduction flowed through to share, partnership interest or trust interest, 49(3.01)
- to acquire share of predecessor, reduction on amalgamation, 87(5.1)
- partnership interest, 40(3.1), 53(1)(e), 53(2)(c), (g.1); ITAR 26(9)
- partnership property, right to receive, 53(2)(o)
- property owned since before 1972, ITAR 26(3)
- shares, 53(1)(b), (c), (d), (d.3), (f.2), (j), 53(2)(a), (b), (e), (f.1), (g.1)
- right to acquire by deceased's estate under employee stock option agreement, 53(2)(t)
- substituted property, 53(1)(f)
- surveying costs, 53(1)(n)
- trust interest, 53(1)(d.1), (d.2), (l), 53(2)(b.1), (g.1), (h), (i), (j), (q)
- valuation costs, 53(1)(n)

Adjusted cost basis, defined, 148(9)**Adjusted cumulative foreign resource expense**

- defined, 66.21(1)

Adjusted income

- defined
 - for Canada Child Benefit, 122.6
 - for Canada Disability Savings Grant, *CDS Act*, s. 2(2) (in Notes to 146.4)
 - for Canada Education Savings Grant, *CES Act*, s. 2(2) (in Notes to 146.1)
 - for GST credit, 122.5(1)
 - for old age security clawback, 180.2(1)
 - for refundable medical expense credit, 122.51(1), 122.6

Adjusted principal amount, defined, 80.1(7)

- property disposed of at other than arm's length, ITAR 26(5)
- property owned on Dec. 31/71, ITAR 26(3), (4)

Adjusted purchase price

- of interest in annuity contract, defined, Reg. 300(3), (4), 310

Adjusted selling cost (re investment tax credits)

- defined, 127(11.7)
- effect on qualified expenditures, 127(11.6)(d)(ii)

Adjusted service cost (re investment tax credits)

- defined, 127(11.7)

- effect on qualified expenditures, 127(11.6)(c)(ii)

Adjusted stub period accrual (corporate inclusion of partnership income)

- deduction in year following inclusion, 34.2(4)
- defined, 34.2(1)
- included in corporation's income, 34.2(2)
- inclusion for new partner, 34.2(3)
- optional reduction in income inclusion, 34.2(1)“adjusted stub period accrual”(a)F
- reserve for qualifying transitional income, 34.2(11)

Adjusted taxable income

- defined
 - for Alternative Minimum Tax, 127.52
 - for GRIP calculation, 89(1)
 - for interest deduction restrictions, 18.2(1)
- interest expense limited to 30% of, for certain corps, 18.2(2)B(b)

Adjustment

- at-risk, *see* At-risk adjustment (for tax shelter)
- capital setoff, *see* Transfer pricing capital setoff adjustment
- defined, for transfer pricing rules, 247(2.02)
- income setoff, *see* Transfer pricing income setoff adjustment
- inflation, for, *see* Indexing (for inflation)
- inventory, *see* Inventory: adjustment
- unpaid claims reserve, 20(4.2)

Adjustment amount

- defined, for FAPI surplus rules, Reg. 5905(7.7)

Adjustment time

- defined, for FAPI surplus rules, Reg. 5905(7.2)

Administration fee

- paid to non-resident, 212(1)(a)
- defined, 212(4)

Administration of Act, 220–244**Administrator, *see also* Legal representative**

- deemed to be legal representative, 248(1)“legal representative”
- defined
 - for government-sponsored retirement arrangements, Reg. 8308.4(1)
 - for pooled registered pension plan, 147.5(1)
- estate, *see* Executor
- obligations of, 159
- registered pension plan, *see* Registered pension plan: administrator
- return required by, 150(3)

Adoption expenses

- tax credit, 118.01

Adoption period

- defined, 118.01(1)

Adult basic education

- deduction for financial assistance, 110(1)(g)

Advance Pricing Agreement

- transfer pricing, 247

Advanced life deferred annuity, 146.5

- cumulative excess amount, tax on, 205
- death benefit, taxable, 146.5(3)
- rollover to RRSP etc. of spouse, child or grandchild, 60(l)(v)(A.2)
- defined, 146.5(1), 248(1)
- dollar limit, defined, 205(1)“ALDA dollar limit”
- excessive transfer to, tax on, 205
- non-resident withholding tax, 212(1)(l.1)
- payments from
 - included in income, 56(1)(z.5), 146.5(2)
 - not taxed as regular annuity payments, 56(1)(d)(iv)
- withholding of tax at source
 - non-resident payee, 212(1)(l.1)
 - resident payee, 153(1)(u)

Index

Advanced life deferred annuity (*cont'd*)

- qualified investment for RRIF, 146.3(1)“qualified investment”(b.3)
- qualified investment for RRSP, 146(1)“qualified investment”(c.3)
- transfer from
 - to RRIF, 146.3(2)(c)(ix)
 - to RRSP, 146(16)(a.1)
- transfer to
 - from DPSP, 147(19)(d)(v)
 - from PRPP, 147.5(21)(c)(vi)
 - from RPP, 147.3(1)(c)(iv)
 - from RRIF, 146.3(14.1)(c)
 - from RRSP, 146.3(16)(a.1)
- withholding tax, *see* payments from (above)

Advantage

- charitable donation or political contribution
- defined, 248(32)
- reduces eligible amount for donation or contribution credit, 248(31)
- RCA
 - defined, 207.5(1)
 - limitation on RCA election, 207.5(3)
 - tax on, 207.62
- RRSP, RRIF, TFSA, RESP or RDSP
 - defined, 207.01(1)
 - tax on, 207.05

Adventure in the nature of trade

- constitutes business, 248(1)“business”
- deemed carried on by corporation or trust, 10(11)
- inventory held in, no writedown until sale, 10(1.01), (9), (10)
- superficial loss not deductible, 18(14)–(16)

Advertisement directed at the Canadian market

- defined, 19.01(1)

Advertising

- expenses, limitation on deductibility
- foreign broadcasting media, 19.1
- foreign (other than U.S.) periodicals, 19
- materials
- deemed to be inventory, 10(5)
- valuation of, 10(4)
- show, ineligible for Canadian film/video credit, Reg. 1106(1)“excluded production”(b)(ix)
- show, ineligible for film/video production services credit, Reg. 9300(2)(i)
- signs and posters, capital cost allowance, Reg. Sch. II:Cl. 11

Advisor

- defined
- for notifiable-transaction rules, 237.4(1)
- for reportable-transaction rules, 237.3(1)

Advisory committee, dues paid by employee, deduction, 8(1)(i)(vi)

Advocate (in Quebec), *see* Lawyer

Aeronautics Act, compensation under, exemption, 81(1)(d)

Aeroplane, *see* Aircraft

Affidavit

- CRA can require answer to audit query by, 231.41

Affiliate, *see* Affiliated person; Foreign affiliate; Subsidiary

Affiliate share

- defined, 93(2)(a), (b), 93(2.1)(a), (b), 93(2.2)(a), (b), 93(2.3)(a), (b)

Affiliate taxation year

- defined, for interest deduction restrictions, 18.2(1)

Affiliate year

- defined, for artificial foreign tax credit generator rules, 91(4.1)

Affiliated

- defined

- changed meaning for trust loss trading rules, 251.2(5)

Affiliated counterparty

- defined, for synthetic equity arrangement rules, 112(2.32)(a)

Affiliated person

- acquisition of capital property by, 40(3.3), (3.4)
- acquisition of depreciable property by, 13(21.2)
- acquisition of inventory by
 - previously held as adventure in nature of trade, 18(14)–(16)
 - previously held by financial institution, 18(13), (15)
- defined, 251.1

Affiliated specified counterparty

- defined, for synthetic equity arrangement rules, 112(2.32)(b)(ii)(A)(II)

African Development Bank

- bonds of, qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(l)(vi))

Age

- 6
- under
 - Canada Child Benefit enhanced, 122.61(1)A:E(a)
- 7
- under
 - child care expenses, 63(3)“annual child care expense amount”(b)(i)
- 16
- under
 - child care expenses, 63(3)“eligible child”(c)
 - tuition credit disallowed, 118.5(1)(a)(ii.2)(A)
- 18
- over
 - RRSP overcontribution of \$2,000 allowed, 204.2(1.1)(b)C
 - where income-splitting tax does not apply, 120.4(1)“excluded amount”(e), (f)
- under, *see* Child; Minor
- 19
- over, GST credit, 122.5(1)“eligible individual”(b)
- under
 - dependant for pension purposes, Reg. 8500(1)“dependant”(a)
 - dependent child, 70(10)“child”(c), 252(1)(b)
 - parent or caregiver to be notified of RESP, 146.1(2)(1)
- 21
- over
 - accumulated income payments from RESP, 146.1(2)(d.1)(iii)(A)
- under
 - contributions to RESP, 146.1(2)(j)(ii)(A), (iii)(A)
 - dependent child, ITAR 20(1.11)(c), 26(20)(c)
 - income from personal injury award exempt, 81(1)(g.1), (g.2), 81(5)
 - transfer of RESP beneficiary, 204.9(4)(b), 204.9(5)(c)(ii)
 - trust for, whether amounts payable, 104(18)(b)
- 25
- over
 - where income-splitting tax does not apply, 120.4(1)“excluded amount”(a), (g)
- under
 - income-splitting tax
 - joint liability with related person, 160(1.2)
- 27
- effect on registered disability savings plan, 146.4(4)(n)(iii)
- 40
- under, trust for, whether amounts payable, 104(18)(d)
- 55
- additional lifetime retirement benefits, Reg. 8505(3)
- early retirement pension benefits, Reg. 8503(3)(c)(i)(A)
- 59
- effect on registered disability savings plan, 146.4(4)(n)(ii), (8)(d)

Age (*cont'd*)

- 60
 - early retirement pension benefits, Reg. 8503(3)(c)(ii)(A)
 - pension bridging benefits, Reg. 8503(2)(b)(ii)B(A)
 - registered disability savings plan, contributions stop, 146.4(4)(g)(i)
- 65
 - over
 - home accessibility tax credit, 118.041(1)“qualifying individual”(a)
 - in-home care of, caregiver credit (before 2017), 118(1)B(c.1)(iii)(A)
 - normalized pension, lifetime retirement benefits, Reg. 8302(3)(b), (n), 8303(5)(b), 8503(2)(e)(vi)B, 8503(3)(d)(ii)B, 8504(10)(b), 8517(5)(b)
 - pension bridging benefits, Reg. 8503(2)(b)(i), (ii)A(A), 8506(1)(b)
 - pension credit, 118(3)
 - re-employment of member of pension plan, Reg. 8503(9)(b)(iv)
 - restricted-funding member of pension plan, Reg. 8515(7)(e)(i)
 - sale of LSVCC shares, 211.8(1)(a)B(i)(A)
 - specified retirement arrangement, Reg. 8308.3(1)(c)
 - spouse, income-splitting tax inapplicable, 120.4(1.1)(c)(i)(B)
 - trust for self, 248(1)“alter ego trust”
 - trust for self and spouse, 248(1)“joint spouse trust”
 - under
 - pension plan, retirement benefits, Reg. 8504(5)
 - 71
 - conversion of pension rights to annuity contract, Reg. 8502(e)(i)
 - conversion of RRSP to RRIF or annuity, 146(2)(b.4)
 - expiry of FHSA eligibility, 146.6(1)“maximum participation period”(b)(ii)
 - maturation of deferred profit sharing plan, 147(2)(k), 147(10.6)
 - pre-retirement surviving spouse benefits, Reg. 8506(1)(e)(iii)
 - pre-retirement survivor benefits, Reg. 8503(2)(f)(iii)(B)
 - 75
 - payments after, annuity contract issued before 1978, 20(2.2)
 - 80
 - effect on registered disability savings plan, 146.4(4)(l)B
 - 85
 - exempt life insurance policy, Reg. 310“endowment date”(a)(ii)
 - 90
 - annuity to, 146(1)“qualified investment”(c.2)(v)(B), 146.3(1)“qualified investment”(b.2)(v)(B)
 - 91
 - reaching, prescribed annuity contract, Reg. 304(1)(c)(iv)(C), 304(2)(b)
 - 94
 - RRIF payout levels out at 20%, 146.3(1)“minimum amount”
 - under 18, *see* Minor

Agent

- administering property, return by, 150(3)
- insurance, reserves for, 32(1)
- liability for non-resident tax, 215(2)
- paid by commission, deductions allowed, 8(1)(f)
- certificate of employer, 8(10)
- receiving income on behalf of non-resident, 215(1), (3)
- trustee acting as, 104(1), *see also* Bare trust
- ceasing to act, 248(1)“disposition”(b)(v)

Aggregate investment income

- defined, 129(4), 248(1)
- refund to private corporation of 30 $\frac{2}{3}$ %, 129(4)“non-eligible refundable dividend tax on hand”(a)(i)A

Aggregate participating percentage

- defined, 91(1.3)

Agreement

- among associated/related corporations
 - to allocate base level deduction re soft costs on land, 18(2.3)
 - to allocate capital deduction among financial institutions, 190.15(2)
 - to allocate dividend allowance for Part VI.1 tax, 191.1(3)
 - to allocate ITC expenditure limit, 127(20)
 - to allocate reduction in ITC due to government assistance, 127(20)
 - to allocate small business deduction, 125(3)
 - to transfer SR&ED qualified expenditure pool, 127(13)–(17)
- collection agreement with provinces, 228
- competent authority, deemed valid, 115.1
- for payment of unreasonably low rent
 - effect on proceeds of disposition of property, 69(1.2)
- for payment without withholding tax, void, 227(12)
- not to compete, *see* Restrictive covenant (or non-competition payment)
- to issue shares to employee, 7
- to transfer forgiven amount of debt to related person, 80.04

Agreement for sale

- included in proceeds of disposition, 20(5), (5.1)

Agricultural business

- defined, 135.1(1)

Agricultural cooperative corporation

- defined, 135.1(1)
- tax-deferred patronage dividends, 135.1

Agricultural equipment technician

- apprenticeship job creation credit, 127(9)“investment tax credit”

Agricultural land, *see* Farm land**Agricultural organization**

- exemption, 149(1)(e), 149(2)
- information return, whether required, 149

Agri-Quebec programs

- prescribed for farm income stabilization, Reg. 5503

Air Canada

- pension underfunding trust, Reg. 6802(h)(i), 8502(b)(v.1)
- subject to tax, 27(2), Reg. 7100

Air conditioner

- medical expense credit for, Reg. 5700(c.3)

Air navigation equipment

- lease of, non-resident withholding tax exemption, 212(1)(d)(xi)(D)

Air purifier

- medical expense credit for, Reg. 5700(c.1)

Air quality improvement credit, 127.43

- amalgamation, effect of, 127.43(5)
- regulations, Reg. 9700

Air-source heat pump

- qualified for enhanced CCA, Reg. Sch. II:Cl. 43.1(d)(i)(A)(III)
- qualifies for ZETM deduction, Reg. 5202“qualified zero-emission technology manufacturing activities”(a)(i)(E.1)

Air traffic control operations, *see* Nav Canada**Air traffic controller**

- pension accrual to retire early, *see* Public safety occupation

AirBNB

- reporting of rentals by property owners, 282–295

AirBNB rentals, deductions disallowed if not compliant with local laws, 67.7**Aircraft**

- available-for-use rule, 13(27)(h)
- broadcasting from, 19.1(4)“foreign broadcasting undertaking”

Aircraft (*cont'd*)

- capital cost allowance, Reg. Sch. II:Cl. 9(g)–(i), Sch. II:Cl. 16(a)–(c)
- capital tax exemption, Canada-U.S. Tax Treaty:Art. XXIII:3
- component manufacturer
- exception to thin capitalization rules, 18(8) [repealed]
- cost over \$100,000, *see* Luxury Items Tax
- employment, used in
- costs, 8(1)(j), 8(9)
- employment by U.S. resident on, Canada-U.S. Tax Treaty:Art. XV:3
- food consumed or entertainment enjoyed on, 67.1(4)(a)
- fuel tax rebate, *see* Fuel tax rebate
- GST input tax credit in respect of, 248(17)
- hangar, capital cost allowance, Reg. Sch. II:Cl. 6(h)
- international traffic, used in
- income of non-resident exempt, 81(1)(c)
- lease payments, non-resident withholding tax exemption, 212(1)(d)(xi)
- manufacturer or developer of
 - exception to thin capitalization rules, 18(8) [repealed]
 - non-resident's income from, exempt, 81(1)(c)
- pilot
 - away-from-home expenses, 8(1)(g)
 - non-resident, Canadian income calculation, 115(3)
 - pension accrual to retire early, *see* Public safety occupation
- QST input tax refund in respect of, 248(17)
- runway, capital cost allowance, Reg. Sch. II:Cl. 1(g), Sch. II:Cl. 17(c)
 - for mine, Reg. Sch. II:Cl. 10(1)(ii)
- used in international traffic, *see* International traffic

Airline corporations

- aviation fuel tax rebate, *see* Fuel tax rebate
- taxable income earned in a province, Reg. 407

Airline pilot, *see* Aircraft: pilot**Airplane**, *see* Aircraft**Airport, for mine, capital cost allowance**, Reg. Sch. II:Cl. 10(1)(i)**Airports relief (COVID)**, Reg. 8901.1(2)(b)(xvii), *see also* Qualifying tourism or hospitality entity**Alarm**

- for infant prone to sudden infant death syndrome, medical expense, Reg. 5700(r)

Alberta, *see also* Province; *Investing in a Diversified Alberta Economy Act*

- labour-sponsored venture capital corporation of
- prescribed, Reg. 6700(a)(v)
- northern, *see* Northern Canada
- prescribed stock savings plan, Reg. 6705(a)
- tax rates, *see* introductory pages
- unlimited liability company, *see* Nova Scotia: unlimited liability company

Alberta & Southern Gas case overruled, 209**Alberta Royalty Tax Credit**

- transitional relief, 12(1)(x.2) (application phase-in)

Alberta Stock Exchange

- prescribed stock exchange, 262

Alcatel case overruled, 143.3**Alex Parallel Computers case overruled**, 220(2.2)**Algoa Trust case overruled**, 160(1) closing words, 160(1.1) closing words**Alimony**, *see* Support payments (spousal or child)**All or substantially all**

- meaning of, 66.6 (Notes)

Allied war veterans

- death or disability pension exempt, 81(1)(e)

Allocable amount (for preferred beneficiary election)

- defined, 104(15)
- election to include in beneficiary's income, 104(14)

Allocated amount

- defined, for mutual fund rules re allocation to redeemers, 132(5.3)

Allocated group ratio amount

- determined, for interest deduction EIFEL rules, 18.21(3)

Allocation, *see also* Apportionment

- allocation in proportion to patronage, *see* Patronage
- borrowing, in proportion to, *see also* Borrowing
- by Minister, where associated corporations do not file agreement
 - base level deduction, for soft costs on land, 18(2.4)
 - dividend allowance, for Part VI.1 tax, 191.1(5)
 - expenditure limit, for investment tax credit, 127(10.4)
 - coal mine depletion allowance, 65(3)
- consideration, where combined transfer of property, 13(33), 68
- credits between spouses, *see* Splitting, sharing or apportionment
- foreign tax credit, by trust to beneficiary, 104(22)–(22.4)
- income of trust, to beneficiaries
 - dividends, 104(19), (20)
 - preferred beneficiary election, 104(13)
- liability for debt obligation, 80(2)(o)
- partnership income among partners, 103
- patronage, in proportion to, *see* Patronage
- proceeds
 - between land and building, 13(21.1), 70(5)(d)
 - between property and services, 68

Allowable business investment loss, *see also* Business investment loss

- capital gains exemption, interaction with, 39(9), 110.6(1)“annual gains limit”B(b), 110.6(1)“cumulative gains limit”(b)
- carryforward, 111(1)(a), 111(8)“non-capital loss”
- reduction on debt forgiveness, 80(4)(a)
- deduction, 3(d)
- defined, 38(c)
- partnership, of, 96(1.7)

Allowable capital loss, *see* Capital loss**Allowable disposition**

- defined, for agricultural cooperatives, 135.1(1)

Allowable refund

- defined
 - for tax on registered plans, 207.01(1)

Allowance

- capital cost, *see* Capital cost allowance
- clergyman's, not taxable, 6(1)(b)(vi)
- defined
 - capital cost, 20(1)(a), Reg. 1100, *see also* Capital cost allowance
 - for alimony, maintenance, child support, 56(12)
 - for employee benefits, reasonable, 6(1)(b)(x), (xi)
 - retiring, 248(1), *see also* Retiring allowance
- depletion, *see* Depletion allowances
- depreciable property, *see* Capital cost allowance
- disabled employee: transportation and attendant, 6(16)
- employee, 6(1)(b)
 - child's schooling, 6(1)(b)(ix)
- exempt, 81(1)(d)
- family, *see* Canada Child Benefit
- inventory, repealed [was 20(1)(gg)]
- investment in property in Canada, 219(1)(j), Reg. 808
- Member of Legislative Assembly, 81(2) [before 2019]
- members of Canadian Forces, 6(1)(b)(ii)
- mines, Reg. Part XII
- motor vehicle, employee's, 6(1)(b)(vii.1)

Allowance (*cont'd*)

- where deemed not reasonable, 6(1)(b)(x), (xi)
- municipal officer's, 81(3) [before 2019]
- not income, 6(1)(b)(i)–(ix)
- oil or gas wells, Reg. Part XII
- parking, for disabled employee, not income, 6(16)
- received, as income, 6(1)(b)
- representation, not income, 6(1)(b)(iii), (iv)
- resource [repealed], 20(1)(v.1)
- resource and processing, Reg. Part XII
- retiring, *see* Retiring allowance
- support payments, defined with respect to, 56(12)
- transportation
 - disabled employee, 6(16)
 - remote work site, 6(6)(b)
- travelling, not income, 6(1)(b)(i), (ii), (v)–(vii)
- volunteer firefighters and emergency workers
 - not income, 81(4)

Alter ego trust

- deduction from income, 104(6)(b)B(i)
- defined, 104(4)(a)(iv)(A), 248(1)
- distribution of property to person other than taxpayer, 107(4)(a)(ii)
- preferred beneficiary election by, 104(15)(a)
- principal residence exemption, 54“principal residence”(c.1)(iii.1)(A)
- transfer by, to another trust, 104(5.8)
- transfer to, rollover, 73(1.01)(c)(ii)

Alterations to driveway

- medical expense credit, 118.2(2)(l.6)

Altered auditory feedback device

- medical expense credit, Reg. 5700(z.1)

Alternative basis for assessment

- Minister allowed to raise, 152(9)

Alternative Minimum Tax, *see* Minimum tax**Amalgamation, 87, *see also* Merger**

- accrual rules, 87(2)(j.4)
- affiliated corporations, 251.1(2)
- agricultural cooperative corporation, 87(2)(s)
- associated corporations, 256(7)(b)
- balance-due day, 87(2)(oo.1)
- balance of tax for year, when due, 87(2)(oo.1)
- Canadian film or video tax credit, 87(2)(j.94)
- Canadian resource property, 66.7(10)(j), 66.7(10.1)
- capital dividend account, 87(2)(z.1)
- capital dividends, 87(2)(x)(ii)
- capital property, 53(6), 87(2)(e)
- carryback of losses, 87(2.11)
- charitable gifts, 87(2)(v)
- computation of income, 87(2)(c)
- continuation of predecessors, 87(2)(g.1), (j.6)–(j.95), (qq)
 - butterfly reorganizations, 55(3.2)(b)
- contributed surplus, 87(2)(y)
- corporation beneficiary under life insurance policy, 89(2)
- corporations deemed related, 251(3.1), (3.2)
- credit unions in Quebec, 87(2.3)
- cross-border, 128.2
- cumulative offset account, computation, 87(2)(pp)
- debt obligation acquired, 87(2)(e.2)
- debts
 - between two predecessor corporations, 80.01(3)
 - owing by predecessor corporation, 87(6), (7); ITAR 26(23)
 - owing to predecessor corporation, 87(2)(h)
- deemed proceeds of disposition, 69(13)
- defined, 87(1)
- pre-1972, ITAR 34(7)
- depreciable property, 87(2)(d), (d.1)

- employee benefit plans, 87(2)(j.3)
- employee stock options, 7(1.4), (1.5)
- employees profit sharing plan election, 87(2)(r)
- employment tax credit, 87(2)(qq)
- exchanged shares, 87(4.1), (4.2)
- exchange of franchise, concession or licence, 87(2)(l.4)
- farming or fishing insurer, 87(1), 89(1)“taxable Canadian corporation”(b)
- farm losses, 87(2.1)
- film/video production services credit, 87(2)(j.94)
- flow-through entity, 87(2)(bb.1)
- flow-through shares, 87(4.4)
 - renunciation of CDE as CEE before 2019, calculation of taxable capital limit, 66(12.6013)
- following debt forgiveness, deemed capital gain, 80.03(3)(a)(ii)
- foreign, *see* Foreign merger
- foreign affiliate, shares of, 87(2)(u), Reg. 5905(5.1)
- foreign affiliates, 87(8), (8.1), Reg. 5905(3)
- foreign corporation with Canadian resident corporation, 128.2
- foreign investment entity, interest in, 87(2)(j.95)
- foreign resource property, 66.7(10)(j), 66.7(10.1)
- foreign tax carryover, 87(2)(z)
- functional currency rules, 261(17)–(19)
- general rate income pool determination, 87(2)(vv), 89(5)
- insurance corporation, 87(2.2)
 - causing demutualization, 139.1(3)(g)
- inventory, 87(2)(b)
 - adjustment, 87(2)(j.1)
- investment tax credit, 87(2)(j.6), (oo.1), (qq)
- labour-sponsored venture capital corporation, 204.85(3)
 - permission of Minister needed, 204.85(1)
- lease, cancellation of, 87(2)(j.5)
- leasing properties, 16.1(4)
- liability for Part VI.1 tax transferred, 87(2)(ss)
- life insurance capital dividends, 87(2)(x)(ii)
- limited partnership losses, 87(2.1)
 - losses
 - carryback, 87(2.11)
 - carryforward, 87(2.1)
 - low rate income pool determination, 87(2)(ww), 89(9)
 - mark-to-market property, 87(2)(e.4)
 - mutual fund corporations, 87(2)(bb)
 - net capital losses, 87(2.1)
 - new corporation
 - deemed continuation of predecessors, 87(1.2), (2)(j.6)–(j.9), (l)
 - accrual rules, 87(2)(j.4)
 - bank reserves, 87(2)(g.1)
 - cancellation of lease, 87(2)(j.5)
 - charitable gifts, 87(2)(v)
 - deduction for Part I.3 tax, 87(2)(j.9)
 - deduction of Part VI tax, 87(2)(j.9)
 - employee benefit plans, 87(2)(j.3)
 - inclusion of deferred amounts for livestock, 87(2)(tt)
 - insurance corporations, 87(2.2)
 - Part III, 87(2)(z.2)
 - Part III.1, 87(2)(z.2)
 - partnership interest, 87(2)(e.1)
 - prepaid expenses, 87(2)(j.2)
 - registered plans, 87(2)(q)
 - whether Canadian corporation, 89(1)“Canadian corporation”
 - new corporation deemed related to predecessors, 251(3.1), (3.2)
 - non-arm's length transactions, 251(3.1)
 - non-capital losses, 87(2.1)
 - non-qualifying security, gift of, 87(2)(m.1)
 - non-resident trust, interest in, 87(2)(j.95)
 - not acquisition of control, 88(4)
 - obligations, *see* debts (*above*)

Index

Amalgamation (*cont'd*)

- options
- expired, 87(2)(o)
- received on, ITAR 26(22)
- to acquire shares of predecessor corporation, 87(5), (5.1)
- paid-up capital, computation of, 87(3), (3.1)
- partnership interest acquired, 87(2)(e.1)
- patronage dividends, 87(2)(g.5)
- pension fund real estate corporations, 149(1)(o.2) closing words
- pre-1972 capital surplus on hand, 87(2)(t)
- predecessor corporation
 - continued, 87(2)(jj)–(ll)
 - defined, 87(1)
- preferred shares, 87(4.1), (4.2)
- prepaid expenses, 87(2)(j.2)
- proceeds of disposition not due until later year, 87(2)(m)
- property lost, destroyed or taken, 87(2)(l.3)
- public corporation, 87(2)(ii), 87(2)(j)–(ll)
- qualifying environmental trust, interest in, 87(2)(j.93)
- Quebec credit unions, 87(2.3)
- refundable dividend tax on hand, 87(2)(aa)
- refundable investment tax credit, 87(2)(oo.1)
- refundable Part VII tax on hand, 87(2)(nn)
- reserves, carryover to new corporation, 87(2)(g)
- residence of predecessor corporations, deemed, 128.2
- resource and processing allowances, Reg. 1214
- resource expenses, 66.7(6)
- resource property disposition, consideration for, 87(2)(p)
- restricted farm loss, 87(2.1)
- rights, exchange of, 87(4.3)
- rules applicable, 87(2)
- scientific research expenditures, 87(2)(l)–(l.2)
- security acquired, 87(2)(e.2)
- settlement of debts between predecessors, 80.01(3)
- shares
 - deemed received, 87(1.1)
 - exchange of, 87(4.1), (4.2)
 - issued by parent, 87(9)
 - predecessor corporations, of, 87(4)
 - received on, ITAR 26(21), 65(5)
- short-form, 87(1.1), (2.11)
- special reserve, 87(2)(i), (j)
- specified debt obligation, 87(2)(e.3)
- specified property, effect on adjusted cost base, 53(6)
- squeeze-out, new share deemed listed, 87(10)
- subsidiary wholly-owned corporation, 87(1.4)
- tax deferred cooperative shares, 87(2)(s)
- tax-deferred preferred shares previously issued, 83(7)
- taxable dividends, 87(2)(x)
- taxable preferred shares, tax on, 87(2)(rr)
- taxation year, 87(2)(a)
- transitional provisions, ITAR 34
- triangular, 87(9)
- vertical
 - carryback of losses, 87(2.11)
 - deemed cost of capital properties, 87(11)(b)
 - deemed proceeds from subsidiary's shares, 87(11)(a)
 - warranty outlays, 87(2)(n)

Amateur athlete

- defined, 143.1(1)

Amateur athlete trust, *see also* Athlete

- beneficiary, defined, 143.1(1.2)(e)
- death of beneficiary, 143.1(4)
- defined, 143.1(1.2), 248(1)
- distributions by
 - deemed
 - 8 years after last international competition, 143.1(3)

- on death, 143.1(4)
- included in income, 12(1)(z), 143.1(2)
- non-resident beneficiary, to
 - tax on trust, 210.2(2)
 - withholding tax, 212(1)(u), 214(3)(k)
- emigration of beneficiary, no deemed disposition, 128.1(10)“excluded right or interest”(e)(ii)
- excluded from various trust rules, 108(1)“trust”(a)
- no tax payable by, 143.1(1.2)(g), 149(1)(v)
- rollover to new trust, 248(1)“disposition”(f)(vi)
- termination of, 143.1(3)
- trustee, defined, 143.1(1.2)(f)

Amateur athletic association, *see* Canadian amateur athletic association; Registered Canadian amateur athletic association

Amazon

- reporting of sales by sellers, 282–295

Ambassador, *see* Diplomat

Ambulance

- excluded from “automobile”, 248(1)“automobile”(b)
- medical expense credit, 118.2(2)(f)
- technician, volunteer
- exemption from employment income, 81(4)

Amended Act

- defined, ITAR 8

Amendment

- citation of, *Interpretation Act* s. 40(2)
- regulations, *Interpretation Act* s. 31(4)
- when in force
 - proclamation, *Interpretation Act* s. 18
 - Royal Assent, *Interpretation Act* s. 6(3)
 - within power of Parliament, *Interpretation Act* s. 42

Amendments to elections, 220(3.2)

- COVID-19 Canada Emergency Wage Subsidy and Canada Emergency Rent Subsidy, 125.7(10)

American Depositary Receipt

- qualified investment for RRSP etc., Reg. 4900(1)(w)

American Friends of Canadian Land Trusts

- prescribed donee, Reg. 3504(c)

American Friends of Canadian Nature

- prescribed donee, Reg. 3504(a)

American law, *see* United States

Ammonite gemstone

- treated as mineral, 248(1)“mineral”, “mineral resource”(d)(ii)

Amortization

- depreciable property, *see* Capital cost allowance
- expenditures, *see* Matchable expenditure

Amortization date (for specified debt obligation), Reg. 9200(2)

Amortized cost

- defined, 248(1)
- re loan or lending asset, 248(1)
- re pre-1972 obligation, ITAR 26(12)
- variation in, for certain insurers, 138(13)

Amount

- defined, 248(1)
- list of, *see* Dollar amounts in legislation and regulations
- negative, deemed nil, 257

Amount of remuneration

- defined, re payment to a fisherman, Reg. 105.1(1)

Amount or item reported

- meaning of, for insurer, 138(12.3)

Amounts receivable

- deceased taxpayer, by, 70(2), (3)

Amusement parks

- capital cost allowance, Reg. Sch. II:Cl. 37
- defined, Reg. 1104(12)

- Amusement parks relief (COVID)**, Reg. 8901.1(2)(b)(viii), *see also* Qualifying tourism or hospitality entity
- Ancillary tuition fees, credit**, 118.5(3)
- Animal**
- breeding, defined, 80.3(1)
 - inventory valuation, 28(1.2), Reg. 1802
 - specified, defined, 28(1.2)
 - trained to assist disabled person
 - • disability supports deduction, 64(a)A(ii)(Y)
 - • medical expense credit, 118.2(2)(l)
- Animation production**
- allocation of points to determine whether Canadian production, Reg. 1106(5)(b), (c), Reg. 1106(7)
 - defined, Reg. 1106(6)
- Anniversary day**
- investment contract, of, defined, 12(11)“anniversary day”
- Annual child care expense amount**
- defined, 63(3)
- Annual dues**
- professional membership, deduction, 8(1)(i)(i)
 - trade union, etc., deductible, 8(1)(i)(iv)–(vi)
- Annual FHSA limit**
- defined, 146.6(1)
- “Annual gains limit” defined**, 110.6(1)
- Annual investment tax credit limit, defined**, 127(9)
- Annual operations knowledge sharing report**
- requirement to publish for CCUS credit, 211.92(1)“knowledge sharing report”(b), 211.92(1)(a)
- Annual reporting of interest**, *see* Interest (monetary): accrued
- Annuitant**
- defined
 - • for Home Buyers’ Plan, 146.01(1)
 - • for Lifelong Learning Plan, 146.02(1)
 - • for prescribed annuity contracts, Reg. 304(4)
 - • for RRIF, 146.3(1), Reg. 215(1)
 - • for RRSP, 146(1), Reg. 214(7)
 - • for registered labour-sponsored venture capital corporations, defined, 204.8(1)
- Annuity**, Reg. Part III, *see also* Annuity contract
- accrual to date of death, 70(1)(a)
 - accrued interest on, taxable, 12.2
 - advanced, *see* Advanced life deferred annuity
 - buy-out (from RPP), 147.4(1)
 - cancellation or termination of, Reg. 303
 - capital element deductible, 60(a), Reg. 300
 - capital/income elements, 16(4)
 - commutation of, *see* Commutation of annuity
 - constitutes life insurance policy, 138(12)“life insurance policy”
 - contract, *see* Annuity contract
 - DPSP investment eligibility, 204“qualified investment”
 - deduction, 20(19)
 - deferred, *see* Advanced life deferred annuity
 - defined, 248(1); *Income Tax Conventions Interpretation Act* s. 5; Canada-U.S. Tax Treaty:Art. XVIII:4; Canada-UK Tax Treaty:Art. 17:3
 - definitions, Reg. 310
 - disposition of
 - • deduction, 20(20)
 - • taxable, 56(1)(d.2)
 - disposition of interest in
 - • information return, Reg. 217
 - emigration of beneficiary, no deemed disposition, 128.1(10)“excluded right or interest”(f)(i)
 - from pre-1998 pension plan, deemed to be pension payments, 254
 - income-averaging, *see* Income-averaging annuity contract
 - insured, leveraged, *see* LIA policy
 - interest on money borrowed to buy
 - • amount deductible, 20(1)(c)(iv)
 - life insurance proceeds, as, 148(6), (10)
 - locked-in, held by RRIF, 146.3(1)“qualified investment”(b.2)
 - money borrowed to buy
 - • limitation on deductibility, 18(11)(d)
 - PRPP purchase of, 147.5(5)(a), 147.5(21)(c)(vi)
 - payments
 - • capital element of, 60(a), Reg. 300
 - • life annuity contracts, Reg. 301
 - • non-residents, to, 212(1)(o)
 - • taxable, 56(1)(d)
 - • • from pooled registered pension plan, taxable, 147.5(23)
 - prescribed, Reg. 304, *see also* Prescribed annuity contract
 - qualified, defined, Reg. 1408(1)
 - RESP investment eligibility, 146.1(1)“qualified investment”(c)
 - RPP (defined-contribution) purchase of, 147.3(1)(c)(iv), Reg. 8506(1)(e.2)
 - RPP conversion to, 147.4(1)
 - RRIF investment eligibility, 146.3(1)“qualified investment”(b.1), (b.2)
 - RRSP investment eligibility, 146(1)“qualified investment”(c)–(c.2)
 - RRSP premium refund transferred to, 60(l)
 - receipt of, income, 56(1)(d), (d.2)
 - registered pension plan, 147.4
 - variable, *see* Variable payment life annuity
 - withholding tax, 153(1)(f), 212(1)(o)
- Annuity contract**
- defined, for Common Reporting Standard, 270(1)
- Annulment**
- charity registration, *see* Registered charity: registration of: annulment of registration
- Antecedent corporation**
- defined, 95(1)
- Anti-avoidance rules**
- 150-investor rule for non-resident trusts, 94(15)(a)
 - abuse of the Act, 245(4)
 - acquisition of option rather than shares to avoid various rules, 256(8)
 - arm’s length rule, 246(2)
 - associated corporations, 256(2.1)
 - at-risk amount of limited partner, 96(2.6), (2.7)
 - attribution rules, *see* Attribution rules
 - avoidance transaction, defined, 245(3)
 - back-to-back loans, *see* Back-to-back loans
 - back-to-back-royalties, 212(3.9)–(3.94)
 - bank and life insurer surtax, 125.6(6)
 - blocking deficits, Reg. 5905(7.1)–(7.7)
 - business limit (small business deduction), 125(9)
 - Canada Emergency Wage Subsidy (CEWS) and Canada Emergency Rent Subsidy (CERS), 125.7(6)
 - Canada Recovery Hiring Program (CRHP), 125.7(6.1)
 - Canadian controlled private corporations, 248(1)“substantive CCPC”, 248(3)
 - capital dividend, share acquired to receive, 83(2.1)
 - capital gains exemption
 - • allocated through partnership or trust, 110.6(11)
 - • butterfly, on, 110.6(7)(a)
 - • conversion of dividends into exempt capital gains, 110.6(8)
 - • failure to declare exempt gain, 110.6(6)
 - • gain of corporation converted to gain of individual, 110.6(7)(b)
 - • sale of shares of corporation, 84.1(2)(a.1)(ii), 84.1(2.1)(b)
 - capital gains stripping, 55(2), 110.6(7)(a)
 - charitable donation flips, 248(35)–(41)
 - charitable donation returned to donor, 110.1(14)–(17), 118.1(25)–(28)
 - charity’s expenditures on non-charitable activities, 149.1(4.1)

Index

- Anti-avoidance rules (*cont'd*)
 - Common Reporting Standard (reporting of account information to foreign tax authorities), 280
 - contingent amounts in expenditures, 143.4
 - corporate members of partnerships, 34.2, 125(6), 125(7)“specified partnership income”
 - corporations becoming related to transfer forgiven amount of debt, 80.04(8)
 - corporations deemed associated, 256(2.1)
 - cross-border purchase butterfly, 55(3.1)
 - debt forgiveness reserve, 61.3(3), 160.4
 - debt parking, 39(2.01)–(2.03), 80.01
 - deferral of tax
 - corporate partner, 34.2
 - individual partner, 34.1
 - deductions accrued but unpaid, 78
 - derivatives, mark-to-market restrictions, 10.1
 - determination by Minister of tax consequences, 152(1.11), (1.12)
 - binding effect, 152(1.3)
 - disbursement quota of charity, 149.1(4.1)
 - disposition not at arm’s length, 69(1)
 - disposition of share of foreign affiliate, 93(2)–(2.3)
 - divestment obligation percentage (private foundation), 188.1(3.2)–(3.5)
 - dividend refund, 129(1.2)
 - dividend stripping, *see* Surplus stripping
 - donation of flow-through shares, 40(12)
 - after rollover of shares, 38.1
 - eligible dividends, 89(1)“excessive eligible dividend designation”(c)
 - emigration
 - deemed disposition by trust of assets transferred before emigration, 104(4)(a.3)
 - deemed disposition of assets, 128.1(4)
 - employee ownership trust, exemption on transfer of shares to, 110.61(5)
 - employees profit sharing plans (excess EPSP amount), 207.8
 - FATCA, 268
 - foreign account reporting, 268, 280
 - foreign accrual property income
 - insurance of Canadian risks (and insurance swaps), 95(2)(a.2)–(a.24)
 - offshore regulated banks, 95(2.11)
 - foreign accrual tax, 91(4.1)–(4.7)
 - foreign affiliate dumping, 212.3
 - corporate emigration, 219.1(2)
 - corporate immigration, 128.1(1)(c.3)
 - cross-border class, anti-avoidance rule, 212.3(6)
 - foreign affiliate rules, 95(6), Reg. 5905(7.1)–(7.7)
 - artificial generation of FAT, 91(41)
 - artificial generation of UFT, Reg. 5907(1.03)
 - loans from foreign affiliates, 90(6)–(15)
 - surplus computations, Reg. 5907(2.02)
 - foreign affiliate share-for-share exchange, 85.1(4)(a)
 - foreign currency debt parking, 39(2.01)–(2.03)
 - foreign investment entities, *see* Tax avoidance motive
 - foreign mergers, 87(8.3)
 - foreign partnership, 96(9)(a)
 - foreign resource property, 85(1.11)(a)
 - foreign tax credit, 126(4)–(4.3)
 - FTC generators, 91(4.1)–(4.7), 126(4.11)–(4.13), Reg. 5907(1.03)–(1.09)
 - functional currency reporting, 261(18)–(21)
 - general rule, 245(2), *see also* General anti-avoidance rule
 - gift of property, 69(1)(b)(ii), 74.1, 160(1)
 - goodwill, transition from eligible capital property to CCA, 13(40)
 - gross revenue increases for transfer pricing rules, 247(9)
 - hedges crossing year-end, 18(17)–(23)
 - income-splitting tax, 120.4, *see also* Split income
 - income-splitting through spousal RRSPs, 146(8.3), 146.3(5.1)–(5.5)
 - indirect loan to non-resident, 17(2)
 - insurance corporations, 138(2.6)
 - interest coupon stripping, 212(1)(b)(i)(B), 212(21)–(23)
 - interest deduction restrictions, 18.2(12)–(15), 18.21(6)
 - interest-free or low-interest loans, 56(4.1)
 - investment tax credit
 - qualified expenditures, 127(24)
 - transfer of SR&ED pool, 127(16)
 - life insurance policies
 - distribution of proceeds
 - by corporation, 89(1)“capital dividend account”(d)(iii)
 - by partnership, 53(1)(e)(iii)
 - exempt policy, Reg. 306(1)
 - transfer of, not at arm’s length, 89(1)“capital dividend account”(d)(v), 148(7)
 - life insurer using foreign branch to insure Canadian risks, 138(2.1)–(2.6)
 - loan from corporation, 15(2)–(2.6), 90(6)–(15)
 - loan not at arm’s length, 56(4.1)–(4.3)
 - loan to non-resident, 17
 - through partnership, 17(4)
 - through trust, 17(5)
 - look-through for trusts and partnerships, on non-arm’s length sale of shares, 212.1(7)
 - loss carryover rules, on change of corporate control, 111(5.5)(b)
 - losses imported by partnership by acquiring Canadian partner, 96(8), (9)
 - misuse of the Act, 245(4)
 - mutual fund trust election for December 15 year-end, where beneficiaries change, 132.11(8)
 - newspaper or periodical, control by non-resident, 19(8)
 - non-resident trust, indirect transfer to, 94(2)
 - non-resident trust transfer to another trust, 94(11)–(13)
 - offshore trusts, 94
 - Part II.2 tax, 183.3(3), (6)
 - partnership acquiring capital properties to avoid debt forgiveness rules, 80(18)
 - partnership, by, 103
 - partnership capital contribution where other partner withdraws funds, 40(3.13)
 - partnership interest disposition, 100(1.4), (1.5)
 - partnership with non-resident partners importing losses, 96(8), (9)
 - payment of capital dividend through trust to non-resident, 212(1)(c)(i)
 - penalties, *see* Penalty
 - pension adjustment, artificial reduction of, Reg. 8503(14)
 - pension, past service employer contributions in lieu of salary, Reg. 8503(15)
 - preferred shares, 248(1)“term preferred share”(a)(iv)(B), (i.1)(ii), (j)(ii)
 - pregnant losses, *see* Pregnant loss
 - private foundations, 149.2(2), 188.1(3.2)–(3.5)
 - purchase butterfly, 55(1)“permitted exchange”, (3.1), (3.2)
 - registered disability savings plan (RDSP)
 - advantage, prohibited investment or non-qualified investment, 207.01–207.07
 - registered education savings plan (RESP)
 - advantage, prohibited investment or non-qualified investment, 207.01–207.07
 - replacement of beneficiary, 204.9(4)
 - registered pension plan phased retirement rules, Reg. 8503(22)
 - registered pension plan, replacement of money purchase benefits, Reg. 8304(2)(f)
 - reportable transaction rules, 237.3
 - residence of corporation, 250(5)
 - retirement compensation arrangement

Index

Anti-avoidance rules (*cont'd*)

- disposition for less than fair market value, 56(11)
- “right to reduce” an expenditure, 143.4
- royalty reimbursements, 80.2
- SIFT rollovers, 248(1)“SIFT trust wind-up event”(e)
- sale of shares by non-resident, 212.1
- sale of shares for dividend stripping, 84.1
- section 160 planning, 160(5)
- securities lending arrangement, 260(1)“securities lending arrangement” closing words, *see also* Specified hedging transaction
- selling property and donating proceeds to charity, 248(39)
- share acquired to obtain dividend refund, 129(1.2)
- share repurchase transaction, 112(5.2)B(a)
- small business deduction limit, 125(9)
- corporate partners, 34.2, 125(6), 125(7)“specified partnership income”
- small business investment rollover, 44.1(12)
- specified member of partnership, 40(3.131), 127.52(2.1)
- stapled securities, 12.6
- stock buyback tax, 183.3(3), (6)
- stop-loss rules, *see* Stop-loss rules
- straddle transactions, 18(17)–(23)
- surplus stripping, *see* Surplus stripping
- synthetic equity arrangements, 112(2.3)–(2.34)
- TFSA, 207.01–207.07
- tax debt avoidance, 160(5)
- testamentary trust, 108(1)“testamentary trust”(d)
- transfer of insurance business by non-resident insurer, 138(11.7)
- transfer of property between trusts to delay deemed disposition rules, 104(5.8)
- transfer of property by tax debtor, 160
- transfer of property for low or no consideration, 69(1)(b), 74.1, 160(1)
- transfer of property with pregnant loss, 13(21.2), 40(3.3), (3.4)
- transfer pricing, 247
- treaty shopping, Canada-U.S. Tax Treaty:Art. XXIX-A
- trust distributing assets before death, 104(4)(a.2)
- trust, excessive capital interest, 104(7.1), (7.2)
- trust receiving assets before emigration, 104(4)(a.3)
- trust with accrued loss, acquisition of interest in, 107(6)
- trusts, allocation of income and capital to different beneficiaries, 104(7.1), (7.2)
- underlying foreign tax, Reg. 5907(1.03)
- unreasonable consideration, 247
- withholding tax on dividends, Canada-U.K. Tax Treaty Art. 10:7
- withholding tax on interest, Canada-U.K. Tax Treaty Art. 11:11
- withholding tax on royalties, Canada-U.K. Tax Treaty Art. 12:8

Anticosti Island

- prescribed intermediate zone for northern residents’ deduction, Reg. 7303.1(2)

Anti-dumping duties or countervailing duties

- deductible, 20(1)(vv)
- included in UCC of depreciable property, 13(21)“undepreciated capital cost”D.1
- refund of
 - deducted from UCC of depreciable property, 13(21)“undepreciated capital cost”K
 - taxable, 12(1)(z.6)

Anti-money laundering and know your customer procedures

- defined, for Common Reporting Standard, 270(1)

Antiques, CCA disallowed, Reg. 1102(1)(e)

Antoine Guertin Ltée case overruled, 20(1)(e.2)

Appeal, *see also* Tax Court of Canada

- bifurcation, 171(2)

- books and records, 230(6)
- disposal of
 - Minister’s duty after, 164(4.1)
 - reassessment, on consent, 169(3)
 - Tax Court, by, 171
- ecological property valuation, 169(1.1)
- expense of making, deduction, 60(o)
- extension of time for making, 167
- Federal Court of Appeal, to, *see* Federal Court of Appeal
- frivolous, 10% penalty, 179.1
- general procedure, 175
- grounds for, whether raised in Notice of Objection, 169(2.1)
- *in camera* proceedings in Federal Court, 179
- informal procedure, 170
- large corporation by, only on grounds raised in objection, 169(2.1)
- legal costs of, 152(1.2)
- limitation on grounds for filing, 169(2), (2.1)
- Minister may change grounds for assessment, 152(9)
- notice of, Tax Court to Commissioner, 170(1)
- Part II.2 tax, 183.4(3)
- Part IV.1 tax, 187.6
- Part VI.1 tax, 191.4(2)
- Part VI.2 tax, 191.6
- Part XII.2 tax, 210.2(7)
- Part XII.3 tax, 211.5
- Part XII.4 tax, 211.6(5)
- Part XII.5 tax, 211.82
- repayment on, 164(1.1)
- restriction on collection action while underway, 225.1
- stay of, during action, 239(4)
- Tax Court decisions, from, 174(4.1)
- Tax Court of Canada, to, 169, 170, 174
- time not counted, 173(2), 174(5)
- transitional provisions, ITAR 62(4)–(6)
- where no reasonable grounds for, 179.1
- where right to appeal waived, 169(2.2)
- withholding tax on dividends, Canada-U.K. tax treaty Art. 10:7
- withholding tax on interest, Canada-U.K. tax treaty Art. 11:11
- withholding tax on royalties, Canada-U.K. tax treaty Art. 12:8

Appliance service technician

- apprenticeship job creation credit, 127(9)“investment tax credit”

Applicable fraction (for debt forgiveness rules)

- application of to capital losses, 80(4)
- defined, 80(2)(d)

Application deadline

- defined, Reg. 1106(1)“application for a certificate of completion”

Application for a certificate of completion

- defined, for Canadian film/video credit, Reg. 1106(1), (1.1)

Application for continuance (for Canadian Wheat Board)

- defined, 135.2(1)

Apportionment, *see also* Allocation; Splitting, sharing or apportionment

- bond interest to date of sale, 20(14)
- income accrued to date of death, 70(1)(a)
- proceeds of disposition, between property and services, 68
- tax credit, *see* Splitting, sharing or apportionment
- taxable and exempt income, between, 149(6)

Apprentice

- grant to, *see* Apprenticeship Incentive Grant or Apprenticeship Completion Grant
- job creation, investment tax credit, 127(9)“apprenticeship expenditure”, 127(9)“investment tax credit”(a.4)
- mechanic
 - eligible, defined, 8(6)(a)

Index

Apprentice (*cont'd*)

- tools, deduction from employment income, 8(1)(r)
- GST rebate on, 6(8)
- income inclusion on sale of tools, 56(1)(k)
- rollover of tools to corporation, 85(5.1)
- rollover of tools to partnership, 97(5)
- payments received by, Canada-U.S. Tax Treaty:Art. XX
- travel to construction job site, deduction, 8(1)(q.1)

Apprenticeship expenditure

- defined, 127(9)
- reduction for assistance received, 127(11.1)(c.4)
- investment tax credit for, 127(5)(a)(i), 127(9)“investment tax credit”(a.4)
- carryforward or carryback, 127(9)“investment tax credit”(c)

Apprenticeship Incentive Grant or Apprenticeship Completion Grant

- information return required, Reg. 200(2)(b.1)
- is earned income for child care expense, 63(3)“earned income”(b)
- repayment of, deductible, 60(p)
- taxable, 56(1)(n.1)

Apprenticeship requirements

- defined, for labour requirements for ITCs, 127.46(1)

Appropriate minister

- defined, 13(21)

Appropriate percentage

- defined, 248(1)

Appropriation Act

- interest paid under
- deduction for, 20(1)(c)(iii)

Appropriation of amounts

- to transfer balance between tax accounts, 221.2

Appropriation of property

- by shareholder, generally, 69(4)
- legal representative, by, 159(3.1)
- on winding-up of corporation, 69(5), 84(2)

Approved pension plan

- included in reference to “registered” plan, ITAR 17(8)

Approved project, defined, 127(9)

Approved project property [repealed]

- defined, 127(9)

Approved share

- clawback on disposition, 211.8(1)
- defined, 127.4(1), 211.7(1)

Arbitration of disputes

- United Kingdom, Canada-U.K. Tax Treaty:Art. 23:6, 7
- United States, Canada-U.S. Tax Treaty:Art. XXVI:6, 7; Fifth Protocol (2007) Annex A

Arcade games relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(IV), (b)(xv), *see also* Qualifying tourism or hospitality entity

Armed forces, *see* Canadian Forces and veterans

Arm's length

- allocation, *see* Arm's length allocation
- dividend dealings, 55(4), (5)(e)
- meaning of, 251(1)
- beneficiary and trust, 251(1)(b)
- for CCA purposes, Reg. 1102(20)
- for currency dealings with foreign affiliate, 95(2.1)
- for debt forgiveness rules, 80(2)(j)
- for divisive reorganizations, 55(4), (5)(e)
- for non-arm's length sale of shares, 84.1(2)(b), (d), 212.1(3)(c)
- for resource expenses renounced to partnership on flow-through shares, 66(17)
- for s. 160 avoidance of tax debts, 160(5)(a)
- for stock option rules, mutual fund trust, 7(1.11)

- for tax shelter investment where information outside Canada, 143.2(14)
- for windup of subsidiary, 88(1)(d.2)
- not deemed to confer benefit, 246(2)
- transfer, *see* Arm's length transfer
- transfer price, *see* Arm's length transfer price

Arm's length allocation

- defined, 247(1)

Arm's length capital

- defined, for income-splitting tax, 120.4(1)

Arm's length transfer

- defined, 94(1)
- price, *see* Arm's length transfer price

Arm's length transfer price, *see also* Transfer pricing

- defined, 247(1)
- required for transactions with related non-residents, 247(2)

Arrears interest

- defined, for corporate interest offset, 161.1(1)

Arriola case overruled, 118.5(1)(d)

Arrival in Canada, *see* Becoming resident in Canada

Art, *see also* Cultural property; Listed personal property

- whether CCA allowed, Reg. 1102(1)(e)

Art flips

- donation valued at cost of art, 248(35)–(38)
- minimum \$1,000 proceeds eliminated, 46(5)
- penalties for valuers and promoters, 163.2

Art shelters, *see* Art flips

Artificial eye, medical expense, 118.2(2)(i)

Artificial kidney machine, medical expense, 118.2(2)(i)

Artificial limb

- costs, as medical expenses, 118.2(2)(i)

Artificial transactions, *see* Anti-avoidance rules

Artist

- artistic endeavour, 10(6)–(8)
- expenses, deduction from employment income, 8(1)(q)
- gift of work of art created by, 118.1(7), (7.1)
- organization for, *see* Registered national arts service organization
- project grant, included in income, 56(1)(n)
- U.S. resident, Canada-U.S. Tax Treaty:Art. XVI
- valuation of inventory, 10(6)–(8)

Artistic endeavour

- defined, 10(8)
- value of inventory, 10(6), (7)

Artistic events relief (COVID), Reg. 8901.1(2)(b)(iv), *see also* Qualifying tourism or hospitality entity

Artistic work, copyright royalties

- no withholding tax, 212(1)(b)(vi), 212(9)(b)

Arts credit for children, *see* Children's Arts Tax Credit (pre-2017)

Arts service organization, *see* Registered national arts service organization

“As registered” (pension plan), meaning, 147.1(15)

Asian Development Bank

- bonds of, qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(l)(iii))

Assessable distribution

- defined, for Part XIII.2 tax, 218.3(1)
- does not reduce adjusted cost base of capital interest in trust, 53(2)(h)(i.1)(B)(III)
- payment of to non-resident
- information return, Reg. 202(1)(f)
- tax on, 218.3(2)

Assessable dividend (for Part IV tax)

- defined, 186(3)
- tax on, 186(1)(a)

Assessment, *see also* Determination; Limitation period; Reassessment

- alternative basis for, permitted, 152(9)
- amounts received under RCA trust, re, 160.3(2)
- appeal from, *see* Appeal
- arbitrary, 152(7)
- consequential, of other taxation year, 152(4.3)
- date of mailing, 244(14)
- date of making, 244(15)
- derivative, 160
- determination binding, 152(1.3)–(3)
- excess refund, 160.1(3)
- failure to withhold tax, 227(10)–(10.8)
- includes reassessment, 248(1)
- incorrect or incomplete, 152(3), (8)
- irregularities in, not invalidating, 152(3), (8), 166
- issue in respect of, reference to Tax Court, 173
- jeopardy, 225.2
- losses, of, *see* Determination
- Minister, by, 152(1)
- net worth, 152(7)
- notice of, 152(2)
 - date of, 244(14), (15)
 - electronic
 - allowed for corporation, 244(14.2)
 - allowed if individual's return is e-filed, 150.1(4.1)
 - allowed if email address given by individual, 244(14.1)
 - when presumed received, 244(14.1)
- objection to, *see* Objection
- Part II.2 tax, 183.4(3)
- Part IV tax, allowed 1 year late, 152(4.31)
- Part IV.1 tax, 187.6
- Part VI.1 tax, 191.4(2)
- Part VI.2 tax, 191.6
- Part XII.2 tax, 210.2(7)
- Part XII.3 tax, 211.5
- Part XII.4 tax, 211.6(5)
- Part XII.5 tax, 227(10.01), 227(10.1)(c), 211.82
- Part XII.6 tax, 211.91(3)
- Part XII.7 tax, 211.94
- past regular deadline, 152(4)
- transitional provision, ITAR 62(1)
- valid and binding despite defects, 152(8)
- zipper penalty, 163.3(5)

Asset

- computation of, for debt forgiveness reserve, 61.3(1)(b)B(i)
- lending
 - defined, 248(1)
 - of insurer/moneylender
- limitation on deduction re, where reduced in value, 18(1)(s)

Asset-backed securities

- qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(i.3))

Assignee, *see also* Legal representative

- deemed to be legal representative, 248(1)“legal representative”
- obligations of, 159
- return required by, 150(3)
- withholding tax, liability for, 227(5), (5.1)(g)

Assignment

- rights to income, 56(4)
- tax refund, permitted, 220(6)

Assistance/government assistance

- air quality improvement credit, 127.43(5)
- Canadian development expense, in respect of, 66.2(5)“Canadian development expense”, 66.2(5)“cumulative Canadian development expense”D, M

- Canadian exploration expense, in respect of, 66.1(6)“Canadian exploration expense”, 66.1(6)“cumulative Canadian exploration expense”E, J
- Canadian film/video tax credit
 - constitutes assistance for all purposes, 125.4(5)
 - defined, 125.4(1)
- Canadian oil and gas property expense, in respect of, 66.4(5)“Canadian oil and gas property expense”, 66.4(5)“cumulative Canadian oil and gas property expense”D, I
- capital cost allowance, effect on, 13(7.1)
- carbon tax refund to farmers, 127.42(7)
- carbon tax refund to small business, 127.421(6)
- clean hydrogen tax credit
 - defined, 127(9), 127.48(1)
 - repaid, 127.48(11)
- clean technology manufacturing ITC
 - defined, 127(9), 127.49(1)
 - repaid, 127.49(7)
 - defined
 - for air quality improvement credit, 127.43(1)
 - for clean electricity credit, 127(9), 127.491(1)
 - for clean hydrogen tax credit, 127(9), 127.48(1)
 - for clean technology investment tax credit, 127(9), 127.45(1)
 - for clean technology manufacturing ITC, 127(9), 127.49(1)
 - for film/video production services tax credit, 125.5(1)
 - for investment tax credit, 127(9)“government assistance”
 - for journalism labour credit, 125.6(1)
 - for resource exploration and development rules, 66(15)“assistance”
 - includes GST input tax credits, 248(16)–(18)
 - includes QST input tax refunds, 248(16.1), (17.1), (17.3), (18.1)
- EV supply chain investment tax credit
 - defined, 127(9), 127.492(1)
 - repaid, 127.492(7)
- employer, provided by, for housing, 6(23)
- expired, treated as repaid, 127(10.8)
- exploration and development grant, deductible, 20(1)(kk)
- film/video production services tax credit
 - constitutes assistance for all purposes, 125.5(5)
 - defined, 125.5(1)
- flow-through critical mineral mining expenditure reduced, 127(11.1)(c.21)
- flow-through mining expenditure reduced, 127(11.1)(c.2)
- GST input tax credit or rebate deemed to be, 248(16)
- GST input tax credit repaid deemed to be reduction in, 248(18)
- government assistance, defined, 127(9); *see* “defined” above
- housing subsidy provided by employer, taxable, 6(23)
- included in income, 12(1)(x)
- increases adjusted cost base of partnership interest, 53(1)(e)(ix)
- indirect, taxable, 12(1)(x)(i)(C)
- investment tax credit reduction, 127(18)–(21)
- non-government, defined, 127(9)
- pre-production mining expenditure reduced, 127(11.1)(c.3)
- prescribed benefit under government program
 - overpayment repaid, deductible, 60(n)(v)
- taxable, 56(1)(a)(vi), Reg. 5502
- QST input tax refund or rebate deemed to be, 248(16.1)
- QST input tax refund repaid deemed to be reduction in, 248(18.1)
- qualified expenditures, effect on, 127(18)–(21)
- reduces adjusted base of partnership interest, 53(2)(c)(ix)
- reduces adjusted cost base of property, 13(7.1), 127(11.1)(b)
- reduces claim for scientific research, 37(1)(d)
- reduces R&D expenditures, 127(11.1)(f) [repealed], 127(18)
- repayment of
 - creates capital loss, 39(13)
 - deduction for, 20(1)(hh)

Index

Assistance/government assistance (*cont'd*)

- excluded from reduction in cost base, 53(2)(k), 53(2)(s)
- includes repaid GST input tax credit, 248(18)
- increases investment tax credit, 127(9)“investment tax credit”(e.1), 127(10.7)
- reduces adjusted cost base of partnership interest, 53(1)(e)(ix)(B)
- resource-related
- allocated to member of partnership, 66.1(7), 66.2(6), (7), 66.4(6), (7)
- increases adjusted cost base of partnership interest, 53(1)(e)(ix)
- tax shelter investment excluded, 125.4(4)

Assistance holdback amount

- defined, for RDSP, 146.4(1)

Assistant's salary paid by employee

- CPP contributions, UI/EI premiums deductible, 8(1)(1.1)
- deduction, 8(1)(i)(ii)
- certificate of employer, 8(10)
- Quebec Parental Insurance Plan premiums deductible, 8(1)(1.2)

Associated charities

- designation by Minister, 149.1(7)
- disbursement by one to another, 149.1(6)(c)

Associated corporations, *see also* Related persons

- amalgamation, following, 256(7)(b)
- anti-avoidance rules
- separate corporations deemed associated, 256(2.1)
- transfer of assets for passive income SBD grind, 256(2.1)
- base level deduction, 18(2.3)–(2.5)
- certain shares excluded from fair market valuations, 256(1.6)
- corporations associated with same corporation deemed associated with each other, 256(2)
- defined, 256(1)
- investment income from, 129(6)
- investment tax, allocation of expenditure limit, 127(10.2)–(10.4)
- land soft costs, allocation of base level deduction, 18(2.3)–(2.5)
- options, 256(1.4)
- parent deemed to own child's shares, 256(1.3)
- Part VI.1 tax, allocation of dividend allowance, 191.1(3)–(5)
- person deemed related to himself, 256(1.5)
- refundable SR&ED credit, special rule, 127.1(2.2), (2.3)
- rights, 256(1.4)
- small business deduction, 125(3)–(5)
- specified class of shares, defined, 256(1.1)
- SR&ED expenditure limit for investment tax credit, special rule, 127(10.22), (10.23)

Association of Universities and Colleges of Canada, exempt, 149(1)(h.1)

Associations

- non-profit exemption, 149(1)(l)

Assumption of debt, 20(1)(e)(ii.2), 20(1)(e.1)(iii)

- debt forgiveness rules do not apply, 80(1)“forgiven amount”B(l)

At-risk adjustment (for tax shelter)

- defined, 143.2(2), (3)

At-risk amount, *see also* Limited partner; Tax shelter

- artificial transactions, 96(2.6), (2.7)
- defined, 96(2.2)
- for clean economy ITC allocation, 127.47(1)
- limited partner's losses restricted to, 96(2.1)
- limited partnership interest acquired by subsequent person, 96(2.3)
- resource expenditures, 66.8

Athlete

- amateur junior players, room and board exempt, 6(1)(b)(v.1)

- association for, *see* Registered Canadian amateur athletic association
- income of, Canada–U.S. Tax Treaty, Canada–U.S. Tax Treaty:Art. XVI
- Major League Baseball Players Benefit Plan, Reg. 6800
- National Hockey League referees, Reg. 6801(c), 6802(d)
- signing bonus, taxable, 6(3), 115(2)(c.1), 115(2)(e)(v); Canada–U.S. Tax Treaty:Art. XVI:4
- trust for, *see* Amateur athlete trust
- tuition support received by, no tuition credit, 118.5(1)(a)(v)
- U.S. resident, Canada–U.S. Tax Treaty:Art. XVI

Atlantic Groundfish Adjustment Program/Atlantic Groundfish Strategy, *see* Fishing: compensation programs

Atlantic Investment Tax Credit, 127(9)“investment tax credit”(a), 127(9)“specified percentage”(a)(iii)(D), (a.1)

Attendant, *see also* Part-time attendant

- for taxpayer or dependant mentally or physically impaired
- allowance paid by employer, not income, 6(16)
- deduction from income, 64(a)(ii)(J)
- residents absent from Canada, 64.1
- medical expense credit, 118.2(2)(b), (b.1), (c)
- reimbursement of expenses, 118.2(3)(b)

Attendant care benefit

- paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(vii)(E)

Attorney, *see* Lawyer

Attribute trading restriction

- defined, 256.1(1)

Attributed surplus (of financial institution)

- defined, 181(2), 190(1.1)

Attributed surplus (non-resident insurer)

- defined, 219(7), Reg. 2400(1)
- Large Corporations Tax, Reg. 8600

Attribution rules, *see also* Income-splitting

- Canada Child Benefit cheque deposited for child's benefit, 74.1(2)
- deemed receipt of dividend, 82(2)
- “designated person” defined, 74.5(5)
- FHSA, exception for, 74.5(12)(d)
- foreign income, *see* Foreign accrual property income
- gain/loss from property transferred or loaned, 74.2
- farm property, 75.1
- trust, to, 74.3(1)(b)
- income-splitting tax, 120.4, *see also* Split income
- indirect payments, 56(2)
- interest-free or low-interest loans, 56(4.1)
- loan or indebtedness, 56(4.1)–(4.3)
- property transferred to child, 74.1(2), 75.1
- property transferred to spouse
- capital gain/loss on, 74.2(1)
- income from, 74.1(1)
- property transferred to trust
- income, gain or loss transferor's, 75(2)
- trusts excluded, 75(3)
- qualifying trust annuity payment, 75.2(a)
- RDSP, exception for, 74.5(12)(a.2)
- RRSP spousal contributions
- regular attribution rules do not apply, 74.5(12)
- specific attribution rule, 146(8.3)
- reverse attribution, excluded, 74.5(11)
- Saskatchewan Pension Plan contributions, exceptions for, 74.5(12)
- spousal RRSP premiums, exception for, 74.5(12)
- TFSA, exception for, 74.5(12)(c)
- transfer or loan to child, 74.1(2)
- transfer or loan to corporation
- income/loss from property transferred or loaned, 74.1
- trust, to, 74.3(1)(a)

Attribution rules (*cont'd*)

- transfer or loan to spouse, 74.1(1), 74.2(1)
- where not applicable, 74.5

Auction of seized chattels, 225(2)–(4)**Audio tapes or CDs**

- talking textbooks
- disability supports deduction, 64(a)A(ii)(I)
- medical expense credit, Reg. 5700(w)

Audiologist

- certification of hearing impairment
- for disability credit, 118.3(1)(a.2)(iii)
- defined, 118.4(2)

Audit, 231.1(1)

- affidavit answers can be required, 231.41
- answers orally or under oath can be required, 231.41
- compliance required, 231.51, 231.7
- contemporaneous documentation for transfer pricing, 247(4)
- copies or printouts of documents, 231.5
- court order for compliance, 231.7
- failure to comply, *see* Notice of non-compliance
- fishing expedition, 231.2(3)
- request for information or documents, 231.1(1)
- time contesting, not to count for reassessment clock, 231.8(1)(a)
- unnamed persons, limitations, 231.1(4), 231.2(3)

Auditory feedback device

- medical expense credit, Reg. 5700(z.1)

Aunt, *see also* Niece/nephew

- defined, 252(2)(e)
- dependent, 118(6)(b)
- great-aunt defined, 252(2)(f)

Australia, *see also* Foreign government

- currency loan, *see* Weak currency debt
- currency of, use as functional currency, 261(1)“qualifying currency”(d)
- stock exchange recognized, 262
- trust resident in
 - exclusion from foreign property reporting, 233.3(1)“specified foreign property”(n)
 - special rules for, 93.3
- universities, gifts to, Reg. Sch. VIII, s. 17

Australian trust, 93.3

- defined, 93.3(1)

Austria, *see also* Foreign government

- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 4

Author

- deduction from employment income, 8(1)(q)

Authorized foreign bank

- branch-establishment rollover, 142.7(3)
- branch interest tax, 218.2
- branch tax allowance, Reg. 808(8)
- capital tax rules, 181.3(3)(e), 181.3(4)(c), 190.13(d), 190.14(1)(c)
- conversion of Canadian affiliate to branch, 142.7
- debt of, qualified investment for deferred income plans, 146(1)“qualified investment”(b)(ii), 146.1(1)“qualified investment”(b)(ii), 146.3(1)“qualified investment”(b)(ii), 204“qualified investment”(b)(ii)
- deemed resident in Canada for withholding tax rules, 212(13.3)
- defined, 248(1)
- foreign tax credit, 126(1.1)
- interest deduction, 18(1)(v), 20.2
- payments to, non-resident tax
 - no withholding tax [before Aug. 8/09], Reg. 105(2)(b), 800, 803.1
 - tax payable directly [before Aug. 8/09], Reg. 801–803.1
- reassessment beyond 4-year deadline, 152(4)(b)(iii.1)

- taxable income earned in Canada, 115(1)(a)(vii)(B)
- winding up into, Reg. 9204(2.1)

Authorized person

- defined, re communication of taxpayer information, 241(10)

Automobile, *see also* Motor vehicle; Passenger vehicle

- available to shareholder, benefit, 15(5), (7)
- benefit related to operation of, includable in employee's income, 6(1)(a)(iii)
- benefit related to use of, not includable in employee's income, 6(1)(a)(iii)
- benefit to shareholder, 15(5)
- capital cost allowance
 - exclusion, Reg. 1102(1)(h), 1102(11)–(13)
 - limitation, *see* Passenger vehicle: luxury
- cost over \$34,000, *see* Passenger vehicle: luxury
- cost over \$100,000, *see* Luxury Items Tax
- dealer, taxable benefit to sales employees, 6(2.1)
- defined, 248(1)
- electric, *see* Zero-emission passenger vehicle; Zero-emission vehicle
- employee's, capital cost allowance, Reg. 1100(6)
- expenses
 - employee, of, 8(1)(h.1)
 - limitations on deductibility, 13(7)(g), (h), 18(1)(r), 67.2, 67.3
- gasoline for, *see* operating costs (*below*)
- insurance, *see* operating costs (*below*)
- interest cost limit, *see* Passenger vehicle: luxury
- lease expense limit, *see* Passenger vehicle: luxury
- luxury, *see* Passenger vehicle: luxury
- maintenance, *see* operating costs (*below*)
- mechanic, *see* Apprentice: mechanic
- operating costs
 - benefit
 - employee-owned car, 6(1)(l)
 - employer-owned car, 6(1)(k), Reg. 7305.1
 - shareholder, received by, 15(5)
 - deductible
 - by employee, 8(1)(h.1)
 - by employer, 9(1)
 - parking for, taxable benefit, 6(1)(a), 6(1.1)
 - payments by, non-resident withholding tax, 212(13.3)
 - provided to employee
 - amount included in income, 6(1)(e), (k), 6(2)
 - cost includes GST, 6(7)
 - provided to partner
 - amount included in income, 12(1)(y)
 - provided to shareholder
 - amount included in income, 15(5)
 - purchase loan to employee, 15(2.4)(d)
 - salesperson, standby charge for use of vehicle, 6(2.1)
 - short-term rental/leasing, for
 - capital cost allowance, Reg. Sch. II:Cl. 16
 - standby charge, 6(1)(e)
 - reasonable amount, 6(2)
 - salesperson, reasonable amount, 6(2.1)
 - trade-in, allocation of consideration, 13(33)
 - used by employee, 6(1)(e), (k), 6(2)
 - used by shareholder, 15(5)
 - used in employment
 - costs, 8(1)(j)
 - zero-emission, *see* Zero-emission passenger vehicle; Zero-emission vehicle

Automotive equipment

- capital cost allowance, Reg. Sch. II:Cl. 10(a)
- large trucks and tractors, Reg. Sch. II:Cl. 16(g)

Automotive painter

- apprenticeship job creation credit, 127(9)“investment tax credit”

Automotive service technician

- apprenticeship job creation credit, 127(9)“investment tax credit”

Available-for-use rules

- capital cost allowance, 13(26)–(32), 20(28), (29), Reg. 1100(2)
- transfer of property to affiliated person, 13(21.2)(e)(iv)
- deduction against rental income, 20(28), (29)
- investment tax credit, 127(11.2)
- meaning of, 248(19)
- scientific research, 37(1.2)

Average actual carbon intensity

- change in, recapture of clean hydrogen credit, 127.48(18)–(24)
- defined, 127.48(1), (6)
- deemed greater than 4.25 in certain circumstances, 127.48(8)(c)(ii), (d)(i)(B)

Average actual emission intensity

- defined, for clean electricity credit, 127.491(1)
- excessive, recapture of clean electricity credit, 127.491(19)

Average annual rate of return

- defined
- for Canadian Entrepreneurs’ Incentive, 110.63(6)
- for capital gains exemption, 110.6(9)
- for qualifying cooperative conversion, 110.62(9)

Average Consumer Price Index

- defined, Reg. 8500(1)

“Average wage” for calendar year

- defined, 147.1(1)
- used in calculating money purchase limit, 147.1(1)“money purchase limit”

Averaging of income, *see also* Income-averaging annuity contract

- forward, *see* Forward averaging
- lump-sum payments, 110.2, 120.31
- RRSPs, 146(5), (8)
- by pledging RRSP as security, 146(7), (10)
- shareholder loans, 15(2), 20(1)(j)

Aviation fuel, *see* Fuel tax rebate (1992–1999)**Avoidance of tax, *see* Anti-avoidance rules****Avoidance transaction**

- defined
- for general anti-avoidance rules, 245(3)
- for reportable transaction rules, 237.3(1)
- reporting required, 237.3(2)

Award

- legal expenses of collecting salary, etc.
- included in employee’s income, 6(1)(j)
- personal injury
- election re capital gains, 81(5)
- income exempt, 81(1)(g.1), (g.2)

Away-from-home expenses, *see also* Special work site, employment at; Travelling expenses

- railway employees, 8(1)(e)
- transport employees, 8(1)(g)

B**BAPA (Bilateral Advance Pricing Agreement), *see* Advance Pricing Agreement****BCS Group case overruled, *Tax Court of Canada Act* s. 17.1(1.1) [see 169(1) Notes at “Lawyer required”]****BDC Capital Inc.**

- prescribed not to be a financial institution, Reg. 9000(b)

BEPS, *see* Base erosion and profit shifting, anti-avoidance rules**BHP Billiton-South32 spinoff, Reg. 5600(j)****BIL, *see* Business investment loss****BN, *see* Business Number****BP Canada case overruled, 237.5****Baby bonus, *see* Canada Child Benefit****Babysitting, *see* Child care expenses****Back-door butterfly, 88(1)(c)(vi), 88(1)(c.3), 88(1)(c.8)****Backman case overruled, 96(8)****Back-to-back loans**

- attribution rules, 74.5(6)
- loan by corporation to non-resident, 17(11.2)
- non-resident withholding tax, 212(3.1)–(3.81)
- shareholder loans, 15(2.16)–(2.192)
- thin capitalization rules, 18(6), (6.1)

Back-to-back royalties

- non-resident withholding tax, 212(3.9)–(3.94)

Bad debt

- change in control of corporation, limitation on deduction, 111(5.3)
- deductible, 20(1)(p)
- deemed disposition of, 50(1)(a)
- disposition of depreciable property, 20(4), (4.1)
- disposition of (former) eligible capital property, 20(4.2)
- insurer/moneylender
- inclusion in income, 12.4
- personal-use property, 50(2)
- recovered
- capital gain, 39(11)
- income, 12(1)(i), (i.1)
- restrictive covenant payment, 60(f)
- uncollectible proceeds of disposition, 20(4)–(4.2)
- where property seized by creditor, no deduction for principal, 79.1(8)

Baker

- apprenticeship job creation credit, 127(9)“investment tax credit”

Balance

- defined, for consequential reassessment, 152(4.4)
- transfer of, to different CRA account, 221.2

Balance disorder

- pressure pulse therapy device for, medical expense credit, Reg. 5700(z.4)

Balance-due day

- amalgamated corporation, 87(2)(oo.1)
- defined, 248(1)
- for CCUS credit and recovery tax, 211.94
- for trust’s year-end triggered by change in beneficiaries, 251.2(7)
- payment of tax by, 153(2), 155(1)(b), 156(1)(b), 156.1(1)“net tax owing”(b), 157(1)

Balance of annuitized voluntary contributions

- defined, 60.2(2)

Ballroom dancing relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(V), *see also* Qualifying tourism or hospitality entity**Bank, *see also* Financial institution**

- account in foreign country, disclosure to CRA, 233.3
- additional taxes on, 123.6 [annual], 191.5 [2022 only]
- cannot make Canadian securities election, 39(5)(b)
- defined, *Interpretation Act* s. 35(1)
- exempt from Part IV tax, 186.1(b)
- FAPI credit to offset Part XIII tax, 125.21
- FAPI rule flexibility, 95(2.31), (2.43)–(2.45), (3.01)
- foreign, *see* Authorized foreign bank; Foreign bank
- interference with remittance of tax, 227(5.2)–(5.4) (1995 draft, abandoned)
- liabilities of, determination for debt forgiveness reserve, 61.3(1)(b)C(ii)(B)
- mark-to-market rules, 142.2–142.6
- non-resident account reporting, *see* Common Reporting Standard
- offshore, whether income is FAPI, 95(1)“investment business”(a)(i), 95(2.11)
- receipt of tax payments by, 229 [repealed]

Bank (cont'd)

- remittance of source withholdings by large employers, 153(1), (1.4), Reg. 110
- Requirement for Information, electronic delivery of, 231.2(1.1)
- reserves
 - continuation of, on amalgamation, 87(2)(g.1)
 - prescribed reserve amount, Reg. 8000(a), (a.1)
- sperm, medical expense credit, 118.2(2)(v)
- surtaxes on, 123.6 [annual], 191.5 [2022 only]
- taxable income earned in a province, Reg. 404

Bank for International Settlements

- no withholding tax on interest payable to, Reg. 806.1

Bank or life insurer group member

- defined
 - for Canada Recovery Dividend (Part VI.2 tax), 191.5(1)
 - for surtax on banks and life insurers, 123.6(1)
- surtax on, 123.6(2), 191.5(2)

Banker's acceptances

- included in capital for large corporations tax, 181.2(3)(d)
- interest taxable to holder, 12(1)(c)
 - annual accrual, 12(4), (9)
- qualified investments for deferred income plans, Reg. 4900(1)(i.2)

Bankruptcy

- Act, *see Bankruptcy and Insolvency Act*
- "bankrupt" defined, 248(1)
- business income, effect on, 34.1(8)(b)
- corporation
 - dividends paid to, effect on dividend refund, 129(1.1)
 - general rules, 128(1)
- debt forgiveness rules inapplicable, 80(1)"forgiven amount" B(i)
- effect on Crown's priority for taxes withheld, 227(5)
- "estate of the bankrupt" defined, 248(1)
- individual
 - Canada Child Benefit, 122.61(3.1)
 - credits allowed, 118.95
 - GST credit, 122.5(7)
 - general rules, 128(2)
 - minimum tax not applicable, 127.55
 - tuition and education credit carryforward, 128(2)(f)(iv), 128(2)(g)(ii)
- legislation, *see Bankruptcy and Insolvency Act*
- receiver
 - return to be filed by, 150(3)
 - minimum tax carryover not applicable, 120.2(4)
 - withholding tax, 227(5), (5.1)
- shares of corporation in, 50(1)
- trustee in, *see also* Legal representative
 - clearance certificate, 159(2)
 - deemed to be legal representative, 248(1)"legal representative"
 - obligations of, 159
 - return required by, 150(3)
 - withholding tax, liability for, 227(5), (5.1)(f)

Bankruptcy and Insolvency Act

- charge registered under, 223(11.1)
- priority of garnishment order over, 224(1.2)

Bare trust, 104(1), *see also* Agent

- requirement to disclose details to CRA, 150(1.3), (1.31)

Barrister and solicitor, *see* Lawyer**Bars relief (COVID), Reg. 8901.1(2)(b)(ii), *see also* Qualifying tourism or hospitality entity****Base erosion and profit shifting, anti-avoidance rules**

- action items (2015), 95 (proposed amendments)
- country-by-country (CbC) reporting, 233.8
- cross-border rules, Canada-U.S. Tax Treaty:Art. XXIX-A:2(e)
- FAPI, 95(2)(a.1)–(b)

- hybrid mismatch arrangements, *see* Hybrid mismatch arrangement
- interest expense deduction
 - limited to 30% of EBITDA, 18.2, 18.21
 - thin capitalization, 18(4)–(8)
- limitation on benefits, Canada-U.S. Tax Treaty:Art. XXIX-A
- mandatory disclosure rules, 237.3–237.5
- purpose test, MLI Art. 7(1)
- thin capitalization, 18(4)–(8)
- transfer pricing, 247

Base level deduction

- real property corporations, 18(2.2)–(2.5)

Base percentage

- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)

Base taxation year (for OAS clawback)

- defined, 180.2(1)

Base year

- defined
 - for corporate inclusion of partnership income, 34.3(1)
 - for transitional rules for insurers (2023), 138(12), 142.51(1)

Baseball players, *see* Athlete**Baseline remuneration**

- defined, for COVID-19 wage subsidy, 125.7(1)

Basic activity of daily living

- defined, 118.4(1)(c), (d)
- markedly restricted, disability credit, 118.3(1)

Basic education, *see* Adult basic education**Basic herd**

- meaning of, 29(3)
- reduction in, 29(2)
- election re, 29(1)

Basic oxygen furnace gas

- defined, Reg. 1104(13)

Bathtub

- mechanical aid for getting into and out of, medical expense, Reg. 5700(g)

Beament case overruled, 250(1)(b)**Bearer bond etc.**

- coupon encashment requiring ownership certificate, 234
- withholding tax on payments to non-resident, 215(2)

Becoming a financial institution, 142.6(1)(a), (b)**Becoming non-resident, *see* Ceasing to be resident in Canada****Becoming resident in Canada, 128.1(1)**

- corporation
 - deemed dividends, 128.1(1)(c.1), (c.2)
 - effect on non-resident shareholder's cost, 52(8)
 - foreign affiliate of Canadian resident, 128.1(1)(d)
 - paid-up capital, effect on, 128.1(2), (3)
- deemed acquisition of property, 128.1(1)(c)
- deemed disposition of property, 128.1(1)(b)
- foreign affiliate, Reg. 5907(13)–(15)
- immigration trust, five-year non-taxability, *see* Immigration trust
- partner
 - cost base of properties owned by partnership, 96(8)
- taxation year-end and new taxation year, 128.1(1)(a)

Bed

- hospital, medical expense, Reg. 5700(h)
- reservation fee, for foster person, exempt, 81(1)(h)
- rocking, medical expense, 118.2(2)(i)

Bed & breakfast relief (COVID), Reg. 8901.1(2)(b)(i), *see also* Qualifying tourism or hospitality entity**Bed positioning device**

- disability supports deduction, 64(a)(ii)(S)

Bees

- keeping, constitutes farming, 248(1)“farming”

Behind-the-counter drugs, Reg. 5701**Belgium**, *see also* Foreign government

- film or video under treaty co-production, Reg. 1106(3)(f)
- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 5

“Beneficially interested” in a trust

- meaning of, 248(25)

Beneficiary

- amounts deemed not paid to, 104(13.1), (13.2)
- amounts deemed payable to, 104(24), (29)
- arm’s length from personal trust, deemed not to be, 251(1)
- capital cost allowance, deduction for, 104(16) [repealed]
- death of
 - separate return on, 104(23)(d)
- deemed income of, 104(27), (28)
- deferred profit sharing plan, under, 147(17)
- when plan was employees’ profit sharing plan, 147(11)
- defined, 18(5), 94(1), 108(1), 122(3), 146.6(1), 248(13), 251.1(3), 251.2(1), Reg. 8500(1)
- disposing of property previously held by trust
 - reduction of loss, 107(6)
- emigration of, 128.1(10)“excluded right or interest”(j), (k)
- employees profit sharing plan, under, 144(6)–(8)
 - former, refund to, 144(9)
- foreign tax credit, 104(22)–(22.4)
- immigration of, 128.1(10)“excluded right or interest”(j), (k)
- income of, 108(5)
- income payable to, 104(13)
- non-resident
 - distribution of property to, 107(5)
 - instalment obligation not increased, 107(5.1)
 - security to postpone payment of tax, 220(4.6)–(4.6.3)
 - dividends received on behalf of, 82(1)(e)
 - estate income paid to, withholding tax, 212(1)(c)
 - limitation on deduction in computing income of trust, 104(7)
 - trust income paid to, withholding tax, 212(1)(c)
- non-taxable dividends, designation re, 104(20)
- preferred
 - defined, 108(1)
- election re accumulating income, 104(14)
- qualifying environmental trust, credit for, 127.41
- registered education savings plan, under, 146.1(1)“beneficiary”
- rights or things transferred to, 70(3)
- share of pension etc. benefits received by estate, 104(27)–(28)
- superannuation or pension benefit, share of, 104(27)
- taxable capital gain, designation by trust, 104(21)–(21.3)
- taxable dividends received by trust, designation re, 104(19)
- trust, of
 - defined, 108(1)“beneficiary”
- depreciable property acquired with government assistance, 13(7.2)
- inducement payments or reimbursement received by, 12(2.1)
- to be reported to CRA, Reg. 204.2(1)(a)

Benefit

- automobile available to shareholder, 15(5), (7)
- automobile operation, re, 6(1)(a)(iii), 6(2.2)
- conferred on person
 - amount included in income, 56(2), 246(1)
 - by charity, *see* Undue benefit
- conferred on shareholder, 15(1), (7), (9)
- loan forgiven, 15(1.2)
- death, *see* Death benefit
- deferred profit sharing plan, under, 147(10)–(10.2)
 - defined, 248(1)
- defined

- Home Buyers’ Plan, 146.01(1)
- labour requirements for ITCs, 127.46(1)
- Lifelong Learning Plan, 146.02(1)
- policy reserves in insurance business, Reg. 1408(1)
- registered retirement savings plan, 146(1)“benefit”
- employee benefit plan, 6(1)(g)
- employment, related to, 6(1)(a)
 - automobile, 6(1)(e), (k), 6(2)
 - exclusions from income, 6(1)(a)(i)–(v)
 - GST included in benefit, 6(7)
 - group term life insurance, 6(1)(a)(i), 6(4), Reg. 2700–2704
 - housing loss, 6(19)–(22)
 - housing subsidy, 6(23)
 - loan to employee, 6(9)
 - loss in value of home on relocation, 6(19)–(22)
 - scholarship for employee’s relatives, 6(1)(a)(vi)
 - stock options, 7
- employment insurance, 6(1)(f)
- forgiveness of debt
 - owing by employee, 6(15), (15.1)
 - owing by shareholder, 15(1.2), (1.21)
- government assistance program, prescribed
- overpayment repaid, deductible, 60(n)(v)
- taxable, 56(1)(a)(vi), Reg. 5502
- group term life insurance premium, portion taxable, 6(4)
- indirect, 56(2)
- information returns, Reg. 200
- loan to employee, officer or personal services corporation, 80.4(1)
 - deemed interest, 80.5
- loan to personal services business
 - included in income, 12(1)(w)
- loan to shareholder, 80.4(2)
 - deemed shareholder benefit, 15(9)
- northern and isolated areas
- credit, 110.7
- prescribed northern zone and intermediate zone, Reg. 7303.1
- prescribed, *see* Prescribed benefit
- provision, *see* Benefit provision
- registered national arts service organization, from, 56(1)(z.1)
- registered retirement savings plan, under, 146(8)–(8.91)
 - defined, 146(1)“benefit”
- retirement savings, 146.3(5)
- shareholders’, taxable, 15(1), (7), (9)
- stock dividend paid, 15(1.1)
- superannuation or pension, 56(1)(a)
 - defined, 248(1)
- trust, estate, contract, etc., from, 12(1)(m), 105(1)
- unemployment insurance
 - repayment of, 110(1)(i)

Benefit on death

- defined, Reg. 310, 1401(3)

Benefit provision

- defined, Reg. 8500(1)

Benevolent or fraternal benefit society, *see also* Non-profit organization

- exemption, 149(1)(k)
- limitation, 149(3), (4)

Bequest, *see also* Death of taxpayer

- debt forgiveness rules do not apply, 80(2)(a)
- to charity, 149.1(1)“enduring property”(a)

Bermuda, *see also* Foreign government

- stock exchange recognized, 262

Betting losses, Canada-U.S. Tax Treaty:Art. XXII:3**Beverages**

- expenses for, *see* Entertainment expenses (and meals)

Bifurcating an appeal, 171(2)

Bijuralism

- legislation to apply to both common law and civil law, *Interpretation Act*, ss. 8.1, 8.2

Bilateral convention, *see* Tax treaty**Bill, post-dated, sale of**, 20(1)(e), 248(1)“borrowed money”**Billed-basis accounting**

- transition to accrual accounting for professionals 2017–20, 10(14.1), 34

Biogas

- defined, Reg. 1104(13)
- production equipment, capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(xiii), 43.2(b)

Bio-oil

- defined, Reg. 1104(13)
- equipment, capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(xi), 43.2(b)
- included in eligible waste fuel, Reg. 1104(13)“eligible waste fuel”

Birth control services

- defined, 149.1(1)
- disclosure required by charity, 149.1(27)–(30), Reg. 3703(d)

Bison, 80.3(1)“breeding animals”**Bitumen development phase**

- defined, Reg. 1104(2)

Bitumen mine development project

- defined, 66.1(6)

Bitumen upgrading development project

- defined, 66.1(6)

Bituminous sands

- constitutes tar sands, 248(1)“tar sands”
- defined, 248(1)
- deposit, exploration for
 - excluded from CEE, 66.1(6)“Canadian exploration expense”(g), (g.2)
 - excluded from CRP, 66(15)“Canadian resource property”(b)(ii), (e), (f)
- determination of viscosity and density, Reg. 1107
- well for, is not oil or gas well, 248(1)“oil or gas well”

Bituminous sands, included in definition of “mineral”, 248(1)**Bituminous sands equipment**

- defined, Reg. 1206(1)
- proceeds of disposition, 59(3.3)(c)

Black liquor, *see* Spent pulping liquor**Blackburn Radio case overruled**, 152(4)(b)(iii)(B)**Blast furnace gas**

- defined, Reg. 1104(13)

Blended payment, interest and principal, 16(1)

- paid to non-resident, 214(2)

Blind person, *see also* Mental or physical impairment

- Braille note-taker
- disability supports deduction, 64(a)A(ii)(O)
- medical expense credit, Reg. 5700(y)
- computer-operating aids
 - disability supports deduction, 64(a)A(ii)(C)
 - medical expense, Reg. 5700(o)
- deaf-blind intervening services
 - disability supports deduction, 64(a)A(ii)(M)
 - medical expense credit, 118.2(2)(1.44)
- devices to assist, business expense, 20(1)(rr)
- guide dog, expenses
 - disability supports deduction, 64(a)A(ii)(Y)
 - medical expense credit, 118.2(2)(l)
- parking paid by employer, not taxable benefit, 6(16)
- print-reading aids
 - disability supports deduction, 64(a)A(ii)(D), (Q)
 - medical expense credit, Reg. 5700(l), (l.1)
- reading services

- disability supports deduction, 64(a)A(ii)(L)
- medical expense credit, 118.2(2)(1.43)
- transportation paid by employer, not taxable benefit, 6(16)

Bliss symbol board

- disability supports deduction, 64(a)A(ii)(N)
- medical expense credit, Reg. 5700(x)

Block of shares

- defined, Reg. 4803(1)

Block of units

- defined, Reg. 4803(1)

Blocked currency

- FAPI reserve, 91(2)
- income in, postponement of tax, 161(6)

Blocking deficits (FAPI)

- anti-avoidance rules, Reg. 5905(7.1)–(7.7)

Blood coagulation monitor

- medical expense credit, Reg. 5700(s.1)

Blood relationship

- defined, 251(6)

Blood sugar

- measuring device for diabetics, medical expense, Reg. 5700(s)

Board and lodging

- railway employees, 8(1)(e)
- special work site, 6(6)
- transport employees, 8(1)(g)
- value of, includable in income, 6(1)(a)

Board of trade

- exemption, 149(1)(e), 149(2)
- information return, whether required, 149(12)

Boat

- cost over \$250,000, *see* Luxury Items Tax

Boat harbour relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(III), *see also* Qualifying tourism or hospitality entity**Boilermaker**

- apprenticeship job creation credit, 127(9)“investment tax credit”

Bond, *see also* Debt obligation; Investment contract; Obligation; Specified debt obligation

- accrued interest
 - information return, Reg. 211
 - treatment of, 20(14)
- bearer, *see* Bearer bond etc.
- Canadian Government, 212(1)(b)(ii)
- conversion of, 51.1; ITAR 26(25)
- convertible, exchanged for share, 51
- cost base, additions to, 53(1)(g)
- coupon identification, 240(2)
- credit-related gains and losses, 142.4(7)B
- discount
 - deduction for, 20(1)(f)
 - limitation on deductibility of payments on, 18(1)(f)
 - when deemed to be interest, 16(3)
- expropriation assets for sale of foreign property, 80.1
- foreign corporation, eligible for RRSP investment, Reg. 4900(1)(p)
- foreign government, qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(o))
- identical properties
 - disposition of, 47(2)
 - meaning, 248(12)
- income
 - defined, 248(1)
 - foreign affiliate, issued by, 95(5)
 - interest on, deemed dividend, 15(3)
 - non-resident corporation, 15(4)
- issued at discount, yield treated as interest, 16(3)
- predecessor corporation, of, 87(6), (7)

Bond (*cont'd*)

- premium, reserve, *see* Reserve: unamortized bond premium
- provincial, taxable at reduced rate, 212(6)–(8)
- purchase of on open market, by issuer, 39(3)
- reserve for unamortized premium, *see* Reserve: unamortized bond premium
- sale of, 20(21)
- small business, *see* Small business bond
- small business development, *see* Small business development bond
- stripped, cost of coupon excluded from income when sold, 12(9.1)
- transferred, interest on, 20(14)

Bone marrow transplant

- expenses of, tax credit for, 118.2(2)(1.1)

Bonus, *see also* Signing bonus

- cash, Canada Savings Bond, 12.1
- information return, Reg. 220
- employment
- unpaid, 78(4)
- withholding of tax at source, 153(1)(a), Reg. 103

Bonus interest payment

- credit union, by
- deduction, 137(2)
- defined, 137(6)

Bonus payments

- employees, 5(1) (taxes as salary)

Book

- capital cost allowance for, Reg. Sch. II:Cl. 12(a)
- talking textbook, medical expense, *see* Talking textbooks

Bookkeeping services

- penalty for misrepresentation, 163.2(9)

Books and records, *see also* Documents

- destruction of, penalty, 239(1)
- inspections, 231.1
- outside Canada, 143.2(13), (14), 231.6
- political contributions, 230.1
- required to be kept, 230(1)
- electronic records, 230(4.1), (4.2)
- failure to keep, 230(3)
- offence and penalty, 238(1)
- lawyers, 230(2.1)
- registered Canadian amateur athletic association, 230(2)
- registered charity, 230(2)
- retention of, 230(4)–(8), Reg. 5800
- for CCUS credit, 26 years after last credit, 211.95
- transfer pricing, 247
- transfer pricing, for, contemporaneous, 247(4)

Boot, *see* Non-share consideration (boot)**Border residents**, *see* Commuter to United States**Borrowed money**, 20(2), (3)

- costs, capitalized, 21
- defined, 248(1)
- depreciable property, for, 21(3)
- election to capitalize, 21(1)
- exploration/development, for, 21(4)
- extended meaning of, 20(2), (3)
- interest paid on, 20(1)(c)
- loss of source of income, 20.1(1)
- purposes used for, deemed, 20(2), 20(3), 20.1
- refinanced, 20.1(6)
- used to acquire partnership interest, 20.1(5)
- used to invest in RRSP, RDSP, RESP, PRPP or TFSA, no deduction for interest, 18(11)

Borrower

- defined, for interest deduction restrictions, 18.2(1)“exempt interest and financing expenses”

Borrowing

- allocations in proportion to
- deduction, 137(2)
- defined, 137(6)
- defined, for interest deduction restrictions, 18.2(1)“exempt interest and financing expenses”
- expense of, 20(1)(e)

Borrowing party

- defined, for upstream loan transitional rules, 39(2.1)

Bosnia

- Canadian Forces personnel and police serving in, no tax on income, 110(1)(f), Reg. 7500(a) [repealed]

Botanical gardens relief (COVID), Reg. 8901.1(2)(b)(iv), *see also* Qualifying tourism or hospitality entity**Bottle deposits**

- taxable as income, 12(1)(a)(ii)
- deduction when repaid, 20(1)(m.2)

Bounced cheque, *see* Cheque: dishonoured**Bounty payments**, *see* Informant payments (for leads on international tax evasion)**Bourse de Montréal Inc.**

- prescribed securities exchange investment, Reg. 9002.2(d)

Bovine animals

- breeding, 80.3(1)“breeding animals”
- inventory, valuation of, 28(1.2)

Brace (limb or spinal), as medical expense, 118.2(2)(i)**Brady bond**

- excluded from mark-to-market rules, 142.2(1)“mark-to-market property”(e), Reg. 6209(b)(i), 9002(1)(d)
- reserve in respect of, Reg. 8006“specified loan”

Braille note-taker

- disability supports deduction, 64(a)A(ii)(O)
- medical expense credit, Reg. 5700(y)

Braille printer

- disability supports deduction, 64(a)A(ii)(C)
- medical expense credit, Reg. 5700(o)

Brambles-Recall spinoff, Reg. 5600(i)**Branch advance**

- defined, 20.2(1)

Branch financial statements

- Canadian income of foreign bank calculated using, 115(1)(a)(ii)
- defined, 20.2(1)

Branch interest tax, 218.2**Branch tax**, 219

- exemption for first \$500,000 of profits, Canada-U.S. Tax Treaty:Art. X:6(d)
- investment allowance, Reg. 219(1)(j), 808
- non-resident investment or pension fund, exclusion, 115.2
- tax treaty dividend rate limitation to apply, 219.2

Brant case overruled, 224(1.4), 227(4.3)**Breakdown of marriage**, *see* Divorce and separation**Breakwater**

- capital cost allowance for, Reg. Sch. II:Cl. 3, Sch. II:Cl. 6

Breast prosthesis

- medical expense, Reg. 5700(j)

Breeding animals/herd

- defined, 80.3(1)

Breeding bee stock

- defined, 80.3(1)
- tax deferral in drought or flood regions, 80.3(4.1)

Breeding bees, *see also* Breeding bee stock

- defined, 80.3(1)

Bribes

- no deduction for, 67.5

Bricklayer

- apprenticeship job creation credit, 127(9)“investment tax credit”

Bridge

- capital cost, 13(7.5)(b), Reg. 1102(14.3)
- capital cost allowance for, Reg. Sch. II:Cl. 1(a)

Bridging benefits

- employment insurance income replacement benefits, 56(1)(r)(iv)
- pension income credit, 118(8.1)
- pensions, defined, Reg. 8500(1)

Britain, see United Kingdom**British Columbia, see also** Province

- Forestry Revitalization Trust, *see* Forestry Revitalization Trust
- labour-sponsored venture capital corporation of
 - prescribed, Reg. 6700(a)(vi), (x), Reg. 6700.1
- logging tax, credit for, 127(1), (2), Reg. 700
- Mackenzie, northern resident deduction, Reg. 7303.1(2)(a)
- northern, *see* Northern Canada
- tax rates, *see* introductory pages
- Vancouver, international banking centre until 2013, 33.1(3)

British Commonwealth

- defined, *Interpretation Act* 35(1)

Broad participation retirement fund

- defined, for Common Reporting Standard, 270(1)

Broadcaster

- prescribed person for Canadian film/video tax credit, Reg. 1106(7)

Broadcasting

- defined, *Interpretation Act* 35(1)
- royalties paid to U.S. resident, Canada-U.S. Tax Treaty:Art. XII:3(d)

Broadcasting undertaking

- foreign, defined, 19.1(4)
- limitation re advertising expenses, 19.1(1)

Broker, see also Registered securities dealer; Securities: dealer, trader or agent

- dividend received by
 - withholding tax, 153(4), (5)
- insurance, reserve for, 32(1)

Brother

- deemed not related on butterfly transaction, 55(5)(e)
- dependent, 118(6)(b)
- includes brother-in-law or in common-law, 252(2)(b)
- sharing of RESP assets, 204.9(5)(c)(ii)

Buccini case overruled, 7(1.7)**Budget surplus**

- personal income tax cuts, 118(3.1)–(3.3) (Notes)

Building

- additions/alterations
 - capital cost allowance, Reg. Sch. II:Cl. 3, Sch. II:Cl. 6(i), Sch. II:Cl. 6(k)
 - class of property acquired, Reg. 1102(19)
 - disability-related
 - deductible, 20(1)(qq)
 - medical expense credit, 118.2(2)(l.2)
- capital cost allowance for, Reg. Sch. II:Cl. 1(q), Sch. II:Cl. 3, Sch. II:Cl. 6(a), Sch. II:Cl. 8
 - manufacturing or processing, used in, Reg. 1100(1)(a.1)
 - non-residential, additional allowance, *see* Eligible non-residential building
- construction, capitalization of soft costs, 18(3.1)–(3.7)
- deduction before available for use, 20(28), (29)
- mine, capital cost allowance, Reg. Sch. II:Cl. 10(g), Sch. II:Cl. 41
- multiple-unit residential, Reg. 1101(5b)
- separate classes for capital cost allowance, Reg. 1101(5b)

- non-residential, *see* Eligible non-residential building
- proceeds of disposition allocated between land and, 13(21.1), 70(5)(d)
- rent paid before acquisition, deemed CCA, 13(5.2)
- rental properties, limitation on CCA, Reg. 1100(11)–(14.2)
- scientific research expenditures, limitations, 37(8)(d)(i), (ii), Reg. 2900(11)
- scientific research expenditures on, 37(8)(d)
- separate class
 - multiple-unit residential building (acquired by 1987), Reg. 1101(5b)
 - rental property costing over \$50,000, Reg. 1101(1ac)–(1ae)
 - where non-residential use, Reg. 1101(5b.1), *see* Eligible non-residential building
- separate class, where cost over \$50,000, Reg. 1101(1ac), (1ad), (5b)
- special-purpose, defined, Reg. 2903
- when available for use, 13(28)

Bump

- denial rule, 88(1)(c)(vi)
- of asset costs, on windup of corporation, 88(1)(d)
 - amendment to bump designation, 88(1.8), (1.9)

Burden of proof

- on Minister
 - failure to report capital gain resulting in denial of exemption, 110.6(6)
 - penalty, 163(3)
- on taxpayer challenging assessment, 152(7)

Burial services, see Eligible funeral arrangement; Funeral services**Bursary, see** Scholarship**Bus and truck operators**

- allocation of income among provinces
 - corporation, Reg. 409
 - individual, Reg. 2604

Bus driver

- expenses, 8(1)(g)

Buses (charter) relief (COVID), Reg. 8901.1(2)(b)(vii), see also Qualifying tourism or hospitality entity**Business, see also** Adventure in the nature of trade; Business or property income

- adjustment time, defined, 14(5) [before 2017]
- carrying on in Canada
 - extended meaning of, 253
 - losses, *see* Non-capital loss; Loss(es)
 - non-residents, 2(3)
- cessation, *see* Ceasing to carry on business
- defined, 248(1)
- disposition of by proprietor, 25
- expansion, 44(1), (5)
- expenses, *see* Expenses
- farming or fishing, 28
- income from, *see also* Business or property income
 - defined, 9(1)
 - earned in a province, Reg. 2603
 - limitations, Reg. 2606
 - home office expenses, conditions for deductibility, 18(12)
 - more than one business, Reg. 2605
- limit, *see* Business limit
- losses, *see* Non-capital loss; Loss(es)
- more than one
 - income earned in a province, Reg. 2605
- profits, 9(1), Canada-U.S. Tax Treaty:Art. VII
- proprietor's income from, 11(1)
- separate, *see* Separate business
- small, *see* Small business corporation
- termination of, *see* Ceasing to carry on business
- transfer of, to corporation or spouse, 24(2)

Business corporation, foreign, *see* Foreign business corporation

Business Development Bank of Canada

- prescribed not to be a financial institution, Reg. 9000(a)

Business entity

- defined, for country-by-country reporting, 233.8(1)

Business-income tax (foreign)

- deduction for, 126(2), (2.1)
- defined, 126(7)
- for trusts, 104(22.4)

Business investment loss

- allowable, *see also* Allowable business investment loss
- carryforward, 111(1)(a), 111(8)“non-capital loss”
- deduction for, 3(d)
- bad debt, 50(1)(a)
- change of control of corporation, rules, 111(8)“net capital loss”C(b)
- deduction from, 39(9), (10)
- meaning, 39(1)(c)
- shares of bankrupt corporation, 50(1)(b), 50(1.1)

Business limit

- anti-avoidance rule, 125(9)
- assignment of, to another corporation, 125(3.1), (3.2)
- defined, 125(2)–(5.1), 248(1)
- effect on enhanced investment tax credit, 127(10.2), 127.1(2)“qualifying corporation”
- large corporation, 125(5.1)(a)
- limits small business deduction, 125(1)(c)

Business Number, *see also* Social insurance number

- defined, 248(1)
- disclosure to public, 241(9.3), (9.4)
- holder of, disclosure of information to other governments, 241(4)(l)
- other governments required to use to permit disclosure of information, 241(9.2)
- penalty for failure to provide, 162(6)
- provision of, to provinces and other government departments, 241(4)(l)
- regulations requiring provision of, 221(1)(d.1)
- requirement to provide, 237(1.1), (2)
- tax shelter information return, 237.1(7)

Business or property income, 12

- accrued interest on debt obligation, 12(3), (4), (9)
- amounts received for services to be rendered etc., 12(1)(a), 12(2)
- automobile provided to partner, 12(1)(y)
- bad debts recovered, 12(1)(i), (i.1)
- benefits from estates, trusts, etc., 12(1)(m)
- deductions from
 - not allowed, 18
 - permitted, 20(1)
- dividends, 12(1)(j), (k)
- eligible capital amount to be included, 14(1) [before 2017]
- employee benefit plan
 - amounts received from, 12(1)(n.1)
- employee trust, amounts received, 12(1)(n)
- employees profit sharing plan, amounts received from, 12(1)(n)
- employment tax deduction, 12(1)(q)
- energy conversion grant, 12(1)(u)
- forfeited amounts under salary deferral arrangements, 12(1)(n.2)
- home insulation grant, 12(1)(u)
- inducement payments, 12(1)(x)
 - prescribed amount, Reg. 7300
 - received by beneficiary of trust, or partner, 12(2.1)
- insurance proceeds expended, 12(1)(f)
- interest, 12(1)(c)
- inventory adjustment, 12(1)(r)
- investment tax credit, 12(1)(t)

- life insurance policies, accumulating fund, 12.2
- partnership, 12(1)(l)
- payments based on production or use, 12(1)(g)
- personal services business
 - loan from employer, 12(1)(w)
- reimbursement, 12(1)(x)
 - prescribed amount, Reg. 7300
 - received by beneficiary of trust, or partner, 12(2.1)
- reserves
 - certain goods and services, for, 12(1)(e)
 - doubtful debts, for, 12(1)(d)
 - guarantees etc., for, 12(1)(d.1)
 - quadrennial survey, for, 12(1)(h)
- retirement compensation arrangement, amounts received under, 12(1)(n.3)
- scientific research deduction, 12(1)(v)
- services rendered, amounts receivable for, 12(1)(b), 12(2)
- western grain stabilization payments, 12(1)(p)

Business property, *see* Former business property

Butterfly denial rules, 55(3.1)

Butterfly transaction, 55(3)(b)

- back-door rule, 88(1)(c)(vi), 88(1)(c.3), 88(1)(c.8)
- capital gains exemption disallowed, 110.6(7)(a)
- definitions, 55(1)
- excluded from capital gains strip rules, 55(3)(b)
 - exception for purchase butterfly, 55(1)“permitted exchange”, (3.1), (3.2)
- no acquisition of control on spin-off distribution, 256(7)(a)(i)(E)

Buyback tax, *see* Stock buyback tax

Buy-sell agreement

- tax indemnity does not trigger mandatory reporting rules, 237.3(1)“contractual protection”(a)(ii)(B)

C

CAE Inc. case overruled, 12(1)(x)(ix), 12(11)“excluded loan”, 13(7.1)(b.2), 127(9)“government assistance”

CAI (Climate Action Incentive, now Canada Carbon Rebate), 122.8

CAIS, *see* Canadian Agricultural Income Stabilization program

CAM production (Cathode active materials)

- defined, for EV supply chain investment tax credit, 127.492(1)

CCA, *see* Capital cost allowance

CCB, *see* Canada Child Benefit

CCDE, *see* Cumulative Canadian development expense

CCOGPE, *see* Cumulative Canadian oil and gas property expense

CCPC, *see* Canadian-controlled private corporation

CCPC rate reduction percentage

- defined, 123.4(1)

CCRA (Canada Customs & Revenue Agency), *see* Canada Revenue Agency

CCT, *see* Character conversion transaction

CCTB [Canada Child Tax Benefit], *see* Canada Child Benefit

CCUS, *see* Carbon capture, utilization and storage

CCUS process

- defined, 127.44(1)
- Dept. of Natural Resources technical guide applies, 127.44(9)(f)
- for clean hydrogen tax credit, 127.44(1), 127.48(1)

CCUS project

- defined, 127.44(1), Reg. 1104(2)
- qualified, *see* Qualified CCUS project

CCUS refurbishment tax credit

- applied to generate tax credit, 127.44(2)(a)
- defined, 127.44(5)

CCUS tax credit, 127.44

- allowed as refundable credit, 127.44(2)
- amalgamation, effect of, 87(2)(qq.1)
- apprenticeship requirements, 127.46(5), (7)
- climate risk disclosure report, *see* Climate risk disclosure report
- credit repayable (Part XII.7 tax), 211.92
- deducted from tax or refunded, 127.44(2)
- deemed to be government assistance for ITC rules, 127(9)“government assistance”
- defined, 127.44(1)
- depreciable property acquired before change of control, 13(24), (25)
- expenditures unpaid after 180 days, 127.44(12)
- instalments reduced to reflect credit, 157(3)(e), 157(3.1)(c)
- investment tax credit, 127.44(2)
- knowledge sharing required, 211.93(1)(a)
- labour requirements, 127.46(3), (6)
- late filing, 127.44(17), 220(2.2)
- non-government assistance reduces credit, 127.44(9)(a)(ii)
- partnership, allocation to partners, 127.44(11)
 - • ACB of partnership interest, 53(1)(e)(viii), 53(2)(c)(vi.1)
 - • limited partner, rules, 96(2.1)(b)(ii), 127.44(11)
 - • unreasonable allocation, 127.47(2)
- purpose of credit, 127.44(15)
- recovery tax (Part XII.7), 211.92, *see also* Recovery tax (CCUS credit)
- refundable credit, 127.44(2)
- tax shelter investment, credit denied, 127.44(16)
- windup, effect of, 88(1)(e.31)

CD, *see* Audio tapes or CDs; Capital dividend; Commencement day

CDA, *see* Capital dividend account

CDCP, *see* Canadian Dental Care Plan

CDE, *see* Canadian development expense

CDS Innovations Inc.

- website postings required by publicly traded partnerships, Reg. 229.1
- website postings required by publicly traded trusts, Reg. 204.1

CDSB, *see* Canada Disability Savings Bond

CDSG, *see* Canada Disability Savings Grant

CEC, *see* Cumulative eligible capital (pre-2017)

CEDC, *see* Community Economic Development Corporation (Nova Scotia)

CEDOE, *see* Canadian exploration and development overhead expense

CEE, *see* Canadian exploration expense

CEI, *see* Canadian Entrepreneurs' Incentive

CERB, *see* Canada Emergency Response Benefit (CERB)

CERS, *see* Canada Emergency Rent Subsidy

CESG, *see* Canada Education Savings Grant

CETC, *see* Clean economy tax credit; Clean electricity tax credit (investment tax credit)

CEWS, *see* Canada Emergency Wage Subsidy (CEWS)

CFA, *see* Cash flow adjustment; Controlled foreign affiliate

CFR carbon intensity

- defined, for clean hydrogen tax credit, 127.48(1)

CFVPC, *see* Canadian film or video production certificate

CH, *see* Clean hydrogen

CHITC (Clean hydrogen investment tax credit), *see* Clean hydrogen tax credit (investment tax credit)

CHTC, *see* Clean hydrogen tax credit (investment tax credit)

CIF, *see* Canadian investment fund

CIDA, *see* Canadian International Development Agency

CMETC, *see* Critical Mineral Exploration Tax Credit

CNIL, *see* Cumulative net investment loss

COGPE, *see* Canadian oil and gas property expense

COIN, *see* Canadian option interest note

COVID-19

- air quality improvement credit, 127.43
- automobile operating expenses relief, 6(2.2)
- automobile standby charge relief, 6(2.3)
- Canada Emergency Rent Subsidy, 125.7(2.1)
- Canada Emergency Wage Subsidy, 125.7(2) (*see* Canada Emergency Wage Subsidy (CEWS))
- child care expense need not be to earn income, 63(3.1)(a)
- deferred salary leave plan relief, Reg. 6801.1
- disability supports deduction need not be to earn income, 64.01(a)
- earned income for child-care and disability support includes COVID-19 support, 63(3.1)(b), 64.01(b)
- emergency Child Tax Benefit for May 2020, 122.61(1.01)
- emergency GST Credit for 2020, 122.5(3.001)
- emergency wage subsidy for employers
 - • 10% (applied to source withholdings), 153(1.02)–(1.04)
 - • 75% (paid by CRA), 125.7 (*see* Canada Emergency Wage Subsidy (CEWS))
- employee benefits, 6(1)(a) (Announced Administrative Change)
- extension of deadline
 - • appeals and objections, *Time Limits and Other Periods Act* [see 152(3.1) Notes]
 - • for property rollover, 13(4.01), 44(1.01)
- flow-through share rules extensions, 66(12.6001), (12.731), 211.91(2.1)
- home office expenses, 8(13) (Announced Administrative Change)
- lockdown support, 125.7(2.1)B
- reduced minimum amount
 - • for RRIF, 146.3(1.4), (1.5)
 - • for variable benefits under pension plan, Reg. 8506(7.1)
- registered pension plan relief
 - • borrowing permitted, Reg. 8502(i.1)
 - • eligible period of reduced pay, Reg. 8500(1.3)
 - • retroactive benefits for 2019, Reg. 8308(4.1)
 - • retroactive contributions for 2019, Reg. 8308(5.1)
 - • retroactive contributions for 2020–21, Reg. 8308(5.2), (5.3)

CPI (Consumer Price Index) adjustment, *see* Indexing (for inflation)

CPP, *see* Canada Pension Plan / Quebec Pension Plan

CRA, *see* Canada Revenue Agency

CRB, *see* Canada Recovery Benefit (CRB)

CRCB, *see* Canada Recovery Caregiving Benefit

CRCE, *see* Canadian renewable and conservation expense

CRD, *see* Climate risk disclosure report

CRHP, *see* Canada Recovery Hiring Program

CRIC

- defined [corporation resident in Canada], 15(2.11), 212.3(1), 219.1(2)(c)

CRTC, *see* Canadian Radio-television and Telecommunications Commission

CSIS, *see* Canadian Security Intelligence Service

CSM, *see* Contractual service margin

CSOH, *see* Pre-1972 capital surplus on hand

CSST payment, *see* Workers' compensation payment

CTITC, *see* Clean technology investment tax credit

CTM investment tax credit (Clean technology manufacturing investment tax credit), 127.49

- allowed as refundable credit, 127.49(2)
- amalgamation, effect of, 87(2)(qq.1)
- amount of credit, 127.49(1)“CTM investment tax credit”, “specified percentage”
- assistance reduces credit, 127.49(5)(c)

CTM investment tax credit (Clean technology manufacturing investment tax credit) (*cont'd*)

- conversion of property to non-CTM use or sale, recapture, 127.49(11)–(18)
- deadline for filing claim, 127.49(3), 220(2.2)
- deducted from tax or refunded, 127.49(2), (6)
- deemed to be government assistance for ITC rules, 127(9)“government assistance”
- defined, 127.49(1)
- depreciable property acquired before change of control, 13(24), (25)
- disposition of property, recapture, 127.49(11)–(18)
- expenditures unpaid after 180 days, 127.49(9)
- export of property, recapture, 127.49(11)–(18)
- government assistance reduces credit, 127.49(5)(c)
- instalments reduced to reflect credit, 157(3)(e), 157(3.1)(c)
- investment tax credit, 127.49(2)
- late filing, 127.49(3), 220(2.2)
- partnership, allocation to partners, 127.49(8)
 - ACB of partnership interest, 53(1)(e)(xiii), 53(2)(c)(vi.3)
 - limited partners, rules, 96(2.1)(b)(ii), 127.47
 - recovery and recapture rules, 127.49(16)–(18)
 - unreasonable allocation, 127.47(2)
- payable to taxpayer, 127.49(2)
- purpose of credit, 127.49(19)
- refundable credit, 127.49(2)
- tax shelter investment, credit denied, 127.49(10)
- unpaid portion of purchase price after 180 days, 127.49(9)
- windup, effect of, 88(1)(e.31)

CTM property

- defined, 127.49(1)
- exclusions from capital cost for purposes of credit, 127.49(5)

CTM use

- defined, 127.49(1)

CTMITC, *see* CTM investment tax credit (Clean technology manufacturing investment tax credit)

CTSP, *see* Computer tax shelter property

CUEC, *see* Cumulative unused excess capacity

CWLB, *see* Canada Worker Lockdown Benefit

CWB, *see* Canada Workers Benefit; Canadian Wheat Board

Cabinetmaker

- apprenticeship job creation credit, 127(9)“investment tax credit”

Cable

- fibre optic, capital cost allowance, Reg. Sch. II:Cl. 42
- included in definition of “telecommunication”, *Interpretation Act* 35(1)
- systems interface equipment, Reg. Sch. II:Cl. 10(v)

Caisse populaire, *see* Credit union

Calcium chloride

- extraction of, 248(1)“mineral resource”(d)(ii)
- included in definition of “mineral”, 248(1)

Calculating currency

- defined, for FAPI rules, 95(1)

Calculation period

- defined, 20.2(1)

Calendar year

- defined, *Interpretation Act* 37(1)(a)
- taxation year described by reference to, 249(1.1)

Cameco case overruled, 231.1(1)(d)

Camp, expenses of

- deductible as child care expenses, 63(3)“child care expense”
- not deductible, 18(1)(l)(i)

Campsites relief (COVID), Reg. 8901.1(2)(b)(x)–(xii), *see also* Qualifying tourism or hospitality entity

Canada

- defined, 255, *Income Tax Conventions Interpretation Act* 5, *Interpretation Act* 35(1), Canada-U.S. Tax Treaty:Art. III:1(a)
- application to continental shelf, *Interpretation Act* s. 8(2.2)
- application to exclusive economic zone, 37(1.3), *Interpretation Act* s. 8(2.1)
- government of, *see* Government
- incorporated in, defined, 248(1)“corporation”, “corporation incorporated in Canada”
- resident of, *see* Resident of Canada

Canada Business Corporations Act

- disclosure of corporate shareholders, *see* Individuals with Significant Control (of corporations)

Canada Carbon Rebate, 122.8

- liability for refund of overpayment, 160.1(1.2)

Canada Caregiver Credit (infirm adult dependant), 118(1)(B)(d)

Canada Child Benefit, 122.6–122.63, *see also* Universal Child Care Benefit (pre-July 2016)

- agreement with province to vary amount, 122.63
- amount of, 122.61(1)
- attribution rules inapplicable to amounts paid, 74.1(2)
- change in spousal status, notice to CRA required, 122.62(5)–(8)
- confidentiality of information, 241(4)(j.2)
- death of child, 122.62(9)–(12)
- definitions, 122.6
- eligible individual, 122.6, 122.62, Reg. 6300–6302
- not to be assigned, attached, garnished, etc., 122.61(4)
- overpayment of, 160.1(1)
 - no interest on, 160.1(1)(b), 160.1(3)
 - part-year residents, 122.61(3)
- reversionary trust rules inapplicable to amounts put in trust, 75(3)(d)
- young child supplement, 122.61(1.2)

Canada Child Tax Benefit, *see* Canada Child Benefit

Canada Customs and Revenue Agency, *see* Canada Revenue Agency

Canada Deposit Insurance Corporation, *see also* Deposit insurance corporation

- bonds, etc. issued by
- interest deemed not from Government of Canada, 212(15)
- subject to tax, 27(2), Reg. 7100

Canada Disability Savings Act, *see also* Registered disability savings plan (RDSP)

- amounts paid under, 146.4(4)(n)
- Canada Disability Savings Bond, 7
- Canada Disability Savings Grant, 6
- disclosure of information for administration of, 241(4)(d)(vii.5)
- repayment of RDSP amount under, deductible, 60(z)
- text of, 146.4 (Notes)

Canada Disability Savings Bond, *see* Canada Disability Savings Act

Canada Disability Savings Grant, *see* Canada Disability Savings Act

Canada Education Savings Act

- disclosure of information for purposes of administration of, 241(4)(d)(vii.1)
- grant under, *see* Canada Education Savings Grant
- revocation of RESP for failure to comply with, 146.1(12.1)
- text of, 146.1 (Notes)

Canada Education Savings Grant

- not a contribution to RESP, 146.1(1)“contribution”
- repayment of, deduction, 60(x)

Canada Elections Act

- candidates and parties under
 - political contribution credit, 127(3)
 - records re monetary contributions, 230.1

Canada Emergency Rent Subsidy, 125.7(2.1)

- amalgamation, effect of, 87(2)(g.6)
- assessment or determination of, 152(1)(b), 152(3.4)
- disclosure of claimant names to public, 241(3.5)
- lockdown support, 125.7(2.1)B
- penalty for amount overclaimed, 163(2)(i), 163(2.901)
- sale of business, effect of, 125.7(4.1), (4.2)
- subsidy can be paid by CRA at any time, 164(1.6), (1.61)

Canada Emergency Response Benefit (CERB), 56(1)(r) [Notes]

- disclosure by CRA for purposes of administration, 241(4)(d)(vii.6)
- included in income, 56(1)(r)(iv), (iv.1)
- repayment of, deductible, 60(n), (v.3)

Canada Emergency Student Benefit (CESB), 56(1)(r) [Notes]

- repayment of, deductible, 60(n), (v.3)
- taxable, 56(1)(r)(iv), (iv.1)

Canada Emergency Wage Subsidy (CEWS), 125.7, Reg. 8901.1, 8901.2

- amalgamation, effect of, 87(2)(g.6)
- assessment or determination of, 152(1)(b), 152(3.4)
- cannot claim both CRHP and CEWS, 125.7(9.2)
- disclosure of employer names to public, 241(3.5)
- dividends paid, disqualifies company, 125.7(2.01)
- penalty for amount overclaimed, 163(2)(i), 163(2.901)
- repayment where public corp executive compensation too high, 125.7(14), (14.1)
- sale of business, effect of, 125.7(4.1), (4.2)
- subsidy can be paid by CRA at any time, 164(1.6), (1.61)

Canada Employment and Immigration Commission

- costs of appealing decision of, deductible, 60(o)

Canada Employment Credit, 118(10)**Canada Employment Insurance Commission**

- employment insurance benefits, *see* Employment insurance
- financial assistance from, taxable, 56(1)(r)

Canada Gazette

- regulations to be published in, 221(2)

Canada Grain Act, 76(5)

- cash purchase ticket under, 76(4)

Canada Housing Benefit, *see* Rental Housing Benefit Act**Canada Mortgage and Housing Corporation**

- subject to tax, 27(2), Reg. 7100

Canada–Newfoundland Atlantic Accord Act

- communication of information for purposes of, 241(4)(d)(vi)

Canada–Nova Scotia Offshore Petroleum Resources Accord

- communication of information for purposes of, 241(4)(d)(vi)

Canada Oil Substitution Program, *see* Energy: conversion grant**Canada Pension Plan / Quebec Pension Plan**

- amount payable by taxpayer under, collection of, 223(1)(c)
- assignment of pension under, 56(2)
- • excluded from attribution rules, 74.1(1)
- benefits taxable
- • election to pay tax attributable to earlier years, 56(8), 120.3
- • information return required, Reg. 200(1)
- • non-resident, 212(1)(h)(ii) [repealed], 217
- • resident of Canada, 56(1)(a)(i)(B)
- • withholding at source, 153(1)(b)
- constitutes earned income for RRSP, 146(1)“earned income”(b.1)
- contributions
- • by employee, as employer, deduction for, 8(1)(l.1)
- • collection of debt by US Internal Revenue Service, Canada-U.S. Tax Treaty:Art. XXVI-A:9
- • credit for, 118.7
- • enhanced, deduction for, 60(e.1)
- • • payroll withholding reduced, Reg. 100(3)
- • self-employed earnings
- • • credit for half, 118.7

- • • deduction for half, 60(e)
- costs of appealing decision under
- • deductible, 60(o)
- • recovery of, income, 56(1)(l)(iii)
- death benefit, taxable, 56(1)(a)(i)(F), 56(1)(a.1)
- disability pension
- • election to pay tax attributable to earlier years, 56(8), 120.3
- • included in earned income
- • • for RRSP purposes, 146(1)“earned income”(b.1)
- • • for child care expenses, 63(3)“earned income”(d)
- disclosure of confidential information for purposes of, 241(3)(b), 241(4)(a), 241(4)(e)(iii)
- emigration of taxpayer, no deemed disposition, 128.1(10)“excluded right or interest”(g)(i)
- employer’s source deductions, failure to remit, 227(9.1)
- excluded from pension credit, 118(8)(b)
- non-resident withholding tax, 212(1)(h)
- • U.S. residents, Canada-U.S. Tax Treaty:Art. XVIII:5
- repayment of overpayment under, deduction for, 60(n)
- retirement pension under
- • assignment of, not subject to attribution, 74.1(1)
- • transfer of rights to pension under, 56(4)

Canada Pension Plan Investment Board

- prescribed to own shares of pension investment corporations, Reg. 4802(1)(c.1)

Canada Recovery Benefit (CRB), 56(1)(r) [Notes]

- disclosure of taxpayer information for administration of, 241(4)(d)(vii.7)–(vii.9)
- included in income, 56(1)(r)(iv), (iv.1)
- • withholding of tax at source, Reg. 100(1)“remuneration”(h), 103(4.1), 103(6)(h)
- repayment required
- • calculation and assessment of, *Canada Recovery Benefits Act* s. 8(2)–(4)
- • deductible, 60(v.2)

Canada Recovery Caregiving Benefit, 56(1)(r) [Notes]

- disclosure of taxpayer information for administration of, 241(4)(d)(vii.7)–(vii.9)
- included in income, 56(1)(r)(iv.1)(D)
- • withholding of tax at source, Reg. 100(1)“remuneration”(h), 103(4.1), 103(6)(h)
- repayment of, deductible, 60(n), (v.3)

Canada Recovery Dividend (surtax on banks and life insurers for 2022), 191.5(2)

- administrative provisions, 191.6
- allocation of \$1 billion deduction, 191.5(5)–(7)
- amalgamation, effect of, 87(2)(xx)
- interest on unpaid portion, 161(1)
- multiple taxation years in 2020, 2021 or 2022, 191.5(3), (4)
- return required, 191.5(8)
- tax payable over 5 years, 191.5(9)

Canada Recovery Hiring Program, 125.7(2.2)

- cannot claim both CRHP and CEWS, 125.7(9.2)

Canada Recovery Sickness Benefit, 56(1)(r) [Notes]

- disclosure of taxpayer information for administration of, 241(4)(d)(vii.7)–(vii.9)
- included in income, 56(1)(r)(iv), (iv.1)
- • withholding of tax at source, Reg. 100(1)“remuneration”(h), 103(4.1), 103(6)(h)
- repayment of, deductible, 60(n), (v.3)

Canada Revenue Agency

- account numbers, *see* Business Number
- audit, *see* Audit
- collection action, *see* Collection of tax
- created, *Canada Revenue Agency Act* 4(1)
- delegation of powers to officials of, 220(2.01)
- employees of, 220(2), (2.01)
- fairness package, *see* Taxpayer relief

Index

- Canada Revenue Agency (*cont'd*)
 - informant program, *see* Informant payments (for leads on international tax evasion)
 - official of, interference with, 231.51
 - operations of, 220(1)
 - procedures not followed, assessment still valid, 166
 - refund payable by, *see* Refund
 - staff, discipline of, communication of information for, 241(4)(h), 241(4.1)
 - tax withheld, held in trust for, 227(4)–(4.2)
 - taxpayer relief, *see* Taxpayer relief
 - transfers between tax accounts, 221.2
 - waiver of interest and penalty, 220(3.1)
- Canada Safeway case overruled**, 12(1)(x)(iv)
- Canada Savings Bond**
 - cash bonus on, 12.1
 - information return, Reg. 220
- Canada Shipping Act**, *see also* Vessel
 - quadrennial survey under, reserve for, 20(1)(o), Reg. 3600
 - vessel, defined under, 13(21)
- Canada Student Financial Assistance Act**
 - interest paid under, credit for, 118.62
 - loan forgiven to doctor or nurse practising in remote region, no tax, Reg. 7300(c)
- Canada Student Loans Act**
 - interest paid under, credit for, 118.62
 - loan forgiven to doctor or nurse practising in remote region, no tax, Reg. 7300(c)
- Canada Training Credit**, 122.91
 - assessment of, 152(1)(b)
 - reduces tuition credit, 118.5(1.2)
- Canada–U.K. Tax Convention**, *see* Table of Contents
- Canada–U.S. auto pact**
 - payments received, income, 56(1)(a)(v)
- Canada–U.S. Tax Convention**
 - prescribed provision for elections, Reg. 7400(1)
 - text, *see* Table of Contents
- Canada Worker Lockdown Benefit**
 - disclosure of taxpayer information for administration of, 241(4)(d)(vii.7)–(vii.9)
 - included in income, 56(1)(r)(iv.1)(D.1)
 - withholding of tax at source, Reg. 100(1)“remuneration”(h), 103(4.1), 103(6)(h)
 - repayment of, deductible, 60(n)
- Canada Workers Benefit (former Working Income Tax Benefit)**, 122.7
 - advance payment, 122.7(7)
 - credit on tax return, 122.7(2), (3)
- Canadian**
 - defined, for Canadian film credit certificate, Reg. 1106(1)“Canadian”
- Canadian affiliate**
 - of foreign bank, defined, 142.7(1)
- Canadian Agricultural Income Stabilization program**
 - replaces NISA, 248(1)“net income stabilization account”(Notes)
- Canadian Airlines International Limited**
 - rescue package, *see* Fuel tax rebate
- Canadian amateur athletic association**, *see also* Registered Canadian amateur athletic association
 - business activities of, 149.1(6.01)
 - defined, 149.1(1)
 - political activities of, 149.1(6.201)
 - refusal to register
 - appeal from, 172(3)(a), 180
 - registered, *see* Registered Canadian amateur athletic association
 - registration
 - refusal by Minister
 - deemed, 172(4)(a)
 - resources of, devoted to amateur athletics, 149.1(6.1)
- Canadian art**, *see also* Cultural property
 - whether CCA allowed, Reg. 1102(1)(e)
- Canadian assets (of financial institution)**
 - defined, 181(2), 190(1.1), Reg. 8600, 8603
- Canadian banking business**
 - defined, 248(1)
- Canadian Broadcasting Corporation**
 - subject to tax, 27(2), Reg. 7100
- Canadian benefits**
 - defined, 217(1)
- Canadian business property**
 - defined, Reg. 2400(1)
- Canadian citizen**
 - CRA cannot collect U.S. tax from, Canada-U.S. Tax Treaty:Art. XXVI-A:8(a)
 - meaning of, 19(5.1)
 - ownership of Canadian newspaper for advertising expenses, 19(5)“Canadian newspaper”(a)
- Canadian Coast Guard Auxiliary**
 - volunteers, tax credit, 118.07
- Canadian Commercial Corporation**
 - contract payment from, investment tax credit, Reg. 4606
- Canadian-controlled private corporation**
 - corporation becoming
 - deemed year-end, 249(3.1)
 - general rate income pool addition, 89(4)
 - corporation ceasing to be
 - deemed year-end, 249(3.1)
 - low rate income pool addition, 89(8)
 - defined, 125(7), 248(1)
 - dividend refund, 129(1), (3)(a)
 - due date for balance of tax, 248(1)“balance-due day”(d)(i)
 - employee stock options in, 7(1.1)
 - existing since before 1972, ITAR 50
 - gain on shares of, capital gains exemption, 110.6(2.1)
 - instalments quarterly, 157(1.1)–(1.5)
 - investment tax credit
 - additional credit, 127(10.1)
 - refund of credit, 127.1
 - loss on share or debt of, 39(1)(c)
 - reassessment deadline 3 years, 152(3.1)
 - small, *see* Small-CCPC
 - small business deduction, 125(1)
- Canadian corporation**
 - corporation ceasing to be, tax on, 219.1
 - defined, 89(1)“Canadian corporation”
 - taxable, defined, 89(1)“taxable Canadian corporation”
 - winding-up of, 88(1)
 - rules, 88(2)
- Canadian Cultural Property Export Review Board**, *see also* Cultural property
 - communication of information to, 241(4)(d)(xii)
 - determination of cultural property, 39(1)(a)(i.1), 110.1(1)(c), 118.1(1)“total cultural gifts”
 - determination of value of cultural property, 118.1(10), (11)
 - appeal of determination, *Cultural Property Export and Import Act* 33.1
 - determination applies for 2 years, 118.1(10.1)
- Canadian currency year**
 - defined, for functional currency rules, 261(1)
- Canadian Dental Care Plan**, *see also* Dental Benefit Act
 - benefit taxable with offsetting deduction, 56(1)(u), 110(1)(f)

Canadian Dental Care Plan (*cont'd*)

- CRA can share taxpayer info for purposes of administration, 241(4)(d)(xx), (xx.1)

Canadian development expense, *see also* Resource expenses

- borrowed money
- capitalization of interest, 21(2), (4)
- reassessment, 21(5)
- conversion to Canadian exploration expense on renunciation before 2019, 66(12.601), (12.602)
- cumulative
 - amount to be included in income, 66.2(1)
 - deduction for, 66.2(2)
 - short taxation year, 66(13.1)
 - deemed, 66.2(8)
 - defined, 66.2(5)
 - partner's share, 66.2(6), (7)
 - successored, deduction for, 66.7(4)
- defined, 66.2(5)
- designation re
 - where not made, 66.5(1)
- flow-through of, to shareholder, 66(12.62)
- minimum tax, 127.52(1)(e), (e.1) [to be repealed]
- partnership, of
 - election to exclude, 66.2(5) "Canadian development expense" (f)
- prescribed, Reg. 1218
- reclassified as Canadian exploration expense, 66.7(9)
 - expenses for preceding years, 66.1(9)
 - "restricted expense" defined, 66.1(6)
 - successor corporation, 66.7(9)
- renunciation of, 66(12.601) [before 2019], (12.62), (12.73)
 - adjustment, statement to be filed re, 66(12.73)
 - conversion to Canadian exploration expense before 2019, 66(12.601), (12.602)
 - effect of, 66(12.63)
 - excessive, penalty for, 163(2.2)
 - form to be filed by corporation, 66(12.7)
 - late filing, 66(12.74), (12.75)
 - partnership, return to be filed, 66(12.69)
 - late filing, 66(12.74), (12.75)
 - restriction on, 66(12.67), (12.71)
 - successor corporation, rules, 66.7(4)
 - application, 66.6(1)

Canadian Emergency Business Account

- forgivable loan, taxable, 12(1)(x)(iv)

Canadian Entrepreneurs' Incentive, 110.63

- amount of deduction, 110.63(2)

Canadian equity property

- defined, Reg. 2400(1)

Canadian exploration and development expenses, *see also* Exploration and development expenses

- borrowed money
- interest capitalized, 21(2), (4)
- reassessment, 21(5)
- computation of, 66(12)
- deduction for, 66(1)–(3)
- defined, 66(15)
- limitations of, 66(12.1)
- principal-business corporation, 66(1)
- successor corporation, rules, 66.7(1)
- application, 66.6(1)
- taxpayers other than principal-business corporations, 66(3)
- unitized oil or gas field, 66(12.2), (12.3)

Canadian exploration and development overhead expense, Reg. 1206(1)**Canadian exploration expense**, *see also* Exploration and development expenses; Resource expenses

- borrowed money

- capitalization of interest, 21(2), (4)
- reassessment, 21(5)
- certificate re oil/gas well ceasing to be valid, 66.1(10)
- cumulative
 - amount included in, income, 66.1(1)
 - deduction for, 66.1(3)
 - deduction from income, 66.1(2), (3)
 - defined, 66.1(6)
 - other than principal-business corporation
 - deduction from income, 66.1(3)
 - partner's share, 66.1(7)
 - principal-business corporation
 - deduction from income, 66.1(2)
 - trust of, reduced by investment tax credit, 127(12.3)
- defined, 66.1(6)
- flow-through of, to shareholder, 66(12.6)
- expenses in first 60 days of year, 66(12.66)
- minimum tax, 127.52(1)(e), (e.1) [to be repealed]
- prescribed, Reg. 1217
- reclassification of Canadian development expense as, 66.7(9)
 - "restricted expense" defined, 66.1(6)
 - "specified purpose" defined, 66.1(6)
- renunciation of, 66(12.6)
 - adjustment, statement to be filed, 66(12.73)
 - effect of, 66(12.61)
 - excessive, penalty for, 163(2.2)
 - form to be filed by corporation, 66(12.7)
 - late filing, 66(12.74), (12.75)
 - non-arm's length partnership, 66(17)
 - partnership, return to be filed, 66(12.69)
 - late filing, 66(12.74), (12.75)
 - restriction on, 66(12.67), (12.71)
 - successor corporation, rules, 66.7(3)
 - application, 66.6(1)

Canadian field processing

- defined, 248(1)
- excluded from manufacturing and processing
 - for Class 29 CCA, Reg. 1104(9)(k)
- ineligible for M&P credit, 125.1(3) "manufacturing or processing" (k)
- property for use in, investment tax credit, 127(9) "qualified property" (c)(ix)
- property used for, capital cost allowance, Reg. Sch. II:Cl. 29(a)(ii), Sch. II:Cl. 41(c), (d)

Canadian film or video production

- capital cost allowance offsetting income from, Reg. 1100(1)(m)
- defined, 125.4(1), Reg. 1106(4)
- separate CCA class, Reg. 1101(5k.1), Reg. Sch. II:Cl. 10(x)

Canadian film or video production certificate

- defined, 125.4(1)
- disclosure of information to public, 241(3.3)
- revocation of, 125.4(6)
- tax credit where issued, 125.4(3)

Canadian film or video tax credit, 125.4, *see also* Canadian film or video production; Film or video production services credit

- amalgamation of corporations, 87(2)(j.94)
- prescribed person, Reg. 1106(7)
- refund of credit before assessment, 164(1)(a)(ii)
- tax shelter investment excluded, 125.4(4)

Canadian financial institution

- defined, for Common Reporting Standard, 270(1)

Canadian Forces and veterans

- allowances not income, 6(1)(b)(ii), (iii)
- clothing allowance exempt, 81(1)(d.1)
- death benefit exempt, 81(1)(d.1)
- detention benefit exempt, 81(1)(d.1)
- disability award exempt, 81(1)(d.1)

Index

- Canadian Forces and veterans (*cont'd*)
 - earnings loss benefit taxable, 6(1)(f.1)
 - high-risk missions, income exemption, 110(1)(f)(v)
 - no source withholding, Reg. 102(6)
 - income support benefit exempt, 81(1)(d.1)
 - members deemed resident in Canada, 250(1)(b), 250(2)
 - pension income credit, 118(3)(B)(b)(ii)
 - pension income splitting, 60.03(1)“eligible pension income”(c)
 - permanent impairment allowance taxable, 6(1)(f.1)
 - service-related injuries, payments exempt, 81(1)(d.2)
 - supplementary retirement benefit taxable, 6(1)(f.1)
 - travelling and separation allowances, not income, 6(1)(b)(ii)
- Canadian government film agency**
 - defined, Reg. 1106(1)
 - disclosure of tax information to, 241(4)(d)(xv)
 - prescribed person for Canadian film/video tax credit, Reg. 1106(10)(d)
- Canadian group member**
 - defined, for alternative interest-deduction restrictions, 18.21(1)
- Canadian Heritage, Department of**, *see also* Minister of Canadian Heritage
 - allocation of points to determine if film or video production is Canadian, Reg. 1106(5)
 - disclosure of information re cultural property to, 241(4)(d)(xii)
- Canadian Home Insulation Program**, *see* Home insulation grant
- Canadian indebtedness**
 - defined, for FAPI of banks, 95(2.43)
- Canadian International Development Agency**
 - prescribed international development assistance program
 - defined, Reg. 3400
 - person working on deemed resident in Canada, 250(1)(d)
- Canadian investment fund**
 - defined, Reg. 2400(1)
- Canadian investment income**
 - defined, 129(4) [repealed]
- Canadian investment property**
 - defined, Reg. 2400(1)
- Canadian investor**
 - defined, 115.2(1)
- Canadian labour expenditure**
 - defined, for film/video production services credit, 125.5(1)
 - qualified, *see* Qualified Canadian labour expenditure
- Canadian life investment income, defined**, 211.1(3)
- Canadian manufacturing and processing profits**
 - calculation of, Reg. Part LII
 - defined, 125.1(3)
- Canadian National Railway**, *see* Railway
- Canadian newspaper**
 - defined, 19(5)
- Canadian oil and gas exploration expense**, Reg. 1206(1)
- Canadian oil and gas property expense**, *see also* Exploration and development expenses; Resource expenses
 - borrowed money
 - interest capitalized, 21(2), (4)
 - reassessment, 21(5)
 - cumulative
 - deduction for, 66.4(2)
 - defined, 66.4(5)
 - recovery of costs, 66.4(1)
 - short taxation year, 66(13.1)
 - successored, deduction for, 66.7(5)
 - defined, 66.4(5)
 - disposition, defined, 66.4(5)“disposition” and “proceeds of disposition”
 - flow-through of, to shareholder, 66(12.64)
 - minimum tax, 127.52(1)(e), (e.1) [to be repealed]
 - partnership, of
 - election to exclude, 66.4(5)“Canadian oil and gas property expense”(b)
 - partner’s share, 66.4(6), (7)
 - proceeds of disposition, defined, 66.4(5)“disposition” and “proceeds of disposition”
 - renunciation of, 66(12.64)
 - adjustment, statement to be filed re, 66(12.73)
 - effect of, 66(12.65)
 - excessive, penalty for, 163(2.2)
 - form to be filed by corporation, 66(12.7)
 - late filing, 66(12.74), (12.75)
 - partnership, return to be filed, 66(12.69)
 - late filing, 66(12.74), (12.75)
 - restriction on, 66(12.67), (12.71)
 - successor corporation, rules, 66.7(5)
 - application, 66.6(2)
 - unitized oil or gas field, 66(12.5)
- Canadian option interest note**
 - prepaid interest not deductible, 18(9.2)–(9.8)
- Canadian ordinary income**
 - defined, for hybrid mismatch arrangement rules, 18.4(1), 18.4(8)
- Canadian outstanding premiums**
 - defined [repealed], Reg. 2400(1)
- Canadian Pacific Ltd. case overruled**, 20.3
- Canadian partnership**, *see also* Canadian resident partnership
 - defined, 102(1), 248(1)
 - eligible, defined, 80(1)
- Canadian premiums**
 - defined, Reg. 8600
- Canadian property**, *see also* Foreign property
 - mutual fund investment, *see* Canadian property mutual fund investment
 - taxable, *see* Taxable Canadian property
- Canadian property mutual fund investment**
 - defined, 218.3(1)
- Canadian property mutual fund loss**
 - defined, 218.3(1)
- Canadian Radio-television and Telecommunications Commission**
 - disclosure of information to, 241(4)(d)(xvi)
- Canadian real, immovable or resource property**
 - defined, 248(1)
- Canadian renewable and conservation expense**
 - capital cost allowance disallowed, Reg. 1102(1)(a.1)
 - defined, 66.1(6), Reg. 1219
 - included in CEE, 66.1(6)“Canadian exploration expense”(g.1)
- Canadian reserve liabilities**
 - of financial institution, defined, 181(2), 190(1)
 - of insurer, Reg. 2400(1)
 - Large Corporations Tax, Reg. 8600
- Canadian resident partnership**, *see also* Canadian partnership
 - defined, 248(1)
 - taxation year of, 249(1)(a)
- Canadian resource expenses**
 - reduction of, on change of control, 66.7(12)
- Canadian resource profits**
 - defined, Reg. 5202
- Canadian resource property**
 - acquisition from exempt person, 66.6
 - amalgamation — partnership property, 66.7(10)(j), 66.7(10.1)
 - amount designated re
 - “outlay” or “expense”, 66(15)“outlay” or “expense”

Canadian resource property (cont'd)

- constitutes taxable Canadian property for certain purposes, 248(1)“taxable Canadian property”(n)(i)
- defined, 66(15)
- disposition of
 - by non-resident
 - certificate, 116(5.2)
 - purchaser liable for tax, 116(5.2)
 - rules, 116(5.1)
 - treaty-protected property, 116(5.01), (5.02)
 - effect on successor rules, 66.7(14)
 - no capital gain, 39(1)(a)(ii)
 - no capital loss, 39(1)(b)(ii)
- “eligible property” for transfer to corporation by shareholder, 85(1.1)(c)
- in corporation, share is taxable Canadian property, 248(1)“taxable Canadian property”(e)(i)(B), (ii)(B)
- in partnership, constitutes taxable Canadian property, 248(1)“taxable Canadian property”(g)(ii)
- non-resident’s income earned on, 115(4)
- non-successor acquisitions, 66.7(16)
- original owner, defined, 66(15)
- predecessor owner, defined, 66(15)
- production from, defined, 66(15)
- refund or rebate of Crown royalties, 12(1)(x.2)
- reserve amount, defined, 66(15)
- rules for trusts, 104(5.2)
- successor rules, 66.7(14)

Canadian security

- defined, 39(6)
- disposition of, 39(5)
- election re, 39(4)
- owned by partnership, 39(4.1)

Canadian Security Intelligence Service

- provision of charity information to, for security purposes, 241(9), (9.1)

Canadian service provider

- defined, re non-resident investment or pension fund, 115.2(1)

Canadian tax

- defined, Canada-U.S. Tax Treaty:Art. III:1(a)

Canadian tax results

- defined, for functional currency rules, 261(1)

Canadian Venture Exchange

- prescribed securities exchange investment, Reg. 9002.2(e)
- prescribed stock exchange, 262

Canadian Vessel Construction Assistance Act

- conversion cost deemed separate class, 13(17)
- deduction under, deemed depreciation, 13(13)
- disposition of deposit under, 13(19), (20)

Canadian waters

- defined, *Interpretation Act* 35(1)

Canadian Wheat Board

- defined, 135.2(1)
- Farmers’ Trust, 135.2(1)“eligible trust”
 - unit of, ineligible for RRSP and other registered plans, 135.2(4)(f), (g)
- paid-up capital on issuing shares to trust, 135.2(3)(c)
- tax consequences of privatization, 135.2

Canadian Wheat Board Act, 76(5)**Canadian Wheat Board continuance**

- defined, 135.2(1)

Canals

- capital cost allowance, Reg. Sch. II:Cl. 1(b)

Cancellation of interest, penalty or tax, see Waiver**Cancellation of lease, see Lease cancellation payment****Canoes**

- capital cost allowance, Reg. Sch. II:Cl. 7

Canterra Energy Ltd. case overruled, 257**Capacity test**

- for shareholder loans, 15(2.4)(e)

Cape Breton

- defined, 127(9)
- Development Corporation, subject to tax, 27(2), Reg. 7100

Capital

- contribution of, addition to adjusted cost base, 53(1)(c)
- cost, *see* Capital cost; Capital cost allowance
- cost of, defined, Reg. 5202, 5203, 5204
- deemed contribution of, 53(1.1)
- defined
 - for financial institutions tax, 190.13
 - for large corporations tax, 181.2(3), 181.3(3)
- element, *see* Capital element
- expenditure, not deductible, 18(1)(b)
 - depreciation, *see* Capital cost allowance
 - disability-related building modifications, deductible, 20(1)(qq)
 - disability-related devices or equipment, 20(1)(rr)
 - goodwill, deduction for, 20(1)(b)
 - landscaping, deduction for, 20(1)(aa)
 - pre-production mining expenditure, whether excluded, 66.1(6.2)
 - scientific research and experimental development, deductible, 37
 - site investigation fees, deductible, 20(1)(dd)
- financial institutions’, tax on, 190–190.211
- gains, *see* Capital gain
- income and, combined, 16(1), (4), (5)
- losses, *see* Capital loss
- outlay or loss, not deductible, 18(1)(b)
- property, *see* Capital property
- reorganization of, exchange of shares, 86(1); ITAR 26(27)
- stock, *see* Capital stock
- tax, *see* Capital tax
- thin, 18(4)–(8)

Capital cost

- allowance, *see* Capital cost allowance
- deemed, 13(7)–(7.4)
 - depreciable property acquired with government assistance, 13(7.1), (7.2)
 - on death, 70(13)
 - reduction due to debt forgiveness, 13(7.1)(g), 80(5)
- leased property acquired, 13(5.1)
- manufacturing and processing property
 - deemed, 13(10)
- tax shelter investment, 143.2(6)
- undepreciated, *see* Undepreciated capital cost

Capital cost allowance, see also Depreciable property

- accelerated investment incentive property (2018–2027), *see* Accelerated investment incentive property
- access road (forest), Reg. Sch. II:Cl. 10(p)
- acquisition year rules, Reg. 1100(2)–(2.4)
- non-arm’s length exception, Reg. 1102(20)
- additional allowances
 - Canadian vessel, Reg. 1100(1)(v)
 - certified productions, Reg. 1100(1)(l)
 - Class 13, Reg. 1100(1)(b)
 - Class 14, Reg. 1100(1)(c)
 - Class 19, Reg. 1100(1)(n), (o)
 - Class 20, Reg. 1100(1)(p)
 - Class 21, Reg. 1100(1)(q)
 - Class 28, Reg. 1100(1)(w)
 - Class 35, Reg. 1100(1)(za.1)
 - Class 38, Reg. 1100(1)(zd)
 - Class 39, Reg. 1100(1)(ze)
 - Class 40, Reg. 1100(1)(zf)

Index

- Capital cost allowance (*cont'd*)
 - • Class 41, Reg. 1100(1)(y)
 - • Class 43 (after 2025), Reg. 1100(2)A(d)
 - • Class 43.1, Reg. 1100(2)A(b)
 - • Class 43.2, Reg. 1100(2)A(c)
 - • Class 53, Reg. 1100(2)A(d)
 - • Class 54, Reg. 1100(2)A(e)
 - • Class 55, Reg. 1100(2)A(f)
 - • Class 56, Reg. 1100(2)A(e)
 - • electric cars, Reg. 1100(2)A(e), (f)
 - • fishing vessels, Reg. 1100(1)(i)
 - • grain storage facilities, Reg. 1100(1)(sb)
 - • railway cars, Reg. 1100(1)(z), (z.1a)
 - • railway track, Reg. 1100(1)(za), (za.1), (zb)
 - • railway trestles, Reg. 1100(1)(za.2)
 - • zero-emission vehicles, Reg. 1100(2)A(e), (f)
 - additions and alterations, *see also* building (*below*)
 - advertising sign, Reg. Sch. II:Cl. 11
 - aircraft, Reg. Sch. II:Cl. 9, Sch. II:Cl. 16
 - employee's, 8(1)(j), 13(11), Reg. 1100(6)
 - airplane hangar, Reg. Sch. II:Cl. 6
 - airplane runway, Reg. Sch. II:Cl. 1(g), Sch. II:Cl. 17(c)
 - for mine, Reg. Sch. II:Cl. 10(l)(ii)
 - amount deductible, 20(1)(a), Reg. Parts Part XI, XVII
 - amusement parks, property used in connection with, Reg. 1103(2b), 1104(12), Reg. Sch. II:Cl. 37
 - defined, Reg. 1104(12)
 - apparel for rental, Reg. Sch. II:Cl. 12(k)
 - automobile, Reg. 1102(1)(h)
 - definitions, Reg. 1102(11)
 - employee's, 8(1)(j)(ii), 13(11), Reg. 1100(6)
 - exclusion, Reg. 1102(1)(h)
 - general, Reg. 1102(11)–(13), Reg. Sch. II:Cl. 10(a)
 - short-term rental or leasing, for, Reg. Sch. II:Cl. 16
 - automotive equipment, Reg. Sch. II:Cl. 10(a)
 - available-for-use rule, 13(26)–(32), 20(28), (29), Reg. 1100(2)
 - beneficiary of trust, deduction for, 104(16), (17.1), (17.2) [repealed]
 - biogas production equipment, Reg. Sch. II:Cl. 43.1(d)(xiii), Sch. II:Cl. 43.2(b)
 - bio-oil equipment, Reg. Sch. II:Cl. 43.1(d)(xi), Sch. II:Cl. 43.2(b)
 - book (library), Reg. Sch. II:Cl. 12(a)
 - breakwater, Reg. Sch. II:Cl. 3, Sch. II:Cl. 6
 - bridge, Reg. Sch. II:Cl. 1(a)
 - building, Reg. Sch. II:Cl. 1(q), Sch. II:Cl. 3, Sch. II:Cl. 6(a), Sch. II:Cl. 8
 - • addition/alteration, Reg. 1102(19), Reg. Sch. II:Cl. 3(g), Sch. II:Cl. 3(k), Sch. II:Cl. 6(i), Sch. II:Cl. 6(k)
 - • additional allowance for use in manufacturing or processing, Reg. 1100(1)(a.1)
 - • additional allowance for non-residential use, Reg. 1100(1)(a.2)
 - • separate class where cost over \$50,000, Reg. 1101(1ac), (1ad), (5b)
 - cable system interface equipment, Reg. Sch. II:Cl. 10(v)
 - Canadian film or video production, Reg. 1100(1)(m), Reg. Sch. II:Cl. 10(x)
 - • separate class, Reg. 1101(5k.1)
 - canal, Reg. Sch. II:Cl. 1(b)
 - canoe, Reg. Sch. II:Cl. 7
 - carbon dioxide pipeline, Reg. Sch. II:Cl. 49(b)
 - catalyst, Reg. Sch. II:Cl. 26
 - catch-all class, Reg. Sch. II:Cl. 8
 - certified Class 34 properties, Reg. 1104(11)
 - certified films and video tapes, Reg. 1100(21)–(23)
 - certified production, Reg. Sch. II:Cl. 10(w), Sch. II:Cl. 12(n)
 - • separate classes, Reg. 1101(5k), (5l)
 - chinaware, Reg. Sch. II:Cl. 12(b)
 - Class 38 property
 - • separate class, election, Reg. 1101(5l)
 - • classes of depreciable property, Reg. Sch. II
 - • inclusions in, Reg. 1103
 - • prescribed, Reg. 1105
 - • separate, Reg. 1101
 - • transfers between, Reg. 1103
 - coin-operated game, Reg. Sch. II:Cl. 16(f)
 - combustion turbine, Reg. 1101(5t), Reg. Sch. II:Cl. 17(a.1), Sch. II:Cl. 48
 - compression equipment, Reg. Sch. II:Cl. 7(j), (k)
 - computer, *see* Computer: capital cost allowance
 - computer software, Reg. Sch. II:Cl. 12(o)
 - • limitation where tax shelter investment, Reg. 1100(20.1)
 - concession, Reg. Sch. II:Cl. 14
 - contractor's movable equipment, Reg. Sch. II:Cl. 10(h), Sch. II:Cl. 22, Sch. II:Cl. 38
 - culvert, Reg. Sch. II:Cl. 1(c)
 - cutlery, Reg. Sch. II:Cl. 12(b)
 - cutting rights, Reg. 1100(1)(e)
 - cutting/shaping part in machine, Reg. Sch. II:Cl. 12(j)
 - dam, Reg. Sch. II:Cl. 1(d)
 - • for mine, Reg. Sch. II:Cl. 10(l)
 - data cable, Reg. Sch. II:Cl. 42(b)
 - data communication equipment, Reg. Sch. II:Cl. 3
 - data network infrastructure equipment, Reg. Sch. II:Cl. 46
 - deductions allowed, Reg. 1100
 - deemed depreciable property, separate classes, Reg. 1101(5g), Reg. Sch. II:Cl. 36
 - definitions, Reg. 1104
 - dental instruments (small), Reg. Sch. II:Cl. 12(e)
 - die, etc., Reg. Sch. II:Cl. 12(d)
 - distribution equipment, Reg. Sch. II:Cl. 47
 - district energy equipment, Reg. Sch. II:Cl. 43.1(a)(iii.1), Sch. II:Cl. 43.1(d)(xv)
 - dock, Reg. Sch. II:Cl. 3
 - • for mine, Reg. Sch. II:Cl. 10(l)
 - drilling vessels, Reg. 1100(1)(va)
 - drive-in theatre property, Reg. Sch. II:Cl. 10(q)
 - earth-moving equipment, Reg. Sch. II:Cl. 22, Sch. II:Cl. 38
 - • separate class, election, Reg. 1101(5l)
 - electric cars, Reg. 1100(1)(a)(xl), (xli), Reg. 1100(2)A(e), (f)
 - electric vehicle charging station, Reg. Sch. II:Cl. 43.1(d)(xvii)
 - electrical energy storage property, Reg. Sch. II:Cl. 43.1(d)(xviii)
 - electrical generating equipment, Reg. 1100(1)(t), (ta), Reg. Sch. II:Cl. 1(k), Sch. II:Cl. 1(m), Sch. II:Cl. 2(a), Sch. II:Cl. 8(g), Sch. II:Cl. 9(e), Sch. II:Cl. 9(f), Sch. II:Cl. 17(a.1), Sch. II:Cl. 29, Sch. II:Cl. 41, Sch. II:Cl. 43.1, Sch. II:Cl. 43.2
 - • electric energy producer/distributor, Reg. Sch. II:Cl. 2(c), Sch. II:Cl. 8(f), Sch. II:Cl. 9(a)
 - • used for mining, Reg. 1102(8)–(9.2), Reg. Sch. II:Cl. 10(r)
 - electronic data-processing equipment, *see* Computer: capital cost allowance
 - eligible capital property after 2016, Reg. Sch. II:Cl. 14.1
 - eligible liquefaction facility
 - • building, Reg. 1100(1)(a.3), Sch. II:Cl. 1(q)
 - • equipment, Reg. 1100(1)(yb), Sch. II:Cl. 47
 - employee's automobile or aircraft, 8(1)(j)(ii), 13(11), Reg. 1100(6)
 - fast writeoff, *see also* additional allowances (above)
 - year of acquisition, Reg. 1100(2)
 - fence, Reg. Sch. II:Cl. 6
 - • in amusement park, Reg. Sch. II:Cl. 37
 - fibre-optic cable, Reg. Sch. II:Cl. 42(a)
 - 50% rule, Reg. 1100(2)–(2.4)
 - • non-arm's length exception, Reg. 1102(20)
 - film production, *see* Canadian film or video production
 - films and video tapes, Reg. 1100(21)–(23), 1104(2), (10)
 - first-year rule, Reg. 1100(2)–(2.4)
 - fishing vessels, Reg. 1100(1)(i)

Index

Capital cost allowance (*cont'd*)

- separate classes, Reg. 1101(2)
- fixed location fuel cell systems or equipment, Reg. Sch. II:Cl. 43.1(a)(ii.1), Sch. II:Cl. 43.1(d)(xii), Sch. II:Cl. 43.2(b)
- franchise, Reg. 1100(1)(c), 1100(9), Reg. Sch. II:Cl. 14
- fuel upgrading equipment, Reg. Sch. II:Cl. 43.1(d)(ix), Sch. II:Cl. 43.2(b)
- gas manufacturing/distributing equipment, Reg. Sch. II:Cl. 1(n), Sch. II:Cl. 2(d)
- general-purpose electronic data processing equipment, Reg. Sch. II:Cl. 10(f), Sch. II:Cl. 45, Sch. II:Cl. 50
- generating equipment, Reg. 1100(1)(t), (ta), Reg. Sch. II:Cl. 1(k), Sch. II:Cl. 1(m), Sch. II:Cl. 2(a), Sch. II:Cl. 2(c), Sch. II:Cl. 8(f), Sch. II:Cl. 8(g), Sch. II:Cl. 9(a), Sch. II:Cl. 9(e), Sch. II:Cl. 9(f), Sch. II:Cl. 29
- geothermal energy project, Reg. Sch. II:Cl. 43.1(d)(vii)
- goodwill after 2016, Reg. Sch. II:Cl. 14.1
- grain storage facilities, Reg. 1100(1)(sb)
- greenhouse, Reg. Sch. II:Cl. 6
- ground source heat pump system, Reg. Sch. II:Cl. 43.1(d)(i), Sch. II:Cl. 43.2(b)
- half-year rule, Reg. 1100(2)–(2.4)
- harness, Reg. Sch. II:Cl. 10(c)
- heat production/distribution equipment, Reg. Sch. II:Cl. 1(p), Sch. II:Cl. 2(f)
- heat recovery equipment, Reg. Sch. II:Cl. 43.1
- heavy water, Reg. Sch. II:Cl. 26
- immediate expensing (2021–2024), Reg. 1100(0.1)–(0.3), 1104(3.1)–(3.6)
- industrial mineral mines, Reg. 1100(1)(g), Reg. Sch. V
- jetty, Reg. Sch. II:Cl. 1(e), Sch. II:Cl. 3
- jig, Reg. Sch. II:Cl. 12(d)
- kiln, Reg. Sch. II:Cl. 8
- kitchen utensils, Reg. Sch. II:Cl. 12(c)
- land excluded, Reg. 1102(2)
- last, Reg. Sch. II:Cl. 12(d)
- lease option agreements, separate classes, Reg. 1101(5)
- leased properties
 - buildings on, Reg. 1102(5)
 - improvements to, Reg. 1102(4)
- leasehold interest, Reg. 1100(1)(b), 1102(4)–(6), Reg. Sch. II:Cl. 13, Reg. Sch. III
 - separate classes, Reg. 1101(5h)
- leasing properties, Reg. 1100(15)–(20)
 - non-arm's length exception, Reg. 1102(20)
 - separate classes, 1101(5c)
- licence, Reg. Sch. II:Cl. 14
- linen, Reg. Sch. II:Cl. 12(g)
- liquefied natural gas facility, Reg. Sch. II:Cl. 47(b)
- LNG facility, *see* eligible liquefaction facility (above)
- locomotive, Reg. Sch. II:Cl. 6, 7(i)
- logging equipment, Reg. Sch. II:Cl. 10(o)
- machinery/equipment, Reg. Sch. II:Cl. 8, Sch. II:Cl. 29, Sch. II:Cl. 43
- manufacturing/processing business, Reg. 1102(15), (16)
 - excluded activities, Reg. 1104(9)
- property used in, Reg. Sch. II:Cl. 29, Sch. II:Cl. 43, Sch. II:Cl. 53
- marine railway, Reg. Sch. II:Cl. 7
- medical instruments, Reg. Sch. II:Cl. 12(e)
- mine buildings, Reg. Sch. II:Cl. 10(g), Sch. II:Cl. 41
- mine equipment etc., Reg. Sch. II:Cl. 10(k), Sch. II:Cl. 10(l), Sch. II:Cl. 10(m), Sch. II:Cl. 41
- mine property, Reg. 1100(1)(w), (x), 1100A, Reg. Sch. II:Cl. 28, Sch. II:Cl. 41
- mine shaft etc., Reg. Sch. II:Cl. 12(f)
- mining, definitions, Reg. 1104(5)–(8)
- misclassified property, 13(6)
- mold, Reg. Sch. II:Cl. 12(d)
- mole, Reg. Sch. II:Cl. 1(f), Sch. II:Cl. 3
- motion picture film, Reg. Sch. II:Cl. 10(s)
- multiple-unit residential buildings, Reg. Sch. II
 - separate classes, Reg. 1101(5b)
- natural gas distribution pipeline, Reg. Sch. II:Cl. 51
- network equipment, Reg. Sch. II:Cl. 46
- non-residents, Reg. 1102(3)
- offshore drilling vessels
 - additional allowance, Reg. 1100(1)(va)
 - separate classes, Reg. 1101(2b)
- oil or gas well equipment, Reg. Sch. II:Cl. 10(j), Sch. II:Cl. 41
- oil refinery property, Reg. Sch. II:Cl. 10(u), Sch. II:Cl. 41
- oil storage tank, Reg. Sch. II:Cl. 6, Sch. II:Cl. 29
- outdoor advertising structures, Reg. Sch. II:Cl. 8(l), Sch. II:Cl. 11
 - separate class, election, Reg. 1101(5l)
- overburden removal cost, Reg. Sch. II:Cl. 12(q)
- parking area, Reg. Sch. II:Cl. 1(g)
 - for mine, Reg. Sch. II:Cl. 10(l)
- partnership property, excluded, Reg. 1102(1a)
- patent, Reg. 1100(1)(c), 1100(9), Reg. Sch. II:Cl. 14, Sch. II:Cl. 44
- pattern, Reg. Sch. II:Cl. 12(d)
- photovoltaic equipment, Reg. Sch. II:Cl. 43.1(d)(vi), Sch. II:Cl. 43.1(d)(xiii), Sch. II:Cl. 43.2(b)
- pinball machine, Reg. Sch. II:Cl. 16(f)
- pipeline, Reg. Sch. II:Cl. 1(l), Sch. II:Cl. 2(b), Sch. II:Cl. 49
 - for mine, Reg. Sch. II:Cl. 10(l)
 - separate classes, Reg. 1101(5i), (5j)
- pollution control equipment, Reg. 1100(1)(t)
- prescribed classes of depreciable property, Reg. 1105
- property acquired by transfer, amalgamation or winding-up, Reg. 1102(14), (14.1)
 - non-arm's length exception, Reg. 1102(20)
- property acquired in the year, Reg. 1100(2)–(2.4)
 - non-arm's length exception, Reg. 1102(20)
- property not included in classes, Reg. 1102
- pumping equipment, Reg. Sch. II:Cl. 7(j), Sch. II:Cl. 7(k)
- purpose-built rental housing, Reg. 1100(1)(a)(i), 1100(1)(a.4)
- radar equipment, Reg. Sch. II:Cl. 9
- radio communication equipment, Reg. Sch. II:Cl. 8, Sch. II:Cl. 9
- rail suspension device, Reg. Sch. II:Cl. 7(h)(i), Sch. II:Cl. 35(b)
- railway cars, Reg. 1100(1)(z), (z.1a), Reg. Sch. II:Cl. 7(h)(ii), Sch. II:Cl. 35
 - separate classes, Reg. 1101(5d)–(5d.2)
- railway locomotive, Reg. Sch. II:Cl. 6(j), Sch. II:Cl. 7(i), Sch. II:Cl. 10(y)
- railway property, Reg. 1100(1)(zc)
- railway sidings, Reg. 1100(8)
- railway system, Reg. Sch. II:Cl. 4
- railway tank car, Reg. Sch. II:Cl. 6
- railway track, Reg. 1100(1)(za.1), (zb), Reg. Sch. II:Cl. 1(h)
 - for mine, Reg. Sch. II:Cl. 10(m), Sch. II:Cl. 41
 - separate classes, Reg. 1101(5e), (5e.1)
- railway traffic control equipment, Reg. Sch. II:Cl. 1(i)
- rapid transit car, Reg. Sch. II:Cl. 8
- rates for various classes of property, Reg. 1100(1)
- recapture, 13(1); ITAR 20(2)
 - passenger vehicle, 13(2)
 - R&D expenditures previously deducted, 37(6)
 - rollover where property replaced, 13(4), (4.1)
 - vessels, 13(13), (15), (16)
- reclassification of property, 13(5)
- recreational property, Reg. 1102(17)
- regulations, Reg. Part XI
- rental housing, Reg. 1100(1)(a)(i), 1100(1)(a.4)
- rental properties, Reg. 1100(11)–(14.2)
 - non-arm's length exception, Reg. 1102(20)

Index

Capital cost allowance (*cont'd*)

- • separate class for each, Reg. 1101(1ac)–(1ae)
- residential rental unit, Reg. 1100(1)(a)(i), 1100(1)(a.4)
- revocation of certificates (Class 34 properties), Reg. 1104(11)
- river improvements, Reg. 1102(7)
- roadway, Reg. Sch. II:Cl. 1(g), Sch. II:Cl. 17
- • for mine, Reg. Sch. II:Cl. 10(l)
- roller skating rink floor, Reg. Sch. II:Cl. 10(i)
- rowboat, Reg. Sch. II:Cl. 7
- rules re property, Reg. 1102
- runway, *see* airplane runway (*above*)
- scale, metric, for retail use, Reg. Sch. II:Cl. 12(p)
- scow, Reg. Sch. II:Cl. 7
- separate classes, *see* Separate classes for capital cost allowance
- shares, no CCA allowed, 18(1)(y)
- sidewalk, Reg. Sch. II:Cl. 1(g)
- sleigh, Reg. Sch. II:Cl. 10(d)
- software, *see* computer software (*above*)
- solar heating equipment, Reg. Sch. II:Cl. 43.1(d)(i), Sch. II:Cl. 43.2(b)
- stable equipment, Reg. Sch. II:Cl. 10(c)
- storage area, Reg. Sch. II:Cl. 1(g)
- • for mine, Reg. Sch. II:Cl. 10(l)
- subway, Reg. Sch. II:Cl. 1(j)
- systems software, Reg. 1104(2), Reg. Sch. II:Cl. 10(f), Sch. II:Cl. 29
- tableware, Reg. Sch. II:Cl. 12(b)
- tangible capital property not elsewhere specified, Reg. Sch. II:Cl. 8(i)
- tank (oil or water), Reg. Sch. II:Cl. 8
- taxation year less than 12 months, Reg. 1100(3)
- taxicab, Reg. Sch. II:Cl. 16
- telecommunication spacecraft, Reg. Sch. II:Cl. 10(f.2), Sch. II:Cl. 30(a)
- • separate classes, Reg. 1101(5a)
- telephone cable, Reg. Sch. II:Cl. 42(b)
- telephone/telegraph equipment, Reg. Sch. II:Cl. 3, Sch. II:Cl. 17
- telephone/telegraph system, Reg. Sch. II:Cl. 17
- television commercial, Reg. Sch. II:Cl. 12(m)
- terminal loss, 20(16)
- • limitation re franchise or licence exchanged, 20(16.1)(b)
- • limitation re passenger vehicles, 20(16.1)(a)
- tidal energy, electricity generation equipment, Reg. Sch. II:Cl. 43.1(d)(xiv), Sch. II:Cl. 43.2
- timber cutting/clearing equipment etc., Reg. Sch. II:Cl. 10(n), Sch. II:Cl. 15
- timber limits and cutting rights, Reg. 1100(1)(e)
- • separate classes, Reg. 1101(3)
- timber resource property, Reg. Sch. II:Cl. 33
- tools
- • portable, for rental, Reg. Sch. II:Cl. 10(b), Sch. II:Cl. 29
- • small, Reg. Sch. II:Cl. 12(h)
- “total depreciation” defined, 13(21)
- townsite costs for mine, Reg. 1102(18) [repealed], Reg. Sch. II:Cl. 10(l)
- trailer, Reg. Sch. II:Cl. 10(e)
- tramways, Reg. Sch. II:Cl. 4
- transferred property, 13(5)
- transmission equipment, Reg. Sch. II:Cl. 47
- trestles, Reg. 1100(1)(za.2), (zb), Reg. Sch. II:Cl. 3
- • separate classes, Reg. 1101(5e.2), (5f)
- tunnel, Reg. Sch. II:Cl. 1(j)
- undepreciated capital cost, defined, 13(21)
- underground storage cost, Reg. Sch. II:Cl. 10(f.1), Sch. II:Cl. 41
- uniforms, Reg. Sch. II:Cl. 12(k)
- vat, Reg. Sch. II:Cl. 8
- vehicle charging station, Reg. Sch. II:Cl. 43.1(d)(xvii)

- vessels, Reg. 1101(2)–(2b), Reg. Sch. II:Cl. 7
- • certified, Reg. 1100(1)(v), 1101(2a)
- • separate classes, Reg. 1101(2)–(2b)
- video game, Reg. Sch. II:Cl. 16(f)
- videotape, Reg. Sch. II:Cl. 10(s), Sch. II:Cl. 12(l), Sch. II:Cl. 12(m)
- videotape cassette for rental, Reg. Sch. II:Cl. 12(r)
- wagon, Reg. Sch. II:Cl. 10(d)
- waste-fuelled thermal energy system, Reg. Sch. II:Cl. 43.1(d)(ix), Sch. II:Cl. 43.2(b)
- water distributing equipment, Reg. Sch. II:Cl. 1(o), Sch. II:Cl. 10(e)
- water storage tank, Reg. Sch. II:Cl. 6, Sch. II:Cl. 29
- wave energy, electricity generation equipment, Reg. Sch. II:Cl. 43.1(d)(xiv), Sch. II:Cl. 43.2
- wharf, Reg. Sch. II:Cl. 3, Sch. II:Cl. 6
- • for mine, Reg. Sch. II:Cl. 10(l)
- windmill, Reg. Sch. II:Cl. 3
- woods assets, Reg. Sch. IV
- zero-emission vehicles, Reg. 1100(1)(a)(xl), (xli), Reg. 1100(2)A(e), (f)

Capital deduction

- for financial institutions tax
- • deducted in computing amount subject to tax, 190.1(1)
- • defined, 190.15
- for large corporations tax, defined, 181.5

Capital dividend, 83(2)

- account, *see* Capital dividend account
- amalgamation, on, 87(2)(x)(ii)
- election to treat dividend as, 83(2), (2.2)–(2.4)
- • form and manner of making, Reg. 2101
- • where not available, 83(2.1)
- paid to non-resident, 212(2)(b)
- • through trust, 212(1)(c)(ii)
- private corporation, Reg. 2101

Capital dividend account

- amalgamation, on, 87(2)(z.1)
- corporation ceasing to be exempt, 89(1.2)
- defined, 89(1)–(1.2)
- “designated property” defined, 89(1)
- dividend payable before May 7, 1974, ITAR 32.1(4)
- gift by corporation, 89(1)“capital dividend account”(a)(i)(A)
- life insurance proceeds
- • after May 23, 1985, 89(1)“capital dividend account”(d)
- • before May 24, 1985, 89(1)“capital dividend account”(e)
- • exclusion from anti-avoidance rule, 83(2.3)
- payment out of, *see* Capital dividend
- prescribed labour-sponsored venture capital corporation, of, deemed nil, 131(11)(e)
- where control acquired, 89(1.1)

Capital element

- annuity, of, deductible, 60(a)
- blended payment, 16(1), (4), (5); 20(1)(k) [repealed]

Capital gain, *see also* Capital gains and losses

- allocation of
- • credit union, by, 137(5.1), (5.2)
- convertible property, 51
- deduction, *see* Capital gains deduction
- deemed
- • capital gains stripping, 55(2)–(5)
- • debt forgiveness, 80(12)
- • negative adjusted cost base, 40(3)
- • • of passive partnership interest, 40(3.1)
- defined, 39(1)(a), 40(1)(a)
- dividend instead of, on disposition of share of foreign affiliate, 93(1)
- donation of publicly traded shares, 38(a.1)
- • partnership interests exchangeable for, 38(a.3)
- exchanges of property, 44

Index

Capital gain (*cont'd*)

- failure to report, 110.6(6)
 - foreign affiliate, of
 - election re, Reg. 5902
 - half taxed, 38(a)
 - income, 3
 - income-splitting tax, 120.4(4), (5)
 - life insurer's pre-1969 property, 138(11.2)
 - listed personal property
 - taxable net gain, 41
 - non-resident, 115(1)(b)
 - prorating for gains before May 1995, 40(9)
 - not included in income from property, 9(3)
 - principal residence
 - exemption, 40(2)(b)
 - farmer's, 40(2)(c)
 - recovery of bad debt, 39(11)
 - reserve, *see* Reserve: capital gain
 - rollover, *see* Rollover
 - shares or exchangeable partnership interests, donation of, 38(a.1), (a.3)
 - specified, deductions for, 126(5.1)
 - split income, 120.4(4), (5)
 - stripping, 55(2)–(5)
 - taxable, *see also* Capital gains inclusion rate (changed as of 2024)
 - beneficiary's, designated by trust, 104(21.2)
 - defined, 38(a), 248(1)
 - definitions, 54
 - excluded from income of certain exempt organizations, 149(2)
 - foreign affiliate, of, 95(2)(f)
 - insurer's, 138(2)(b), 142
 - net, of trust, 104(21.3)
 - partnership, of, 96(1.7)
 - trust's, designation to beneficiary, 104(21)
 - taxed
 - defined, 130(3)
 - treaty rules, Canada-U.S. Tax Treaty: Art. XIII
- Capital gains and losses, *see also* Capital gain; Capital loss**
- adjusted cost base of property owned on Dec. 31/71, ITAR 26(3), (4)
 - application of subdivision c, ITAR 26(1)
 - becoming resident, on, 128.1(1)(b)
 - ceasing to be resident, on, 128.1(4)(b)
 - deemed, from property transferred to spouse, 74.2(2)
 - deemed acquisition or disposal of property, 45
 - disposition after June 18/71 where not at arm's length, ITAR 26(5)
 - disposition before 1972, ITAR 26(5)
 - disposition subject to warranty, 42
 - disposition to corporation controlling or controlled by taxpayer, 40(2)(a)(ii)
 - dividend in kind, cost of, 52(2)
 - election re cost of property owned on Dec. 31/71, ITAR 26(7)
 - employees profit sharing plan, allocated under, 144(4)–(4.2)
 - exempt person, of, 40(2)(a)(i)
 - fair market value of securities, ITAR 26(11)
 - foreign affiliate, of, 95(2)(f)
 - foreign exchange, 39(1.1), (2)
 - identical properties, 47
 - "listed-personal-property loss" defined, 41(3)
 - lottery prize, 40(2)(f)
 - meaning of, 39(1)
 - negative adjusted cost base deemed gain, 40(3), (3.1)
 - non-resident taxpayer, 40(2)(a)(i)
 - options, *see* Option
 - partial dispositions, 43
 - personal-use property, 46

- corporation, 46(4)
 - prizes, 52(4)
 - property whose value included in income, cost of, 52(1)
 - purchase of bond etc. by issuer, 39(3)
 - reacquired property, ITAR 26(6)
 - rollover, *see* Rollover
 - stock dividends, 52(3)
 - Valuation Day, ITAR 24, 25
- Capital gains deduction, 110.6**
- allowable business investment loss, interaction, with, 39(9), 110.6(1)"annual gains limit" B(b), 110.6(1)"cumulative gains limit" (b)
 - anti-avoidance rules, 110.6(7)–(11)
 - beneficiary of trust, 104(21.2)
 - definitions, 110.6(1)
 - determination of income while not resident, 110.6(13)
 - double-dipping restriction, *see* Cumulative net investment loss
 - election to trigger gain before corporation goes public, 48.1
 - election to trigger gain on Feb. 22/94, 110.6(19)–(30); ITAR 26(29)
 - depreciable capital property
 - cost, 13(7)(e.1)
 - no recapture, 13(21)"undepreciated capital cost" F
 - excessive, 14(9) [before 2017], 110.6(19)(a)(ii)(C)(II), 110.6(22)(a)B, 110.6(28)
 - non-qualifying real property, 110.6(21)
 - option, 40(3.2)
 - partnership interest, 110.6(23)
 - penalty for late election, 110.6(29)
 - principal residence, 40(2)(b)A, D, 40(7.1)
 - shares from employee stock option, 110.6(19)(a)(i)(A)B
 - employee ownership trust, transfer of shares to, 110.6(12)
 - failure to report gains, 110.6(6)
 - indexing to inflation, 117.1(1)
 - individual deemed resident in Canada, 110.6(5)
 - interest expense, effect of, *see* Cumulative net investment loss
 - maximum, 110.6(4)
 - non-qualifying real property, defined, 110.6(1)
 - other property, 110.6(3)
 - partnership look-through rule, 110.6(14)(d.1)
 - prescribed shares, Reg. 6205
 - qualified farm or fishing property, 110.6(2)
 - qualified small business corporation shares, 110.6(2.1)
 - specified capital gains, 126(5.1)
 - spousal trust, of, 110.6(12)
 - where amount deemed proceeds of disposition rather than dividend, 183.1(7)
 - where not permitted, 110.6(7), (8), (11)
- Capital gains dividend**
- investment corporation, Reg. 2104
 - mortgage investment corporation, 130.1(4), Reg. 2104.1
 - mutual fund corporation, 131(1)–(1.4), Reg. 2104
 - on taxable Canadian property, deemed dividend to non-resident, 131(5.1), (5.2)
- Capital gains dividend account**
- mutual fund corporation, 131(6)"capital gains dividend account"
- Capital gains exemption, *see also* Capital gains deduction**
- principal residence, *see* Principal residence
 - transfer of shares to employee ownership trust, 110.61
- Capital gains inclusion rate**
- one-half since 2000 (not changed to $\frac{2}{3}$), 38(a)
- Capital gains pool [repealed], 149.1(1)**
- Capital gains redemptions**
- mutual fund corporation, 131(6)"capital gains redemptions"
 - mutual fund trust, of, 132(1)
 - defined, 132(4)

Capital gains refund

- investment corporation, 130(2)
- mutual fund corporation, to, 131(2), (3)
- interest on, 131(3.1)
- on taxable Canadian property, deemed dividend to non-resident, 131(5.1), (5.2)
- mutual fund trust, to, 132(1), (2)
- interest on, 132(2.1)
- on taxable Canadian property, deemed dividend to non-resident, 132(5.1), (5.2)

Capital gains stripping

- anti-avoidance rules, 55(2), (3.1)
- exemption for butterfly transaction, 55(3)(b)
- exclusion for cross-border purchase butterfly, 55(3.1)

Capital interest (in a trust), see Trust (or estate): capital interest in**Capital loss, see also** Capital gains and losses; Net capital loss

- allowable
- defined, 38(b)
- foreign affiliate, of, 95(2)(f)
- partnership, of, 96(1.7)
- bad debt, 50(1)
- personal-use property, 50(2)
- deduction for, 3
- defined, 39(1)(b)
- disposition of bond, etc., by corporation, 40(2)(d)
- disposition of debt, limitations on, 40(2)(e.1), (e.2), 40(2)(g)(ii)
- disposition of property to affiliated person, 40(3.3), (3.4)
- disposition of property to person controlling or controlled by corporate taxpayer, 40(3.3), (3.4)
- foreign affiliate, of, *see* Foreign accrual capital loss
- labour-sponsored venture capital corporation, disposition of shares of, 40(2)(i)
- net, *see* Net capital loss
- not included in loss from property, 9(3)
- personal-use property, 40(2)(g)(iii)
- pre-1986 balance, defined, 111(8)
- reassessment, 152(6)(a)
- restricted, 40(2), *see also* Stop-loss rules
- scientific research tax credit, unused, 39(8)
- shares of bankrupt corporation, 50(1)
- shares of controlled corporation, disposition of, 40(2)(h)
- shares of foreign affiliate, disposition of, 93(2)–(2.3), (4)
- stock savings plan, disposition of shares of, 40(2)(i)
- stop-loss rules, *see* Stop-loss rules
- superficial, 40(2)(g)(i), 54“superficial loss”
- unused share-purchase tax credit, 39(7)
- venture capital corporation, disposition of shares of, 40(2)(i)
- warranty, outlay or expense under, 42

Capital property, see also Disposition; Property

- adjusted cost base of, *see* Adjusted cost base
- amalgamation, on, 53(6), 87(2)(e)
- certain shares deemed to be, 54.2
- deceased taxpayer's, 70(5)
- fair market value, 70(5.3)
- defined, 54, 248(1); ITAR 26(12)“capital property”
- depreciable, *see* Depreciable property
- donation of, election for reduced proceeds of disposition
- corporation, 110.1(2.1), (3)
- individual, 118.1(5.4), (6)
- eligible, *see* Eligible capital property
- “eligible property” for transfer to corporation by shareholder, 85(1.1)(a)
- non-depreciable
- change of control of corporation, 111(4)(c)–(e)
- share
- loss on, 112(3)
- transfer of, to corporation, ITAR 26(5.2)

Capital setoff adjustment, see Transfer pricing capital setoff adjustment**Capital stock**

- “class” interpretation, 248(6)
- tax-deferred preferred series, Reg. 2107

Capital surplus, see Pre-1972 capital surplus on hand**Capital tax**

- defined, re insurance reserves, Reg. 1408(1)
- financial institutions tax, Part VI (190–190.24)
- Large Corporations Tax, Part I.3 (181–181.8)
- provincial, deductibility of, 18
- treaty restrictions, Canada-U.S. Tax Treaty:Art. XXIII

Capitalization, thin, 18(4)–(8)**Capitalization of interest**

- election, 21

Captioning services

- disability supports deduction, 64(a)A(ii)(A)
- medical expense credit, 118.2(2)(1.4)

Captured carbon

- defined, 127.44(1), Reg. 1104(2)
- for clean hydrogen tax credit, 127.44(1), 127.48(1)

Car, see Automobile; Passenger vehicle**Carbon capture, utilization and storage**

- capital cost allowance for expenditures, Reg. Sch. II:Cl. 59, 60
- investment tax credit, 127.44, *see also* CCUS tax credit

Carbon credits, see Emissions allowance**Carbon dioxide equivalent**

- defined, for clean hydrogen tax credit, 127.48(1)

Carbon dioxide transmission pipeline

- capital cost allowance, Reg. Sch. II:Cl. 49(b)

Carbon intensity

- change in, recapture of clean hydrogen credit, 127.48(18)–(24)
- defined, 127.48(1), (6)

Carbon tax refunds

- to farmers, 127.42
- to individuals generally (Canada Carbon Rebate), 122.8
- to small businesses, 127.421

Career retraining, see Job retraining**Caregiver**

- caregiver benefit paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(vii)(F)
- tax credit, 118(1)B(d)

Caribbean Development Bank

- bonds of, qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(l)(iv))

Carpenter

- apprenticeship job creation credit, 127(9)“investment tax credit”

Carrier

- defined, 146.3(1)“carrier”
- for RRIF, Reg. 215(1)

Carryback, see also Carryforward

- charitable donations, from year of death, 118.1(4)
- disbursement excess of charity, 149.1(20)
- effect on interest payable, 161(7), 164(5), (5.1)
- foreign accrual capital loss, Reg. 5903.1(1)(b)
- interest deduction restrictions, 18.2(1)“cumulative unused excess capacity”(b), 18.2(4)
- investment tax credit, unused, 127(5)(a), 127(9)“investment tax credit”(c)
- losses, 111(1)
- after amalgamation, 87(2.11)
- after emigration, against gains deemed on emigration, 128.1(8)
- amendment to earlier return, 152(6)(c)
- employee life and health trust, 111(7.3)

Carryback (*cont'd*)

- foreign accrual property, 152(6.1), Reg. 5903(1)(b)
- from estate, to taxpayer's year of death, 164(6)
- mutual fund investment of non-resident, 218.3(6)
- RRIF, in, after death, 146.3(6.3), (6.4)
- RRSP, in, after death, 146(8.92), (8.93)
- RRIF losses after death, 146.3(6.3), (6.4)
- RRSP losses after death, 146(8.92), (8.93)

Carryforward

- business losses, 111(1)(a)
- Canadian life investment losses (Part XII.3 tax), 211.1(2)
- capital losses (net capital losses)
 - against capital gains, 111(1)(b), 111(1.1)
 - against other income in year of death, 111(2)
 - defined, 111(8)“net capital loss”
 - pre-1986, against other income, 111(1.1)
- charitable donations
 - corporation, 110(1)
 - credit, 118.1(1)“total charitable gifts”
 - deduction to corporation, 110.1(1)(a)
 - first-time donor credit, 118.1(3.1)
 - individual, 118.1(1)
- deposit insurance corporation, losses of, 137.1(11)(a)
- disbursement excess of charity, 149.1(20)
- ecological donations, 110.1(1)(d)(iii), 118.1(1)“total ecological gifts”(c)
- education credit, 118.61
- emigration deemed gains, 128.1(8)
- employee life and health trust losses, 111(7.3)
- expense, against reimbursement or assistance, 12(2.2)
- FAPI, foreign taxes against, 91(4)
- farm land disposed of by partnership, loss on, 101
- farm losses, 111(1)(d)
 - restricted, 111(1)(c)
- foreign accrual capital loss, 5903.1(1)(a)
- foreign accrual property loss, Reg. 5903(1)(a)
- foreign affiliate's forgiven debt, 95(1)“foreign accrual property income”A.2, G
- foreign bank's Canadian affiliate's losses, 142.7(12)
- foreign tax credits, unused, 126(2)(a), 126(2.3), 126(7)“unused foreign tax credit”
- gifts to charity
 - credit, 118.1(1)“total charitable gifts”
 - deduction to corporation, 110.1(1)(a)
- home office expenses, undeducted, 8(13)(c), 18(12)(c)
- interest deduction restrictions, 111(1)(a.1), 111(8)“restricted interest and financing expense”
- interest paid on purchase of shares, 20(1)(q)(ii)
- interest paid on student loan, 118.62:B
- investment tax credit, 127(9)“investment tax credit”(c)–(h)
- legal fees to obtain retiring allowance or pension benefit, 60(o.1)(i)
- limited partnership losses, 111(1)(e)
- listed personal property losses, 41(2)(b)
- loss restrictions on change in control, *see* Control of corporation: change of
- minimum tax, 120.2(1)
- moving expenses, 62(1)(b), (c)
- mutual fund losses of non-resident, 218.3(3)
- net capital losses, *see* Capital loss
- non-capital losses, 111(1)(a), 111(8)“non-capital loss”
- non-deductible home office expenses, 8(13)(c), 18(12)(c)
- patronage dividends, 135(2.1)
- pre-1986 capital losses, 111(1.1)
- RRSP contributions not yet deducted, 146(5)(a)
- RRSP deduction room, 146(1)“RRSP deduction limit”, “unused RRSP deduction room”
- reduction of balances on debt forgiveness, 80(3), (4)

- refundable dividend tax on hand, 129(4)“eligible refundable dividend tax on hand”(b), 129(4)“non-eligible refundable dividend tax on hand”(c)
- repayment of support payments, 60(c.2)
- research and development expenses, 37(1)
 - partnership, disallowed, 96(1)(e.1)
- restricted farm losses, 111(1)(c)
- scientific research expenses, 37(1)
- student loan interest credit, 118.62:B
- surtax credit, unused
 - against Part VI tax, 190.1(3)(b)
- tuition credit, 118.61

Carrying charges

- interest accrued on bond, 20(14)
- interest paid, *see* Interest (monetary): deductible
- safety deposit box rental, 9(1)

Carrying on business in Canada

- extended meaning of, 253
- non-Canadian corporations
 - additional tax, 219
- non-resident, 115(1)(a)
 - liability for tax on, 2(3)(b)
- part-year resident, 114

Carrying value (of property)

- defined
 - for notifiable-transaction rules, 237.4(15)
 - for reportable-transaction rules, 237.3(8.2)
 - for small business investment capital gain rollover, 44.1(1)
 - for taxation of insurers, Reg. 2400(2)
 - for uncertain-tax-treatment rules, 237.5(9)

Carryover of losses, *see* Carryback; Carryforward**Carve-out arrangements**

- resource properties acquired from tax-exempt person, 66.6

Carved-out income

- deduction under Part I, 66(14.6)
- defined, 209(1)
- partnership deemed person, 209(6)
- tax on, 209(2)
 - payment, 209(4)
 - return, 209(3)

Carved-out property

- defined, 209(1)
- definitions, 209(1)
- exclusions from, Reg. 7600
- prescribed property, Reg. 7600

Cash

- defined, for international electronic funds transfer reporting, 244.1

Cash flow adjustment

- insurance corporation, Reg. 2412

Cash method of computing income

- becoming non-resident, on, 28(4), (4.1)
- COVID-19 Canada Emergency Wage Subsidy qualification, 125.7(4)(e)
- changing from, 28(3)
- defined, 28(1), 248(1)
- farming or fishing business, 28(1)–(3)
- non-resident ceasing to carry on business in Canada, 28(4), (4.1)

Cash-out of employee stock option, 7(1)(b.1), (d.1)**Cash purchase ticket**

- grain, for
- when amount included in income, 76(4)

Cash register, electronic, *see* Electronic cash register**Cash surrender value**

- of insurance policy, defined, 148(9), Reg. 310, 1408(1)

Cash value

- defined, for Common Reporting Standard, 270(1)

Cash value insurance contract

- defined, for Common Reporting Standard, 270(1)

Casino

- defined, for international electronic funds transfer reporting, 244.1

Casinos relief (COVID), Reg. 8901.1(2)(b)(xviii), *see also* Qualifying tourism or hospitality entity

Catalyst

- capital cost allowance for, Reg. Sch. II:Cl. 26

Catch

- defined, Reg. 105.1(1)

Catheters and related products

- medical expense credit, 118.2(2)(i.1)

Cathode active materials, *see* CAM production (Cathode active materials)

Cattle

- basic herd maintained since 1971, deduction, 29
- breeding, 80.3(1)“breeding animals”
- dairy farming, 248(1)“farming”
- exhibiting and raising, 248(1)“farming”
- inventory, valuation of, 28(1.2)

Ceasing to act as agent of beneficiary

- constitutes disposition, 248(1)“disposition”(b)(v)

Ceasing to be a financial institution, 142.6(1)(a), (c)

Ceasing to be qualifying environmental trust, 107.3(3)

Ceasing to be resident in Canada, *see also* Former resident

- attribution rule, application to deemed disposition, 74.2(3)
 - corporation, *see* Continuance outside Canada
 - deemed disposition of property, 128.1(4)(b)
 - • election for, 128.1(4)(d)
 - • instalment obligation not increased, 128.1(5)
 - • returning former resident, 128.1(6), (7)
 - • stock option income excluded, 7(1.6)
 - demand for payment of taxes owing, 226(1)
 - departure tax, 128.1(4)
 - • additional tax on corporations, 219.1(1), 219.3
 - • security for, 220(4.5)–(4.54)
 - employee life and health trust, 128.1(4)(b.1)
 - farmer or fisherman, 28(4), (4.1)
 - fiscal period end, 128.1(4)(a.1)
 - foreign tax credit after emigration, 126(2.21)
 - • trust beneficiary, 126(2.22)
 - Home Buyers’ Plan income inclusion, 146.01(5)
 - information return, 128.1(9)
 - Lifelong Learning Plan income inclusion, 146.02(5)
 - loss after emigration, 128.1(8)
 - moving to United Kingdom, Canada–U.K. Tax Convention Art. 13:9
 - moving to the United States, Canada–U.S. Tax Treaty:Art. XIII:6
 - payment of tax
 - • election to defer, 220(4.5)–(4.54), Reg. 1301
 - post-emigration loss, 128.1(8)
 - reporting of assets, 128.1(9)
 - rollovers of shares after emigration ignored, 128.3
 - security for departure tax, 220(4.5)–(4.54)
 - seizure of goods and chattels for non-payment of tax, 226(2)
 - to pursue research under grant, 115(2)(b.1)
 - trust, deemed, 94(5)–(5.2)
 - trust deemed to dispose of property on transferor’s emigration, 104(4)(a.3)
- Ceasing to carry on business**, *see also* Death of taxpayer; Sale: business, of; Winding-up
- accounts receivable, 28(5)
 - business income of individual, effect on, 34.1(8)(a)

- disposition of depreciable property after, 13(8), 20(16.3)
- farming business, 28(4), (5)
- general rules, 22–25
- information returns to be filed, Reg. 205(2)
- non-resident, 10(12), (14)
- subsequent transactions
- • repayment of assistance, deduction relating to pre-2017 eligible capital expenditure, 20(1)(hh.1)
- • sale of inventory, 23(1)

Ceasing to use inventory in business

- non-resident, 10(12), (14)

Ceasing to use property in Canadian business

- non-resident financial institution, 142.6(1.1)

Celiac disease patients, medical expense credit for gluten-free food costs, 118.2(2)(r)

Cemetery arrangements, *see* Eligible funeral arrangement; Funeral services

Cemetery care trust

- defined, 148.1(1), 248(1)
- emigration of individual, no deemed disposition, 128.1(10)“excluded right or interest”(e)(iii)
- excluded from various trust rules, 108(1)“trust”(e.1)
- rollover to new trust, 248(1)“disposition”(f)(vi)

Cemetery services

- defined, 248(1)
- provision of under eligible funeral arrangements, 148.1(2)(b)(i)

Central bank

- defined, for Common Reporting Standard, 270(1)

Central paymaster

- provincial allocation of corporate income, Reg. 402.1

Certificate

- accredited film or video production, 125.5(1), (6)
- amount payable, re, 223(2)
- • application of, 223(1)
- • charge on land, 223(5), (6)
- • costs, 223(4)
- • registration in Court, 223(3)
- • • binding under provincial laws, 223(8)
- • • proceedings re, 223(7)
- • • sale of property, 223(9)
- • sale of property
- • • application by Minister for Federal Court order, 223(11)
- • • requirements re documentation, 223(10)
- • total amount, “prescribed rate” sufficient details, 223(12)
- before distribution of estate etc., 159(2)
- failure to obtain, 159(3)
- Canadian film or video production, 125.4(1)
- change of ownership, Reg. 502
- clearance, 159(2), (3)
- dispositions of property by non-resident, 116(2), (4), (5.2)
- ecologically sensitive land, 110.1(1)(d), 118.1(1)“total ecological gifts”
- employer’s, re employees’ expenses, 8(10)
- fair market value of ecological gift, 118.1(10.5)
- oil/gas well, re, 66.1(6)“Canadian exploration expense”(d)(iv)
- • ceasing to be valid, 66.1(10)
- ownership, 234, Reg. 207
- participation, Canadian Wheat Board, 161(5)

Certificate of completion

- defined, for Canadian film/video credit, Reg. 1106(1)

Certification deadline

- defined, Reg. 1106(1)“certificate of completion”

Certification fee paid to bank, 20(1)(i) [repealed]

Certifiable past service event

- defined, Reg. 8300(1)

Certified feature film [repealed]

- defined, Reg. 1104(2)

Certified production (pre-1996)

- capital cost allowance, Reg. 1100(21)–(23), Reg. Sch. II:Cl. 10(w), Sch. II:Cl. 12(n)
- add-back for minimum tax purposes, 127.52(1)(c)
- additional, Reg. 1100(1)(l)
- separate class, Reg. 1101(5k), (5l)
- defined, Reg. 1104(2)
- information returns, Reg. 225

Certified property, defined, 127(9)**Chamber of commerce**

- exemption, 149(1)(e), 149(2)
- information return, whether required, 149(12)

Change in use

- capital property, 45
- depreciable property, 13(7)(a), (b)
- property of insurer, 138(11.3), (11.31)
- research property, changed to commercial use, 127(27), (29)

Change of address

- cost of, deduction, 62(3)(h)

Change of control

- corporation, *see* Control of corporation: change of
- trust, 251.2, *see* Loss restriction event

Character conversion transaction, *see* Derivative forward agreement**Charging provisions, *see* Liability for tax****Charging station for electric vehicles**

- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(xvii)

Charitable activities

- charity must devote all resources to, 149.1(1)“charitable organization”(a)
- defined, 149.1(1)

Charitable donations/gifts, *see* Gifts and donations (charitable)**Charitable foundation, *see also* Charity; Private foundation; Public foundation; Registered charity**

- charitable purposes of, 149.1(6.1)
- corporation controlled by, 149.1(12)
- defined, 149.1(1), Reg. 3700
- disbursement quota, *see* Disbursement quota (of charity)
- political activities of, 149.1(6.1)
- self-dealing rules, 149.1(1)“divestment obligation percentage”, (4)(c)
- transfer of property
 - tax on, 188(3), (4)
- value of property, determination of, Reg. 3702

Charitable organization, *see also* Charity; Registered charity

- business activities of, 149.1(6)
- penalty for carrying on unrelated business, 188.1(1)(b), 188.1(2)(b)
- revocation for carrying on unrelated business, 149.1(2)(a)
- charitable activities of, 149.1(6.2)
- defined, 149.1(1)
- designation of registered charity as, 149.1(6.3)
- outside Canada that federal government has donated to
 - donation to, 149.1(1)“qualified donee”(a)(v)
 - by corporation, deduction, 110.1(1)(a)
 - by individual, tax credit, 118.1(1)“total charitable gifts”
- political activities of, 149.1(6.2)
- registration of, *see* Registered charity
- resources of, devoted to charitable activity, 149.1(6)
- deemed, 149.1(10)
- U.S. resident, Canada-U.S. Tax Treaty:Art. XXI
- universities outside Canada, Reg. 3503, Reg. Sch. VIII
- volunteers operating business, 149.1(1)“related business”

Charities Registration (Security Information) Act

- revocation of charity’s registration, 168(3)
- no appeal, 172(3.1)
- taxpayer information provided for enforcement, 241(4)(f.1)

- use of information by RCMP, CSIS or FINTRAC, 241(9), (9.1)
- text of, 168(3) (Notes)

Charity, *see also* Registered charity

- administration and management expenses not charitable activities, 149.1(1.1)(d)
- associated
 - designation of, by Minister, 149.1(7)
- charitable purposes, defined, 149.1(1)
- defined, 149.1(1)“charity”
- designated as beneficiary of insurance policy, 118.1(5.2)(a)
- disbursement quota, *see* Disbursement quota (of charity)
- disclosure of information by CRA, 149.1(15), 241(3.2)
- disposal of ecologically sensitive land, tax on, 207.31
- donations to, *see* Gifts and donations (charitable)
- exemption, 149(1)(f)
- foreign, *see* Foreign charity
- gifts received, 149.1(12)(b)
- grants to outside organizations that are not charities, 149.1(1)“qualifying disbursement”
- disclosure on public information return, Reg. 3703
- permitted, 149.1(1)“charitable organization”(a.1), 149.1(1)“charitable purposes”, 149.1(2)(b), (c), (3)(b), (b.1), (4)(b), (b.1), (4.1)(d), (21)
- loan to donor, 118.1(16)
- political activities, 149.1(1.1)
- specified gifts, 149.1(1.1)
- terrorism support, *see* Charities Registration (Security Information) Act

Charity trusts, employees’

- receipts, Reg. 3502

Chartered accountant, *see* Accountant**Chattels**

- seizure of, for unpaid tax, 225

Cheque

- dishonoured
 - penalty for, 220(3.8); *Financial Administration Act* s. 155.1(2)(a)
- restarts 10-year collection limitation, 222(6)(c)

Chief source of income

- determination by Minister, 31

Child, *see also* Age; Dependant; Intergenerational transfers; Income-splitting tax; Minor

- adopted, 252(1)
- defined, *see* extended meaning of (*below*)
- dependent, 118(6)(a)
 - credit for, 118(1)B(d), (e)
- disability benefit, 122.61(1)M
- disposition of property to, 40(1.1)
- extended meaning of, 70(10), 75.1(2), 110.6(1), 252(1); ITAR 20(1.11), 26(20)
- family farm or fishing corporation transferred to, 70(9.3), (9.31)
- farm or fishing property transferred to, 44(1.1), 70(9), (9.01); ITAR 26(18), (19)
 - from spouse’s trust, 70(9.1), (9.11)
- financially dependent
 - meaning of, 146(1.1)
- rollover of benefits paid to on taxpayer’s death
 - from RPP, 60(l)(v)(B.01)
 - from RRSP, 146(1)“refund of premiums”(b)
- income-splitting tax, 120.4
- infirm, credit, 118(1)B(d), (e)
- kiddie tax, 120.4, *see also* Income-splitting tax
- killed or missing due to crime, *see* Parent (human): compensation for child
- maintenance payments for, *see* Support payments (spousal or child)
- property transferred to

Child (cont'd)

- gain or loss deemed to be transferor's, 75.1
- support of, deemed, 56(6), (7)

Child Benefit, *see* Canada Child Benefit**Child care expenses**, 63

- cross-border commuter, 63(4)
- deduction for, 63(1), 63(2.2), 64.1
- defined, 63(3)
- "earned income" defined, 63(3) "earned income"
- eligible child, 63(3) "eligible child"
- residents absent from Canada
 - deduction, 64.1
- school or university, attendance at, 63(2.2)
- supporting person, 63(3) "supporting person"
- taxpayer's income vs. supporting person's income, 63(2), (2.1)

Child care space amount

- defined, 127(9)

Child care space creation

- investment tax credit, 127(9) "investment tax credit" (a.5)
- recapture if not kept for 5 years, 127(27.1)–(27.12)

Child Disability Benefit, 122.61(1)M**Child fitness tax credit**, *see* Children's Fitness Credit (pre-2017)**Child support**, *see* Support payments (spousal or child)**Child support amount**

- defined, 56.1(4), 60.1(4)
- whether deductible, 60(b), 60.1
- whether taxable, 56(1)(b), 56.1

Child Tax Benefit, *see* Canada Child Benefit**Child tax credit (pre-2015)**, 118(1)B(b.1)**Children's Arts Tax Credit (pre-2017)**, 118.031, Reg. 9401**Children's Fitness Credit (pre-2017)**, 122.8**China**, *see also* Foreign government

- universities, gifts to, Reg. Sch. VIII, s. 14

Chinaware

- capital cost allowance for, Reg. Sch. II:Cl. 12(b)

Chiropractor, *see* Professional practice**Chitalia case overruled**, 146.01(2)(b) exception**Chose in action, as property**, 248(1)**Christmas party exemption**

- to meal and entertainment restriction, 67.1(2)(f)

Chrysler Canada Incorporated

- payments to, exception to employee life and health trust rules, Reg. 9500

Church, *see also* Charity

- clergy employed by, deduction re residence, 8(1)(c)

Citizen, *see* Canadian citizen**Civil Air Search and Rescue Association**

- volunteers, tax credit, 118.07

Civil law

- equally authoritative to common law, *Interpretation Act* 8.1, 8.2

Civil marriage, *see* Same-sex marriage**Civilian War Pensions and Allowances Act**

- pension under, exempt, 81(1)(d)

Claim liability

- defined (insurance policy reserves) [repealed], Reg. 1408(1)

Claim preparer (SR&ED claim)

- defined, 162(5.3)
- penalty for not disclosing, 162(5.1)
- requirement to disclose fees of, 37(11)(b)

Claim preparer information (SR&ED claim)

- defined, 162(5.3)
- penalty for not disclosing, 162(5.1)
- requirement to disclose, 37(11)(b)

Claim year

- defined, 152(6.1)(b)

Claims, unpaid, *see* Insurance corporation: reserve: unpaid claims; Insurance corporation: unpaid claims reserve adjustment**Class of animal**

- defined, Reg. 1802(5)

Class of beneficiaries

- defined, for employee life and health trusts, 144.1(1)

Class of shares

- includes series, 248(6)

Classes of property, *see* Capital cost allowance**Classification society**

- defined, Reg. 3600(2)

Clawback

- capital cost allowance, *see* Recapture
- deduction from income for, 60(w)
- disposition of labour-sponsored funds share, 211.8(1)
- old age security, 180.2
- unemployment benefits, deduction, 60(v.1)

Clean ammonia

- defined, for clean hydrogen tax credit, 127.48(1)

Clean ammonia equipment

- defined, for clean hydrogen tax credit, 127.48(1)

Clean economy allocation provision

- defined, 127.47(1)

Clean economy expenditure

- defined, 127.47(1)

Clean economy provision

- defined, 127.47(1)

Clean economy tax credit

- defined, 127.47(1)

Clean electricity property (for clean electricity credit)

- defined, 127.491(1), (34)–(37)
- Dept. of Natural Resources technical guide applies, 127.491(37)
- disqualified if local environmental laws not complied with, 127.491(34)
- reasonable efforts to comply with emission and energy requirements, 127.491(35)
- separate projects for discrete phases, 127.491(36)

Clean electricity tax credit (investment tax credit), 127.491

- allowed as refundable credit, 127.491(2)
- amalgamation, effect of, 87(2)(qq.1)
- amount of credit, 127.491(1) "clean electricity investment tax credit", "specified percentage"
- assistance reduces credit, 127.491(10)(c), 127.491(14)
- conversion to ineligible use, export or sale, recapture, 127.491(17)–(19)
- deadline for filing claim, 127.491(7), 220(2.2)
- deducted from tax or refunded, 127.491(2)–(4), (11)
- deemed to be government assistance for ITC rules, 127.491(1) "government assistance"
- defined, 127.491(1)
- depreciable property acquired before change of control, 13(24), (25)
- disposition of property, recapture, 127.491(17)–(19)
- expenditures unpaid after 180 days, 127.491(15)
- export of property, recapture, 127.491(17)–(19)
- government assistance reduces credit, 127.491(10)(c), 127.491(14)
- instalments reduced to reflect credit, 157(3)(e), 157(3.1)(c)
- investment tax credit, 127.491(2)
- late filing, 127.491(7), 220(2.2)
- partnership, allocation to partners, 127.491(13)
- ACB of partnership interest, 53(1)(e)(xiii), 53(2)(c)(vi.5)
- limited partners, rules, 96(2.1)(b)(ii), 127.47

Clean electricity tax credit (investment tax credit) (*cont'd*)

- recovery and recapture rules, 127.491(24)–(28)
- unreasonable allocation, 127.47(2)
- payable to claimant, 127.491(2)–(4)
- purpose of credit, 127.491(38)
- refundable credit, 127.491(2)
- tax shelter investment, credit denied, 127.491(16)
- unpaid portion of purchase price after 180 days, 127.491(15)
- who can claim, 127.491(1)“qualifying entity”
- windup, effect of, 88(1)(e.31)

Clean energy investments, Reg. Sch. II:Cl. 43.1**Clean hydrogen**

- defined, for clean hydrogen tax credit, 127.48(1)
- investment tax credit, 127.48, *see also* Clean hydrogen tax credit (investment tax credit)

Clean hydrogen project

- defined, for clean hydrogen tax credit, 127.48(1)

Clean hydrogen project plan

- defined, for clean hydrogen tax credit, 127.48(1)

Clean hydrogen tax credit (investment tax credit), 127.48

- allowed as refundable credit, 127.48(2)
- amalgamation, effect of, 87(2)(qq.1)
- amount of credit, 127.48(1)“clean hydrogen investment tax credit”, “specified percentage”
- assistance reduces credit, 127.48(10)(c)
- change in carbon intensity, recapture of credit, 127.48(18)–(24)
- conversion of property to non-hydrogen use or sale, recapture, 127.48(18)–(24)
- deadline for filing claim, 127.48(4), 220(2.2)
- deducted from tax or refunded, 127.48(2), (3)
- deemed to be government assistance for ITC rules, 127(9)“government assistance”
- defined, 127.48(1)
- depreciable property acquired before change of control, 13(24), (25)
- disposition of property, recapture, 127.48(21)–(24)
- expenditures unpaid after 180 days, 127.48(13)
- export of property, recapture, 127.48(21)–(22)
- government assistance reduces credit, 127.48(10)(c)
- instalments reduced to reflect credit, 157(3)(e), 157(3.1)(c)
- investment tax credit, 127.48(2)
- late filing, 127.48(4), 220(2.2)
- partnership, allocation to partners, 127.48(12)
- • ACB of partnership interest, 53(1)(e)(xiii), 53(2)(c)(vi.3)
- • limited partners, rules, 96(2.1)(b)(ii), 127.47
- • recovery and recapture rules, 127.48(25)–(28)
- • unreasonable allocation, 127.47(2)
- payable to taxpayer, 127.48(2)
- purpose of credit, 127.48(31)
- refundable credit, 127.48(2)
- tax shelter investment, credit denied, 127.48(14)
- unpaid portion of purchase price after 180 days, 127.48(13)
- windup, effect of, 88(1)(e.31)

Clean technology investment tax credit, 127.45

- allowed as refundable credit, 127.45(2)
- amalgamation, effect of, 87(2)(qq.1)
- apprenticeship requirements, 127.46(5), (7)
- amount of credit, 127.45(1)“clean technology investment tax credit”
- assistance reduces credit, 127.45(5)(b)
- conversion of property to non-clean use, recapture, 127.45(11)–(14)
- deadline for filing claim, 127.45(3), 220(2.2)
- deducted from tax or refunded, 127.45(2), (6)
- deemed to be government assistance for ITC rules, 127(9)“government assistance”
- defined, 127.45(1)
- depreciable property acquired before change of control, 13(24), (25)

- disposition of property, recapture, 127.45(11)–(14)
- export of property, recapture, 127.45(11)–(14)
- government assistance reduces credit, 127.45(5)(b)
- instalments reduced to reflect credit, 157(3)(e), 157(3.1)(c)
- investment tax credit, 127.45(2)
- labour requirements, 127.46(3), (6)
- late filing, 127.45(3), 220(2.2)
- partnership, allocation to partners, 127.45(8), 127.47
- • ACB of partnership interest, 53(1)(e)(xiii), 53(2)(c)(vi.2)
- • limited partners, rules, 96(2.1)(b)(ii), 127.47
- • unreasonable allocation, 127.47(2)
- payable to taxpayer, 127.45(2)
- purpose of credit, 127.45(19)
- refundable credit, 127.45(2)
- tax shelter investment, credit denied, 127.45(10)
- unpaid portion of purchase price after 180 days, 127.45(9)
- windup, effect of, 88(1)(e.31)

Clean technology manufacturing, *see* CTM investment tax credit (Clean technology manufacturing investment tax credit)**Clean technology property**

- defined, for clean technology investment tax credit, 127.45(1)

Clear days

- calculation of, *Interpretation Act* 27(1)

Clearance certificate, 159(2)

- failure to obtain, 159(3)

Clearing or levelling farm land

- cost deductible, 30

Clergy

- allowance received by, deduction, 6(1)(b)(vi)
- residence, expense deductible, 8(1)(c)
- • employer’s certificate required, 8(10)
- travelling allowance not taxable, 6(1)(b)(vi)

Clerical or secretarial services

- no liability for penalty for misrepresentation, 163.2(9)
- no liability for penalty for section 160 avoidance planning, 160.01(3)
- no requirement to report reportable transaction, 237.3(4)

Client

- defined, for international electronic funds transfer reporting, 244.1
- privilege, *see* Solicitor-client privilege

Climate Action Incentive, *see* Canada Carbon Rebate**Climate risk disclosure report**

- requirement to publish if claiming CCUS tax credit, 211.93(1)(b)
- • contents of, 211.93(1)(b)(i), (ii)
- • penalty for failure to publish, 211.93(5)
- • publication on company’s website, 211.93(2)

Closing business, *see* Ceasing to carry on business**Closely held corporation**

- defined, for non-resident trust rules, 94(1)

Club

- country club, no COVID extended tourism relief, Reg. 8901.1(2)(b)(ix)(B)
- dues, no deduction, 18(1)(l)(ii)
- exemption for, 149(1)(l), 149(2)
- • deemed a trust, 149(5)
- information return required, 149(12)

Coaching services, *see* Job coaching services**Coal, *see also* Mineral resource**

- flow-through shares eliminated after March 2023, 66(12.6)(b.2)
- included in definition of “mineral”, 248(1)
- mine, allocation of depletion allowance, 65(3)

Coal mine operator

- defined, Reg. 1104(2), 1206(1)
- services rendered by, Reg. 1104(6.1), 1204(3)(c)

Cobalt, *see* Critical mineral

Cod fishermen, *see* Fishing: compensation programs

Cogeneration

- energy systems, Reg. Sch. II:Cl. 43.1(c)(i)

Cohabiting spouse or common-law partner

- death of, notice to CRA required, 122.62(5)(a)
- defined, 122.5(1), 122.6, 122.7(1), 122.8(1)
- person becoming, notice to CRA required, 122.62(7)(a)
- separation from, notice to CRA required, 122.62(6)(a)

Collateralized preferred shares

- restriction on dividend deductibility, 112(2.4)

Collection agreement

- application of payments under, 228

Collection-commencement day

- defined, 225.1(1)

Collection of tax, 222–229

- acquisition of tax debtor's property, 224.2
- by Internal Revenue Service, Canada-U.S. Tax Treaty:Art. XXVI-A
- debt to Her Majesty, as, 222(2)
- deduction or set-off, by, 224.1
- garnishment, 224
- in jeopardy, 164(1.2)–(1.31)
 - • proceedings, 225.2
 - • • judge's powers, 225.2(11), (12)
 - • • judicial review of authorization, 225.2(8)–(11)
 - • • no appeal therefrom, 225.2(13)
- interference with official, 231.51
- limitation period, 10 years, 222
- payment of moneys seized from tax debtor, 224.3
- requirement to disclose information, 231.2(1)
- requirement to provide foreign-based document, 231.6(1)
- restricted while objection or appeal underway, 225.1
- seizure of chattels, 225
- taxpayer leaving Canada or defaulting, 226

College, *see* Tuition fees; University

Collins case overruled, 143.4

Colostomy pads, as medical expense, 118.2(2)(i)

Combustion turbine

- capital cost allowance, Reg. Sch. II:Cl. 48

Comfort letters, *see* Table of Comfort Letters

Commencement

- defined, *Interpretation Act* 35(1)

Commencement day

- child support not deductible or taxable if agreement made or varied after, 56(1)(b)B, 60.1(b)B
- defined, 56.1(4), 60.1(4)

Commercial debt obligation, *see also* Commercial obligation

- deemed issued where amount designated following debt forgiveness, 80.03(7)(b)(i)
- defined, 80(1), 80.01(1), 80.02(1), 80.03(1)(a), 80.04(1)
- exchanged for other commercial debt obligation, 80(2)(h)
- issued by partner, 80(2)(n)
- issued by partnership, 80(15)
- joint liability for, allocation, 80(2)(o)
- settled by deceased's estate, 80(2)(p), (q)

Commercial obligation, *see also* Commercial debt obligation

- debt forgiveness
 - • defined, 80(1), 80.01(1), 80.02(1), 80.03(1)(a), 80.04(1)
 - • disposition of in exchange for another issued by same person, 40(2)(e.2)
 - • • addition to adjusted cost base, 53(1)(f.12)
- foreign tax credit
- defined, 126(7)

Commercial traveller, *see* Salesperson

Commission

- mutual fund, limited partnership financing, 18.1
- unearned, reserve for, 32
- withholding tax, 153(1)(g), Reg. 102(2), (5)

Commission agent

- deductions, 8(1)(f)
- • automobile or aircraft costs, 8(1)(j), 8(9), 13(11)
- • certificate of employer, 8(10)

Commissioner of Revenue

- appointed, *Canada Revenue Agency Act* s. 25
- authorized to exercise powers of Minister, 220(1)

Commitment time

- defined, 20.3(1)“weak currency debt”

Committee, return by, *see also* Legal representative

- deemed to be legal representative, 248(1)“legal representative”
- obligations of, 159
- return required by, 150(3)

Common carrier

- railway assets, capital cost allowance, Reg. 1100(1)(z.1c), 1101(5d.2), Reg. Sch. II:Cl. 35

Common law

- equally authoritative to civil law, *Interpretation Act* 8.1, 8.2

Common-law partner, *see also* Spouse

- defined, 248(1)
- transfer of property to, 160(1)

Common-law spouse, *see* Common-law partner

Common question

- appeal of one taxpayer binding on others, 174

Common Reporting Standard, 270–281

- definitions, 270(1)
- financial institution due-diligence requirements, 272–277
- financial institutions required to report non-residents' accounts, 271, 278
 - • excluded accounts, 270(1)“excluded account”, Reg. 9006
 - • prescribed excluded accounts, Reg. 9006
 - • prescribed non-reporting financial institutions, Reg. 9005

Common share, *see also* Share

- consideration for property transferred to corporation, 85(1)(h)
- defined
 - • for small business investment capital gain rollover, 44.1(1)
 - • generally, 248(1)

Commonwealth

- defined, *Interpretation Act* 35(1)

Communal organization

- definitions, 143(4)
- election to allocate gifts to members, 143(3.1)
- rollover to new trust, 248(1)“disposition”(f)(vi)
- rules re, 143(1)
- specification of member of family, effect of, 143(5)
- taxable income, election re, 143(2), (3)

Communication of information (by CRA), 241

- Canada Child Benefit, 241(4)(j.2); Reg. 6500
- charities and RCAAAs, regarding, 149.1(15), 241(3.2)
- offence of unauthorized use or disclosure, 239(2.2)–(2.22)
- police officer, to, 241(4)(p)
- prohibition against, 241(1), (2)
- statistical purposes, 241(1)(d)(ix), 241(4)(e)(x), 241(4)(o)

Community Development bonds, eligible for RRSP investment, Reg. 4900(1)(i.1)

Community Economic Development Corporation (Nova Scotia)

- qualified investment for deferred income plans, Reg. 4900(1)(i.11)

Community Heroes benefit

- tax-free benefit to families, 81(1)(j)

Commutation of annuity

- direct transfer to RRIF, 147.4(5)
- payment on, source withholding, 153(1)(f)

Commutation of benefits, pension plan, Reg. 8503(2)(m), (n), 8503(2.1)

- insolvent employer
- • rollover to RRSP, 146(5.2), (5.201)
- • transfer to another RPP, Reg. 8517(3)–(3.02)

Commuter to United States

- charitable gifts, 118.1(9)
- child care expenses, 63(4)
- retirement plan contributions, Canada-U.S. Tax Treaty:Art. XVIII:14
- tuition credit, 118.5(1)(c)
- • transfer of, to supporting person, 118.9(1)

Compact discs, *see* Audio tapes or CDs**Companies' Creditors Arrangement Act**

- provisions override third-party garnishment, 224(1.2)

Company, *see also* Corporation

- defined, Canada-U.S. Tax Treaty:Art. III:1(f)

Compensation

- capital property, for, 54“proceeds of disposition”
- certain payments exempt, 81(1)(d)
- cod fisherman *see* Fishing: compensation programs
- defined for RPP purposes, 147.1(1), Reg. 8507
- depreciable property, for, 13(21)“proceeds of disposition”
- from Federal Republic of Germany, exempt, 81(1)(g)
- limits pension contribution, 147.1(8), (9)
- payment, *see* Securities lending arrangement: compensation payment
- taxable, 5, 6, 9
- to customer or client, trust income exempt, 149(1)(w)

Compete, agreement not to, *see* Restrictive covenant (or non-competition payment)**Competent authority**

- agreement based on tax treaty deemed valid, 115.1
- arbitration of disputes, Canada-U.S. Tax Treaty:Art. XXVI:6
- defined, Canada-U.S. Tax Treaty:Art. III:1(g); Canada-U.K. Tax Treaty:Art. 3:1(f)
- exchange of information, Canada-U.S. Tax Treaty:Art. XXVII
- mutual agreement procedure, Canada-U.S. Tax Treaty:Art. XXVI

Complaint, *see* Information or complaint**Complete period of reduced services**

- defined, Reg. 8300(1)

Completion

- defined, Reg. 1104(2)
- of a specified oil sands mine development project, defined, 66.1(6)
- of a specified development phase of a taxpayer's oil sands project, defined, Reg. 1104(2)

Completion date (for qualifying home under Home Buyers' Plan)

- defined, 146.01(1)

Compliance order, *see also* Notice of non-compliance

- after conviction of offence, 238(2)
- compliance with audit or demand, 231.7
- • penalty of 10% of each year's federal tax if issued, 231.7(6), (7)
- • • assessment of penalty, no deadline, 231.7(9)
- • time contesting, not to count for reassessment clock, 231.8(1)(d)

Compliance period

- defined
- • for clean electricity credit, 127.491(1)
- • for clean hydrogen tax credit, 127.48(1)

Compound interest

- deduction for, 20(1)(d)

- late payments and refunds, 248(11)

Compression equipment

- capital cost allowance, Reg. Sch. II:Cl. 7(j), Sch. II:Cl. 7(k)

Computation of income, 3

- amalgamation, on, 87(2)(c)
- deductions, *see* Deductions in computing income; Deductions in computing income from business or property; Deductions in computing income from office or employment
- insurance corporation, 138(1)–(6), (9)
- limitation re inclusions and deductions, 248(28)
- non-resident insurer, 138(11.91)
- • where insurance business transferred, 138(11.92)

Computation of tax, Reg. Part I

- corporations, 123–125.1
- deductions, *see* Deductions in computing tax
- individuals, 117–122.91
- • rates, 117(2)
- Part I
- • non-resident individual, 118.94

Computer

- accounting records kept on, retention requirement, 230(4.1)
- • exemption, 230(4.2)
- capital cost allowance
- • general, Reg. Sch. II:Cl. 50
- • “general-purpose electronic data processing equipment” defined, Reg. 1104(2)
- • manufacturing and processing equipment, Reg. Sch. II:Cl. 29
- • network equipment, *see* Data network infrastructure equipment
- • separate class for each property, Reg. 1101(5p)
- excluded from apprentice vehicle mechanics' deduction, 8(6)(b)(iv)
- excluded from tradesperson's tools deduction, 8(6.1)(d)
- filing by, *see* Electronic filing
- software, *see* Software

Computer cart

- disability supports deduction, 64(a)(ii)(T)

Computer-operating aids for blind person

- disability supports deduction, 64(a)(ii)(C)
- medical expense credit, Reg. 5700(o)

Computer software, *see also* Software

- defined, Reg. 1104(2)

Computer software tax shelter property [repealed], *see* Computer tax shelter property**Computer tax shelter property**

- CCA claims limited to income from property, Reg. 1100(20.1)
- defined, Reg. 1100(20.2)
- excluded from leasing property rules, Reg. 1100(17)(b)
- separate class, Reg. 1101(5r)

Concentrated solar energy equipment

- defined, for clean technology investment tax credit, 127.45(1)

Concerts relief (COVID), Reg. 8901.1(2)(b)(iv), *see also* Qualifying tourism or hospitality entity**Concession**

- capital cost allowance, Reg. 1100(1)(c), 1100(9), Reg. Sch. II:Cl. 14
- exchange of, election, 13(4.2), (4.3)

Concessional loan, *see* Excluded loan**Concrete finisher**

- apprenticeship job creation credit, 127(9)“investment tax credit”

Conditional sale, repossession, *see* Surrender: of property to creditor**Conditions**

- defined, for transfer pricing rules, 247(1.4)

Condominium, *see* Home

- Condominium corporation**, 149(1)(l)
- Confederation Life failure**
- group disability insurance top-up payments, 6(17), (18)
 - reimbursement payment to employer, 8(1)(n.1)
- Confidential protection**
- defined, for reportable transaction rules, 237.3(1)
- Confidentiality**, *see* Communication of information (by CRA); Solicitor-client privilege
- Congregation**, *see* Communal organization
- Connected**, *see also* Connected person
- contributor, *see* Connected contributor
 - defined
 - for Part IV tax, 186(4)
 - extended definition applies to other provisions, 186(7)
 - for registered pension plans, Reg. 8500(3)
 - for shareholder loans, 15(2.1)
 - partnership, *see* Connected partnership
 - person, *see* Connected person
 - shareholder, *see* Connected shareholder
- Connected affiliate**
- defined, for foreign affiliate dumping rules, 212.3(16)(b)(ii)
- Connected contributor**
- defined, 94(1)
- Connected partnership**
- defined
 - for FAPI stub-period rules, 91(1.3)
- Connected person**
- defined
 - for deferred income plan qualified investments, Reg. 4901(2)
 - for FAPI stub-period rules, 91(1.3)
 - for straddle transaction rules, 18(17)“offsetting position”
- Connected person or partnership**
- defined, for upstream loan rules, 90(4)
- Connected shareholder**
- defined, Reg. 4901(2)–(2.2)
- Conservation**, *see* Energy: conservation property
- Conservation of the environment**, *see* Ecological gifts
- Consequence of the death of an individual**
- meaning of, 248(8)
- Consideration**, *see also* Inadequate consideration
- defined, for digital platform operator reporting rules, 282(1)
 - unreasonable
 - from non-resident, 247
 - rent, royalty, etc.
 - non-resident, paid by, 247
 - non-resident, paid to, 247
 - whether trust interest acquired for consideration, 108(7)
- Consolidated financial statements**
- defined
 - for alternative interest-deduction restrictions, 18.21(1), (4)
 - for country-by-country reporting, 233.8(1)
 - for stock option limits, 110(0.1), 233.8(1)
 - for uncertain-tax-treatment rules, 237.5(1)
- Consolidated group**
- defined, for alternative interest-deduction restrictions, 18.21(1), (4)
 - anti-avoidance rule, 18.21(6)
 - of foreign affiliates, surplus calculations, Reg. 5907(1.1)
- Consolidated net surplus rules**
- transitional (for FAPI), 92(1.2)–(1.5)
- Consolidation (of shares)**
- effect on stock option rules, 110(1.5)
- Consolidation accounting method**
- prohibited for debt forgiveness reserve, 61.3(1)(b)C(i)
 - prohibited for purposes of Act, 248(24)
- Consoltex Inc. case overruled**, 127(27)
- Constituent entity**
- defined, for country-by-country reporting, 233.8(1)
- Constitutionality of Income Tax Act**, 2(1) (Notes)
- Construction activities**
- defined, Reg. 238(1)
 - information return required, Reg. 238(2)
- Construction and completion knowledge sharing report**
- requirement to publish for CCUS credit, 211.92(1)“knowledge sharing report”(a), 211.92(1)(a)
- Construction contracts**
- information return, Reg. 238
- Construction electrician**
- apprenticeship job creation credit, 127(9)“investment tax credit”
- Construction equipment**
- “qualified” defined, 127(9)
- Construction job site**
- travel to, by tradesperson or apprentice, deduction, 8(1)(q.1)
- Construction of building**
- home for disabled person, medical expense, 118.2(2)(1.21)
 - soft costs, rules, 18(3.1)–(3.7), 20(29)
- Construction work camp**
- deduction for meals at, 67.1(2)(e.1)
 - exemption for board, lodging and transportation, 6(6)
- Constructive receipts**
- indirect payments, 56(2)
- Consul**, *see* Diplomat
- Consumer goods or services**
- defined, 135(4), Reg. 4901(2)
- Consumer Price Index**
- defined, Reg. 8500(1)
- Consumer Price Index adjustment**, *see* Indexing (for inflation)
- Consumer’s Gas case overruled**, 12(1)(x)
- Contact information**
- defined, re disclosure of taxpayer information, 241(10)
 - disclosure of, 241(4)(l)
- Containers**
- deposit received for, income, 12(1)(a)(ii)
 - repayment of, deductible, 20(1)(m.2)
 - reserve for, deductible, 20(1)(m)(iv)
- Contemplated shareholder**
- defined, for shareholder-benefit rules, 15(1.4)(a)
- Contemporaneous documentation**
- required for transfer pricing audit purposes, 247(4)
- Contiguous zone**
- defined, *Interpretation Act* 35(1)
- Continental Bank of Canada case overruled re Crown raising new issue on appeal**, 152(9)
- Continental shelf**
- application of legislation to, *Interpretation Act* 8(2.2)
 - defined, *Interpretation Act* 35(1)
- Contingency funds**, Reg. 3202
- Contingent amount**
- defined, 143.4(1)
 - excluded from expenditures, 143.4(2)
- Contingent liability**
- limitation on deductibility, 18(1)(e), 143.4(2)
- Continuance outside Canada**, 219.1, 250(5.1)
- treaty rule, Canada-U.S. Tax Treaty:Art. IV:3
- Continuity**
- previous version of Act, ITAR 75, 77
- “Contra” interest**
- on instalment payments, 161(2.2)

Contract

- annuity, *see* Annuity contract
- employment, consideration for entering into, 6(3)
- investment, *see* Investment contract
- life annuity, 148(10)
- payments under, combined income and capital, 16(1)
- pension plan, under, 254
- person employed to negotiate
 - expenses incurred, deduction, 8(1)(f)
 - certificate of employer, 8(10)
- rectification of, 169(1) (Notes)

Contract payment

- by federal government or Crown corporation, information return, Reg. 237
- defined, 127(9), (25)
- included in income, 9(1), 12(1)(x)
- paid, not counted as qualifying for ITC, 127(18)
- prescribed amount, Reg. 4606

Contract to provide information to CRA, *see* Informant payments (for leads on international tax evasion)

Contractors' movable equipment, Reg. Sch. II:Cl. 10(h), Sch. II:Cl. 22, Sch. II:Cl. 38

Contractual protection

- defined, for reportable transaction rules, 237.3(1)

Contractual service margin

- defined
 - for determining insurer's capital, 138(12), 181(2), Reg. 8600
 - for insurers' IFRS transition rules, 138(12), Reg. 2400(1)
 - for insurers' policy reserves, Reg. 1408(1)
 - for Part VI tax on financial institutions, 190(1)

Contravene

- defined, *Interpretation Act* s. 35(1)

Contributed property**Contributed surplus**

- addition to adjusted cost base, 53(1)(c)
- calculation of, 84(10), (11)
- conversion into paid-up capital
 - amalgamations, 87(2)(y)
 - no dividend deemed, 84(1)(c.1)–(c.3)
 - restrictions, 84(10)

Contribution

- charitable, *see* Gifts and donations (charitable)
- defined
 - for non-resident trusts, 94(1), 94(2)(s)–(u)
 - for political contributions, Reg. 2002(1)
- political, *see* Political contribution
- to RESP, defined to exclude CESG, 146.1(1)

Contributor

- defined
 - for affiliated-person rules, 251.1(3)
 - for non-resident trusts, 94(1)
 - re disposition to trust, 107.4(1)

Control of corporation, 112(6)(b), 256(1.2), *see also* Associated corporations

- 75% of value counting as control, 256.1
- acquired after beginning of year, investment tax credit, 127(9.2)
- acquired before end of year, investment tax credit, 127(9.1)
- acquisition of, *see also* change of (below)
 - because of death, effect on windup, 88(1)(d.3)
 - deemed time of, 256(9)
 - exceptions, 256(7)(a)
- amalgamation deemed not acquisition of, 88(4)
- certain shares excluded from fair market valuations, 256(1.6)
- change of, *see also* Loss restriction event
 - adjusted cost base of non-depreciable capital property, 53(2)(b.2)

- adventure in the nature of trade, inventory writedown, 10(10)
- application of unused surtax credit, 190.1(6)
- bad debts non-deductible, 111(5.3)
- business investment losses, 111(8)“net capital loss”C(b)
- Canadian resource expenses, reduction of, 66.7(12)
- Canadian resource property acquired within 12 months, 66(11.4), (11.5)
- capital dividend account set to zero, 89(1.1)
- change in trustees of trust controlling corporation, 256(7)(i)
- charitable donations, 110.1(1.2)
- debt forgiveness rules, 80(1)“relevant loss balance”(d), (e)
- deductions for previously disallowed pregnant losses, 13(21.2)(e)(iii)(D), 14(12)(f) [before 2017], 18(15)(b)(iii), 40(3.4)(b)(iii)
- deemed year-end, 249(4)
- depreciable property acquired in 12-month period, 13(24), (25)
- election re cost of capital property, 111(4)(e)
- exploration and development expenses, 66(11.4), (11.5)
- foreign affiliates owned by corporation, Reg. 5905(5.2)
- foreign currency debt, gain or loss, 40(10), (11), 111(12), (13)
- foreign resource property acquired within 12 months, 66(11.4), (11.5)
- inventory writedown for adventure in the nature of trade, 10(10)
- investment tax credit, 127(9.1), (9.2)
- loss carryover rules, 111(4)–(5.5)
 - anti-avoidance provision, 111(5.5)(b)
- losses, deductibility, 111(5)–(5.4)
- meaning of, 256(6)–(9), 256.1
- NISA Fund No. 2 deemed paid out, 12(10.4)
- net capital loss non-deductible, 111(4)
- non-depreciable capital property, rules re, 111(4)(c)–(e)
- non-successor acquisitions of resource properties, 66.7(15)
- resource expenses, 66.7(10), (11)
- scientific research and experimental development expenses, 37(1)(h), 37(6.1)
- superficial loss rule inapplicable, 54“superficial loss”(f)
- windup, 88(1)(c.3), (c.6)
 - within 12 months of incorporation, 66(11.5)
- corporation without share capital, 256(8.1)
- deemed not acquired, 256(7)
- defined
 - directly or indirectly, 256(5.1)
 - for associated corporation rules, 256(6)
 - for Part IV tax, 186(2)
 - for stop-loss rules, 112(6)(b)
- in fact, 256(5.1)
- option, by, 251(5)(b)
- related groups, by, 251(5)(a)
- specified class of shares, defined, 256(1.1)

Controlled corporation, *see also* Corporation

- meaning, 256(5.1)

“Controlled, directly or indirectly”

- meaning, 256(5.1)

Controlled foreign affiliate, *see also* Foreign affiliate

- defined, 95(1), 248(1), Reg. 5907(1)
 - for loan by corporation to non-resident, 17(15)
 - non-resident trust deemed to be, 94.2(2)
- eligible, *see* Eligible controlled foreign affiliate
- income earned by, taxed, 91(1), *see also* Foreign accrual property income
- payment to, for services, constitutes FAPI, 95(2)(b)

Controlled foreign company tax regime

- defined, for hybrid mismatch arrangement rules, 18.4(1)

Controlling individual

- of RRSP, RRIF, TFSA, RESP or RDSP, defined, 207.01(1)

Index

Controlling individual (*cont'd*)

- tax on, 207.04(1), 207.05(1)

Controlling persons

- defined, for Common Reporting Standard, 270(1)

Convention, *see* Tax treaty

Convention expenses

- deductible, 20(10)
- • where fee includes meals, 67.1(3)
- disallowed as R&D expense, Reg. 2902(a)(i)(F)
- held in United States, Canada-U.S. Tax Treaty, Canada-U.S. Tax Treaty:Art. XXV:8

Convention organizer relief (COVID), Reg.

- 8901.1(2)(b)(xx)(A), *see also* Qualifying tourism or hospitality entity

Convention refugee, *see* Refugee

Conventional lands

- defined, Reg. 1206(1)

Conversion

- benefit, *see* Conversion benefit
- bond, deemed cost of, 51.1
- debt into debt (commercial debt obligation), 80(2)(h)
- debt into shares, 51, 80(2)(g), (g.1)
- provincial life insurance corporation to mutual, 139
- shares into other shares, 86(1)
- vessel, of
- • defined, 13(21)“appropriate minister”, “conversion” and “conversion cost”

Conversion benefit

- defined, for insurance demutualization, 139.1(1)
- flow-through by employer to employee, 139.1(16)
- taxable, *see* Taxable conversion benefit

Conversion cost

- vessel, of
- • deemed separate class, 13(14), (17)
- • defined, 13(21)“appropriate minister”, “conversion” and “conversion cost”

Convertible debenture, *see* Convertible property

Convertible obligation, 51.1

Convertible property, 51; ITAR 26(24)

- benefit conferred on non-arm's length person, 51(2)
- “gift portion” of, 51(2)

Cook

- apprenticeship job creation credit, 127(9)“investment tax credit”

Cooling-off period

- three years, labour-sponsored funds tax credit, 127.4(3)

Cooperative corporation, 135, 136

- investment tax credit, 127(6)
- paid-up capital of, 89(1)“paid-up capital”(b)
- patronage dividends, 135
- • deduction, 20(1)(u)
- • non-resident, to, 212(1)(g)
- scientific research tax credit, 127.3(5)
- share of, meaning, 248(1)“share”

Coopers & Lybrand case overruled, 227(5)

Copper, *see* Critical mineral

Copy of document

- can be used in court proceedings, 231.5, 244(9)

Copyright

- owner, *see* Copyright owner
- royalties paid to non-resident, exempt, 212(1)(d)(vi), 212(9)(b)
- • paid to U.K. resident, Canada-U.K. tax treaty Art. 12:3(a)
- • paid to U.S. resident, Canada-U.S. Tax Treaty:Art. XII:3(a)

Copyright owner

- defined, for film credit CCA rules, Reg. 1106(1), (12)

- effect on availability of film credit, Reg. 1106(1)“excluded production”(a)(iii)(A)

Coronavirus, *see* COVID-19

Corporate distributions tax, 183.1

Corporate emigration, 219.1

Corporate information

- defined, re disclosure of taxpayer information, 241(10)
- disclosure of, 241(4)(l)

Corporate officers

- accountability of, 242
- loans to, 80.4(1)

Corporate partnerships

- small business deduction, 125(6)

Corporate surplus, *see* Surplus stripping

Corporate surtax (before 2008), 123.2

Corporate tax reduction, *see* Corporation: tax rate

Corporation

- acquiring depreciable property
- • change of control in 12-month period, 13(24), (25)
- acquisition of control, *see* Control of corporation: change of
- acquisition of own shares, deemed dividend, 84(3)
- additional tax on excessive election, 184
- airline, taxable income earned in a province, Reg. 407
- allowance, re investment in property in Canada, 219(1)(j), Reg. 808
- amalgamation of, *see* Amalgamation
- annuity contract, interest in, 12.2
- appropriations of property by shareholders, 15(1), 69(4)
- • inadequate considerations, 69(5)
- appropriations to shareholders
- • on winding-up, deemed dividend, 84(2), (6)
- assets disposed of to, for shares
- • shares deemed capital property, 54.2
- associated, *see* Associated corporations
- bankrupt
- • exempt from Part IV tax, 186.1
- • rules applicable, 128(1)
- becoming or ceasing to be exempt, 149(10)
- • superficial loss rule inapplicable, 54“superficial loss”(g)
- becoming resident in Canada, 128.1(1)
- benefit conferred on shareholder, 15(1), (7)
- • deemed, 15(9)
- bus operators, taxable income earned in a province, Reg. 409
- buying back shares for excessive amounts
- • excess deemed dividend substitute, 183.1(3), (4)
- “Canadian”
- • defined, 89(1)
- • “taxable” defined, 89(1)“taxable Canadian corporation”
- • winding-up of, rules, 88(2)
- Canadian-controlled private, defined, 125(7)
- cancellation of shares, 84(3), (6)
- ceasing to be resident in Canada, 128.1(4)
- change of control, *see* Control of corporation: change of
- charitable donations deduction, 110.1
- connected, 186(4)
- consolidation accounting method, prohibited, 248(24)
- continuance outside Canada, 219.1, 250(5.1)
- control of, *see* Control of corporation
- controlled, 186(2)
- • capital loss on property transferred to, 40(3.3), (3.4)
- • charitable foundation, by, 149.1(12)
- • disposition of shares of
- • • amalgamation, 87(2)(kk)
- • exchanges of property, 44(7)
- • share for share exchange, 85.1(2)(b)
- • shares of, disposition of, 40(2)(h)
- cooperative, *see* Cooperative corporation

Index

- Corporation (*cont'd*)
 - Crown, *see* Crown corporation
 - deduction from tax, *see* Deductions in computing tax
 - deemed member of partnership, 125(6.1)
 - deemed not resident, 250(5)
 - deemed resident in Canada, 250(4)
 - defined, 248(1), *Interpretation Act* s. 35(1)
 - director of, *see* Director (of corporation)
 - distributions, tax payable on, 183.1(2)
 - exceptions, 183.1(6)
 - divided business, Reg. 412
 - dividend received by, 112
 - dividend rental arrangements, no deduction allowed, 112(2.3)
 - short-term preferred share, on, 112(2.3)
 - where no deduction permitted, 112(2.1)–(2.9)
 - emigration of, 219.1
 - execution of documents, 236
 - exempt, *see* Exempt corporation; Exemptions
 - family farm or fishing, *see* Family farm or fishing corporation/partnership
 - farm loss
 - carryforward rules where control changed, 111(5)–(5.3)
 - fiscal period of, 249.1(1)(a), 249.1(1)(b)(iii)
 - foreign business corporation, *see* Foreign business corporation
 - gifts made by
 - capital property, election for lower proceeds, 110.1(2.1), (3)
 - charitable, 110.1(1)(a)
 - deduction for, 110.1(1)
 - institution, to, 110.1(1)(c)
 - partnership, by, 110.1(4)
 - proof of, 110.1(2)
 - grain elevator operators
 - taxable income earned in a province, Reg. 408
 - housing
 - exemption, 149(1)(i), (n)
 - immigration of, 128.1
 - income of, defined, 125(7)“income of the corporation for the year from an active business”
 - incorporated in Canada, defined, 248(1)“corporation”, “corporation incorporated in Canada”
 - indirect payment to person paid through intermediary as proceeds of disposition of property, 183.1(5)
 - information return
 - by private corporation, under Part IV, 187(1)
 - instalment payment of tax, 157(1), Reg. 5301
 - “first instalment base” defined, 161(9)(b)
 - insufficient, 161(2)
 - limitation, 161(4.1)
 - “second instalment base” defined, 161(9)(b)
 - insurance, *see* Insurance corporation
 - interest
 - accrued, 12(3)
 - deduction by certain corporations, 18(4)–(8)
 - investment, *see* Investment corporation
 - issue of stock rights, 15(1)(c)
 - joint exploration, *see* Joint exploration corporation
 - large, tax on, *see* Large corporations tax (Part I.3)
 - life insurance, *see* Life insurance corporation; Life insurer
 - life insurance policy, interest in, 12.2
 - loan by
 - non-resident, from, 90(6)–(15)
 - non-resident, to, 17
 - persons connected with shareholder, to, 15(2)
 - shareholder, to, 15(2)
 - between non-residents, 15(2.2)
 - from foreign affiliates, 90(6)–(15)
 - wholly-owned subsidiary, to, 218
 - loan to, attribution rules, 74.4
 - manufacturing and processing, 125.1
 - member of non-resident-controlled partnership
 - specified partnership income deemed nil, 125(6.2)
 - mortgage investment, 130.1
 - municipal, exempt, 149(1)(d.5)
 - mutual
 - provincial life insurance corporation converted into, 139
 - mutual fund, *see* Mutual fund corporation
 - mutual insurance, exemption, 149(1)(m)
 - net capital loss non-deductible if change in control of, 111(4)
 - 90% or more owned subsidiary
 - winding-up of, 88(1)
 - non-arm’s length non-resident, transactions with
 - extended reassessment period, 152(4)(b)(iii)
 - return required, 233.1
 - offences and penalties, 162(10)
 - non-capital loss
 - carryforward rules where control changed, 111(5)–(5.4)
 - non-profit
 - exemption, 149(2)
 - for scientific research and development
 - annual information return, 149(7)
 - exemption, 149(1)(j)
 - non-resident, Reg. Part VIII
 - branch tax, 219
 - carrying on business in Canada, additional tax, 219
 - limitations on, 219.2
 - taxable income earned in a province, Reg. 413
 - officer of, prosecution for offence of corporation, 242
 - paid-up capital, *see* Paid-up capital
 - partner
 - inclusion of income from partnership, 96(1)
 - inclusion of stub-period income from partnership, 34.2(2)
 - patronage dividend
 - deduction, 135
 - paying dividends on taxable preferred shares
 - tax payable, 191.1(1)
 - payment of tax, 157
 - instalments, 157(1)
 - where instalments not required, 157(2.1)
 - payments to shareholders or prospective shareholders, 15(1), (7)
 - pension, exempt, 149(1)(o.1), (o.2)
 - personal-use property of, 46(4)
 - pipeline operators, taxable income earned in a province, Reg. 411
 - powers vested in, *Interpretation Act* s. 21(1)
 - predecessor, *see* Predecessor corporation
 - preferred-rate amount
 - credit union, 137(4.3)
 - private, *see* Private corporation
 - professional, *see* Professional corporation
 - property appropriated to shareholder or prospective shareholder, 15(1), (7)
 - provincial, exempt, 149(1)(d)–(d.4)
 - provincial life insurance, converted into mutual, 139
 - qualified small business, share of
 - capital gains deduction, 110.6(2.1)
 - defined, 110.6(1)
 - related person, 110.6(14)
 - rules re, 110.6(14)
 - railway, *see also* Railway
 - rates of tax, *see* Rates of tax
 - real property rental etc.
 - base level deduction, 18(2)(f), 18(2.2)
 - receiving dividends on taxable preferred shares
 - tax payable, 187.2
 - redemption of shares, 40(3.6), 84(3), (6)
 - reduction of paid-up capital, deemed dividend, 84(4), (4.1)

Corporation (*cont'd*)

- related to another, 251(3)
- • deemed, on amalgamation, 251(3.1), (3.2)
- • transfer of liability for Part VI.1 tax, 191.3
- • where deemed not, 112(2.9)
- reorganization of business, *see* Reorganization
- residence of, 250(5)
- • corporate emigration, 219.1
- • extended meaning, 250(4)
- returns
 - • to be filed, 150(1)(a), (e)
 - • where none filed, 150(1)(e)
- rules applicable to, 123–125.1
- scientific research and development (non-profit)
 - • annual information return, 149(7)
 - • exemption, 149(1)(j)
 - • rules as to income, 149(9)
- share-for-share exchange
 - • computation of paid-up capital, 85.1(2.1)
- ship operators, taxable income earned in a province, Reg. 410
- small business deduction, 125
- small business investment, Reg. 5101(1)
 - • exempt, 149(1)(o.3)
- spouse or minor, for
 - • property transferred or loaned to
 - • • amalgamation, corporation continued on, 87(2)(j.7)
- status of certain corporations, ITAR 50, Reg. Part XLVIII
- “stop-loss” rule, 112(3)–(7)
- subject, 186
 - • deemed private corporation, 186(5)
- subsidiary, *see* Subsidiary
- successor, *see* Successor corporation
- surtax (before 2008), 123.2
- tax abatement, 124
- tax on excessive capital dividend or capital gains dividend election, 184, 185
- tax on excessive eligible dividend designation, 185.1, 185.2
- tax rate, 123
 - • abatements, 124
 - • manufacturing or processing, 125.1
 - • reductions (general), 123.4
 - • small business deduction, 125
 - • surtax (before 2008), 123.2
- taxable Canadian, defined, 89(1)“taxable Canadian corporation”
- taxable income earned in a province, Reg. Part IV
- • divided businesses, Reg. 412
- taxation year of, 249(1)(a), 249(3)
- thinly capitalized
 - • interest not deductible, 18(4)–(6)
- transactions with non-resident, non-arm’s length persons
 - • extended reassessment period, 152(4)(b)(iii)
 - • information return, 233.1
 - • • offences and penalties re, 162(10)
- transfer of property to
 - • attribution rules, 74.4
 - • partnership, from, 85(2)
 - • shareholder, from, 85(1)
 - • • eligible property, 85(1.1)
- truck operators, taxable income earned in a province, Reg. 409
- trust and loan, taxable income earned in a province, Reg. 405
- when “controlled”, 112(6)(b)
- wholly-owned subsidiary
 - • defined, 248(1)
- without share capital, whether control acquired, 256(8.1)
- winding-up of
 - • distribution deemed dividend, 84(2), (6)

Corporation payment

- for acting services
- • deferred payment by corporation to actor, 115(2.2)
- • defined, 212(5.2)

Corporeal property

- defined,
- • *Quebec Civil Code*, art. 906 (energy)

Corrections officer

- pension accrual to retire early, *see* Public safety occupation

Corruption of public officials

- no deduction for, 67.5

Cosmetic surgery

- disallowed as medical expense, 118.2(2.1)

Cost, *see also* Adjusted cost base; Capital cost; Rollover

- acquisition, of
 - • capitalized interest, 21
 - • land, 18(2), (3.1)
 - • • included in inventory, 10(1.1)
 - • non-arm’s length transaction, 69(1)(a), (c)
 - • property owned Dec. 31/71, ITAR 26(3), (4)
 - • taxpayer becoming resident of Canada, ITAR 26(10)
- amount, *see* Cost amount
- borrowed money, of, capitalized interest, 21
- depreciable property, 13(7.1)
- emissions allowance, of, 27.1(2)
- farm or fishing property transferred to child
 - • *inter vivos*, 73(3.1)(e)
 - • on death, 70(9.01)(b)(ii)
- gift, of, 69(1)(c)
- property after immigrating to Canada, 128.1(1)(c)
- property received from partnership, 98(3), (5)
- property seized for non-payment of debt, 79.1(6)
- property whose value included in income, 52
- share of corporation that becomes resident in Canada, 52(8)
- tax shelter investment, 143.2(6)

Cost amount, *see also* Adjusted cost base

- defined
- • for capital interest in a trust, 108(1)
- • generally, 248(1)
- • stock dividend, 52(3)

Cost base of property, *see also* Adjusted cost base

- additions to, 53(1)
- adjustments to, 53
- deductions from, 53(2)
- “relevant” to foreign affiliate, 95(4)

Cost of capital

- defined, 125.2(1), Reg. 5202, 5203(1), 5204

Cost of labour

- defined, 125.2(1), Reg. 5202, 5203(1), 5204

Cost of manufacturing and processing capital

- defined, Reg. 5202, 5204

Cost of manufacturing and processing labour

- defined, Reg. 5202, 5204

Cost of the particular property

- meaning of, for ITC recapture rules, 127(32)

Costs, *see* Court: costs; Legal costs

Costumes

- capital cost allowance for, Reg. Sch. II:Cl. 12(k)

Counselling services

- investment, *see* Investment counselling fees
- value of, not included in employee’s income, 6(1)(a)(iv)

Counterparty

- affiliated, 112(2.32)(a)
- affiliated specified, 112(2.32)(b)(ii)(A)(II)
- meaning of, for synthetic equity arrangements, 112(2.34), 248(1)“synthetic equity arrangement”(a)(i)

- Counterparty (*cont'd*)
- specified, 112(2.32)(b)(ii)(A)(I)
- Countervailing duties**, *see* Anti-dumping duties or countervailing duties
- Countries**, *see* Prescribed countries
- Country club**, *see* Club
- Country-by-country report**
- defined, 233.8(3)
- Country-by-country reporting**, 233.8
- filing obligation, 233.8(3)
 - penalty for non-compliance, 162(7)(a)
- Country-specific foreign expenses**
- defined, for resource expenses of limited partner, 66.8(1)(a)(i)(D)
- Coupons**
- cashed for non-resident, tax and statement required, 215(2), 234
 - identification of, 240(2)
 - ownership certificate required, 234
 - stripped bond, *see* Stripped bond
- Court**, *see also* Judge
- appeal to, *see* Appeal; Tax Court of Canada
 - compliance orders
 - after conviction of an offence, 238(2)
 - re audit or demand for information, *see* Compliance order
 - costs
 - awarded against taxpayer, treated as debt owing, 222.1
- Court order for compliance**, *see* Compliance order
- Covenant**
- amount receivable for, on sale of property, 42
 - ecologically sensitive land, value when donated, 110.1(5), 118.1(12)
 - valuation applies for capital gains purposes, 43(2)
- Coverage**
- under life insurance policy, defined, Reg. 310, 1401(3)
- Covered entity**
- defined, for stock buyback tax, 183.3(1)
- Covered worker**
- defined, for labour requirements for ITCs, 127.46(1)
- Covid-19**, *see* COVID-19 (at beginning of 'C' entries)
- Craig case overruled**, 31(1)
- "Created by the taxpayer's will"**
- meaning of, 248(9.1)
- Credit**, *see* Tax credits
- Credit rating agency**
- prescribed, Reg. 4900(2)
- Credit-related gains and losses, effect on securities held**, 142.4(7)B
- Credit union**, *see also* Financial institution
- "allocation in proportion to borrowing" defined, 137(6)
 - allocation of taxable dividends and capital gains, 137(5.1), (5.2)
 - amalgamation of, in Quebec, 87(2.3)
 - "bonus interest payment" defined, 137(6)
 - deemed not to be private corporation, 137(7)
 - defined, 137(6), 248(1)
 - deposit insurance corporation deemed not to be, 137.1(7)
 - disposition of Canadian security, 39(5)(b)
 - federal, *see* Federal credit union
 - general provisions, 137
 - member, defined, 137(6)
 - member's income, 137(5)
 - paid-up capital of, 89(1)"paid-up capital"(b)
 - Requirement for Information, electronic delivery of, 231.2(1.1)
 - reserves
 - maximum cumulative, defined, 137(6)
 - share of, meaning, 248(1)"share"
 - small business deduction, 137(3), (4)
 - transitional, ITAR 58
- Credit union central**
- defined, for international electronic funds transfer reporting, 244.1
- Creditable United States tax**
- defined, 122.7(1)
- Creditor**, *see also* Loan
- acceleration clause exercised by, 20(1)(n)
 - defined, 79(1), 79.1(1), 80.01(3)
 - property acquired on foreclosure by, 79
 - seizure of property by, 79.1
 - surrender of property to, 79
- Creditor affiliate**
- defined
 - for foreign currency rules, 39(2.1)
 - application to FAPI, 95(2)(g.04)
 - for upstream loan rules, 90(6)
- Creditor partnership**
- defined, for upstream loan rules, 90(6)
 - application to FAPI, 95(2)(g.04)
- Credits**, *see* Tax credits
- Cremation services**, *see* Eligible funeral arrangement; Funeral services
- Crew**
- defined, Reg. 105.1(1)
- Crib death monitor, medical expense**, Reg. 5700(r)
- Criminal Injuries Compensation Board**
- payments exempt, 81(1)(q), Reg. 6501
- Criminal offences**, *see* Offences
- Criminal proceedings**
- secrecy provision not applicable, 241(3)
- Critical mineral**
- defined, 127(9)
 - tax credit, *see* Critical Mineral Exploration Tax Credit
- Critical Mineral Exploration Tax Credit**
- expenditures that qualify, 127(9)"flow-through critical mineral mining expenditure"
 - investment tax credit of 30%, 127(5)(a)(i), 127(9)"investment tax credit"(a.21)
 - carryforward or carryback, 127(9)"investment tax credit"(c)
 - reduction for assistance received, 127(11.1)(c.21)
- Croatia**, *see also* Foreign government
- universities, gifts to, Reg. Sch. VIII, s. 18
- Crop insurance program**, *see* Farm Income Protection Act; Drought or flood region
- Cross-border amalgamation**, 128.2
- Cross-border class**
- defined, for foreign affiliate dumping rules, 212.3(4)
 - anti-avoidance rule, 212.3(6)
- Cross-border purchase butterfly**, 55(1), (3.1), (3.2)
- Cross-border worker**, *see* Commuter to United States
- Crown**, *see also* Government
- corporation, *see* Crown corporation
 - death of, *Interpretation Act* s. 46
 - gifts to
 - by corporation, 110.1(1)(a), 149.1(1)"qualified donee"(d)
 - by individual, 118.1(1)"total charitable gifts", 149.1(1)"qualified donee"(d)
 - not bound by legislation, *Interpretation Act* s. 17
 - bound by deemed trust for tax withheld, 227(4.3)
 - bound by garnishment orders, 224(1.4)
 - bound by regulations requiring information returns, 221(3)
 - bound by withholding tax requirements, 227(11)
 - royalty, *see* Crown royalty

Crown charge rebate

- included in income, 12(1)(x.2)

Crown corporation

- bonds of, no non-resident tax on interest paid, 212(1)(b)(ii)(C)(IV)
- corporation controlled by, not private corporation, 89(1)“private corporation”
- debt held by federal government, excluded from capital tax, 181(1)“long-term debt”
- debt of, as qualified investment for RRSs etc., Reg. 4900(1)(q)
- deemed not private corporation for Part IV tax, 227(16)
- exemption for, 149(1)(d)–(d.4)
 - election to remain taxable, 149(1.11)
 - excluded where prescribed, 27(2)
- federal, prescribed, Reg. 7100
- prescribed, deemed not private corporation, 27(2)
- reporting of contract payments, Reg. 237
- subject to Part I tax, 27(2), 124(3)
- subject to Part I.3 tax, 181.71
- subject to Part IV.1 tax, 187.61
- subject to Part VI tax, 190.211
- subject to Part VI.1 tax, 191.4(3)
- transfer of unused resource expenses, 66.6

Crown foundation

- donation to, 149.1(1)“qualified donee”(d)
 - by corporation, deduction, 110.1(1)(a)
 - by individual, tax credit, 118.1(1)“total charitable gifts”

Crown royalty

- refund or rebate of, income inclusion, 12(1)(x.2)

Cruise terminal relief (COVID), Reg. 8901.1(2)(b)(xvi), *see also* Qualifying tourism or hospitality entity

Crutches

- as medical expense, 118.2(2)(i)

Culpable conduct

- defined, for third-party penalty, 163.2(1)

Cultural events relief (COVID), Reg. 8901.1(2)(b)(iv), *see also* Qualifying tourism or hospitality entity

Cultural program for children, *see* Children’s Arts Tax Credit (pre-2017)

Cultural property, *see also* Art; Canadian Cultural Property Export Review Board

- Canadian art, CCA claims allowed, Reg. 1102(1)(e)
- disposition of, 39(1)(a)(i.1)
 - by institution or public authority, tax on, 207.3
- excluded from capital gains rules, 39(1)(a)(i.1)
- fair market value, determination of, 118.1(10), (11)
- gift of
 - by corporation, 110.1(1)(c)
 - by individual, 118.1(1), (7.1)

Culvert

- capital cost allowance for, Reg. Sch. II:Cl. 1(c)

Cumulative CCUS development tax credit

- applied to generate tax credit, 127.44(2)(a)
- defined, 127.44(4)

Cumulative Canadian development expense, *see also* Canadian development expense

- deduction for, 66.2(2)
- reduction of, on debt forgiveness, 80(8)(c)
- short taxation year, 66(13.1)

Cumulative Canadian exploration expense, *see also* Canadian exploration expense

- deduction for, 66.1(2), (3)
- defined, 66.1(6)
- reduction of, on debt forgiveness, 80(8)(b)
- trust, of
 - reduced by investment tax credit, 127(12.3)

Cumulative Canadian oil and gas property expense, *see also* Canadian oil and gas property expense

- deduction for, 66.4(2)
- defined, 66.4(5)
- reduction of, on debt forgiveness, 80(8)(d)
- short taxation year, 66(13.1)

Cumulative eligible capital (pre-2017), 14 [repealed]; *see now* Goodwill

Cumulative excess amount

- ALDA (advanced life deferred annuity)
 - defined, 205(1)
 - tax on, 205(2)
- RRSP contributions, 62
 - defined, 204.2(1.1)
 - tax on, 204.1(2.1)

Cumulative foreign resource expense

- defined, 66.21(1)

“Cumulative gains limit” defined, 110.6(1)

- computation, on amalgamation, 87(2)(pp)

Cumulative net investment loss

- defined, 110.6(1)
- reduced by taxable capital gains where exemption not available, 110.6(1)“investment income”(f)
- reduces capital gains exemption available, 110.6(1)“cumulative gains limit”, 110.6(2)(b), 110.6(2.1)(b)

Cumulative offset account

- computation, on amalgamation, 87(2)(pp)

Cumulative reserve

- maximum, of credit union, 137(6)

Cumulative unused excess capacity

- defined, for interest deduction restrictions, 18.2(1), 248(1)
 - after change in control (loss restriction event), 111(5.01)
- transfer of to related corporation, 18.2(4)

Curator, *see also* Legal representative

- deemed to be legal representative, 248(1)“legal representative”
- obligations of, 159
- return required by, 150(3)

Currency, *see also* Foreign exchange

- blocked
 - income in, postponement of tax, 161(6)
- calculation of foreign affiliate’s gain or loss in, 95(2)(f)
- fluctuation, *see* Foreign exchange: fluctuations in

Current amount (on disposition of specified debt obligation), *see also* Residual portion (on disposition of specified debt obligation)

- application of, 142.4(4)
- defined, 142.4(7)

Current nature

- expenses required to be for SR&ED deduction, 37(1)(a)
- meaning of, 37(8)(d), 37(14)
 - amounts that are not current expenses of recipient, 37(14), (15)

Current reference period

- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)

Custodial account

- defined, for Common Reporting Standard, 270(1)

Custodial institution

- defined, for Common Reporting Standard, 270(1)

Custodian

- of employee benefit plan
 - defined, 248(1)“employee benefit plan”
- of eligible funeral arrangement
 - defined, 148.1(1)
- repayment of funds by, taxable, 148.1(3), 212(1)(v)
- of property where solicitor-client privilege claimed
 - defined, 232(1)

Custodian (*cont'd*)

- of retirement compensation arrangement
- • defined, 248(1)“retirement compensation arrangement”

Custom Processing

- treated as gross revenue from a mine, Reg. 1104(5.1)

Customs Act

- communication of information for enforcement of, 241(4)(d)(ii)

Customs and Revenue Agency, *see* Canada Revenue Agency**Cutlery**

- capital cost allowance for, Reg. 1100(1)(e), Reg. Sch. II:Cl. 12(b)

Cutting rights

- capital cost allowance, separate classes, Reg. 1101(3)

Czech Republic, *see also* Foreign government

- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 16

D**DC**, *see* Distributing corporation**DFA**, *see* Derivative forward agreement**DIC**, *see* Deposit insurance corporation**DIEP**, *see* Designated immediate expensing property**DLAD**, *see* Designated liquidation and dissolution**DPSP**, *see* Deferred profit sharing plan**DQ**, *see* Disbursement quota (of charity)**DRA**, *see* Dividend rental arrangement**DRA share**

- defined, 248(1)

DRD, *see* Dividend received deduction**DRIP**, *see* Dividend reinvestment plan**DSLSP (Deferred salary leave plan)**, *see* Sabbatical arrangement**DTC**, *see* Disability tax credit; Dividend tax credit**DVD**, *see* Digital video disk (DVD)**Daily compounding of interest**, 248(11)**Dairy, farming**, 248(1)“farming”**Dam**

- capital cost allowance, Reg. Sch. II:Cl. 1(d)
- • for mine, Reg. Sch. II:Cl. 10(l)

Damages

- taxation of, 9(1); IT-365R2
- wrongful dismissal, for, *see* Retiring allowance

Damis Properties case overruled, 160(5)(a)**Dancer**

- deduction from employment income, 8(1)(q)

Data cable

- capital cost allowance, Reg. Sch. II:Cl. 42(b)

Data communication equipment

- capital cost allowance, Reg. Sch. II:Cl. 3

Data network infrastructure equipment

- capital cost allowance, Reg. Sch. II:Cl. 46
- defined, Reg. 1104(2)

Data processing equipment, *see* Computer**Dates**, *see* Deadlines; Filing deadlines; Reassessment**Daughter-in-law, as child of taxpayer**, 252(1)(c)**Day camp**, *see* Child care expenses**Day care**, *see* Child care expenses**Day of mailing**

- constitutes date assessment or determination made, 244(15)
- presumed to be same as date appearing on notice, 244(14)

Days

- calculation of, *Interpretation Act* s. 27

De facto control test

- “controlled, directly or indirectly in any manner whatever”, 256(5.1)

Deadline

- defined, for insurance demutualization, 139.1(1)

Deadlines

- extension of, by CRA, 220(3.2)
- • labour-sponsored venture capital corporation investments, 127.4(5.1)
- • RRSP contributions, 146(22)
- payment of tax, *see* Payment of tax
- prosecution, *see* Limitation periods
- reassessments, *see* Reassessment
- returns, *see* Filing deadlines
- tax remittances, *see* Remittance of taxes withheld
- transfer pricing, *see* Documentation — due date

Deaf person, *see also* Hearing impairment

- deaf-blind intervening services
- • disability supports deduction, 64(a)(ii)(M)
- • medical expense credit, 118.2(2)(l.44)
- devices to assist, business expense, 20(1)(rr)
- disability credit, 118.3
- guide dog, expenses
- • disability supports deduction, 64(a)(ii)(Y)
- • medical expense credit, 118.2(2)(l)
- lip reading or sign language training, 118.2(2)(l.3)
- medical expenses, 118.2(2), Reg. 5700
- real-time captioning services, *see* Captioning services
- rehabilitative therapy, 118.2(2)(l.3)
- sign language interpretation services, *see* Sign language

Dealer compensation payment

- defined, for securities lending arrangement, 260(1)

Dealer (or trader)

- automobile, standby charge for sales employees, 6(2.1)
- in resource rights, 66(5)
- in securities, *see* Securities: dealer, trader or agent

Death, *see also* Death of taxpayer

- danger of, communication of taxpayer information relating to, 241(3.1)
- funeral arrangements, *see* Eligible funeral arrangement; Funeral services
- Queen, of, *Interpretation Act* s. 46

Death benefit

- Canada Pension Plan, *see* Canada Pension Plan/Quebec Pension Plan: death benefit
- defined, 248(1)
- emigration of survivor, no deemed disposition, 128.1(10)“excluded right or interest”(h)
- flowed through trust or estate, 104(28)
- from ALDA (advanced life deferred annuity), taxable, 146.5(3)
- income, 56(1)(a)(iii)
- lump sum
- • transfer from RPP, 147.3(7)
- withholding of tax, 153(1)(d)

Death duties

- interest on, deductible, 60(d)

Death of taxpayer

- amounts receivable, 70(2)
- business income, effect on, 34.1(8)(a)
- business year-end income inclusion, 34.1(9)
- business year-end not calendar year, 34.1(8), (9)
- capital losses deductible against all income, 111(2)
- charitable donations carryback
- • carryback, 118.1(4)
- • claim against 100% of net income, 118.1(1)“total gifts”(a)(ii)
- • donation of non-qualifying security, 118.1(15)

Index

Death of taxpayer (*cont'd*)

- • donations made by will or by estate, 118.1(1)“total charitable gifts”(c), 118.1(5.1)
- • • gift of art, 118.1(7)(c)
- Class 14.1 property (goodwill), 70(5.1)
- computation of income on, 70(1)
- consequences of, meaning, 248(8)
- debt forgiveness rules do not apply to extinguishment of debt by bequest, 80(2)(a)
- debt obligation settled by estate, 80(2)(p), (q)
- deemed proceeds of disposition of property, 70(5)–(10)
- disposition of property on, 70(5)–(10)
 - • definitions, 70(10)“child”
 - • legal representative, by, 164(6)
 - • ordering, 70(14)
- disposition of right to share in partnership income, 96(1.5)
- elections, Reg. Part X
- eligible capital property (now Class 14.1 property), 70(5.1)
- entitlement to benefits on
 - • deemed, spouse, 146(8.91)
 - • other than spouse, by, 146(8.8), (8.9)
- farming business, no inventory adjustment, 28(1) closing words
- first home savings account, 146.6(1)“annual FHSA limit”(c)(ii), 146.6(13)–(15)
- forward averaging, 110.4(4) [repealed]
- funeral services provided from eligible funeral arrangement, no tax, 148.1(2)(b)(i)
- gifts, time of, 118.1(4)
- goodwill, 70(5.1)
- Home Buyers’ Plan income inclusion or rollover, 146.01(6), (7)
- instalments not required after, 156.1(3)
- investment tax credit, income inclusion re, 70(1)(b)
- land inventories, 70(5.2)
- last annuitant under registered retirement income fund, 146.3(6)–(6.2)
- life estate in real property, termination of, 43.1(2)
- Lifelong Learning Plan income inclusion or rollover, 146.02(6), (7)
- minimum tax not applicable, 127.55
- net capital loss, 111(2)
- notification to CRA by spouse required for Canada Child Benefit purposes, 122.62(5)(a)
- occurrences as a consequence of, 248(8)
- partner return, 150(4)
- partnership
 - • value of rights or things, 53(1)(e)(v)
- partnership interest, transfer of, 100(3)
- payment by employer, *see* Death benefit
- payment of tax
 - • election to pay in instalments, 159(5)
- property passing to spouse or trust, 70(6)
- proprietor, return needed, 150(4)
- RPP contributions deductible, 147.2(6)
- RRIF
 - • income inclusion to deceased, 146.3(6), (6.2)
 - • losses after death, carryback to deceased’s last year, 146.3(6.3), (6.4)
 - • tax-paid amounts, *see* Tax-paid amount
- RRSP
 - • distribution to child or grandchild, 60(1)(v)(B.01), (B.1), 146(1)“refund of premiums”(b)
 - • income inclusion to deceased, 146(8.8), (8.9)
 - • losses after death, carryback to deceased’s last year, 146(8.92), (8.93)
 - • tax-paid amounts, *see* Tax-paid amount
- reserves not deductible, 72(1)
- resource properties, 70(5.2)
- return required, 150(1)(b), (c)

- • where none filed, 150(1)(e)
- rights or things, 70(2)
- transferred to beneficiaries, 70(3)
- separate return, 70(2)
- • minimum tax carryover not applicable to, 120.2(4)
- single payment from deferred profit sharing plan, 147(10.1), (10.2)
- spouse or spouse trust, property transferred to, 70(6)
- stock options, effect on, 7(1)(e)
- TFSA, 146.2(9), 207.01(1)“exempt contribution”, 207.01(3)
- tax on, 70(1), (5)
- termination of life estate, 43.1(2)
- transfer of partnership interest, 98.2

Debenture, *see* Bond; Convertible property

Debt, *see also* Commercial obligation; Debt obligation; Indebtedness

- amalgamation, on, 87(2)(h)
- assets acquired from foreign affiliate for settlement of, 80.1(5)
- assumption of, debt forgiveness rules do not apply, 80(1)“forgiven amount”B(l)
- bad, *see* Bad debt
- corporation, of,
 - • qualified investment for RRSP etc., 204“qualified investment”(c.1), Reg. 4900(1)(i)
- deficiency, 84.2(2), (3)
- defined, re seizure of property by creditor, 79(1), 79.1(1)
- disposition of, *see* Debt obligation: disposition of
- doubtful, reserve for, 12(1)(d), 20(1)(l)
- foreign currency, denominated in, 79(7), 80(2)(k), 80.01(11)
- forgiveness, *see* Debt forgiveness
- long-term
 - • defined, 190(1)
- non-qualifying
 - • owing to registered charity, 189
 - • trust for benefit of spouse, 70(8)(b)
- owed by corporation, adjusted cost base, 53(2)(p)
- owing by non-resident to corporation resident in Canada, 17
- parking, *see* Debt parking
- rescheduling or restructuring, expenses deductible, 20(1)(e)(ii.2), 20(1)(e.1)(iii)
- security received in satisfaction of, 76
- seizure of property for payment of
 - • effect on creditor, 79.1
 - • effect on debtor, 79
- settlement of, *see* Debt forgiveness
- share issued in settlement of, 80(2)(g), (g.1)
- statute-barred, deemed settled, 80.01(9)
- • subsequent payments, 80.01(10)
- testamentary
 - • trust for benefit of spouse, 70(8)(c)
- unpaid tax, etc., as, 222(2)

Debt forgiveness, 80–80.04, *see also* Settlement of debt

- amalgamation, on, 80.01(3)
- application of remaining balance
 - • adjusted cost base of capital property, 53(2)(g.1), 80(9)–(11)
 - • allowable business investment loss carryforwards, 80(4)(a)
 - • capital cost of depreciable property, 13(7.1)(g), 80(5)
 - • capital gain to absorb current capital losses, 80(12)
 - • capital property, 53(2)(g.1), 80(9)–(11)
- cumulative Canadian development expense, 66.2(5)“cumulative Canadian development expense”M.1, 80(8)(c)
- cumulative Canadian exploration expense, 66.1(6)“cumulative Canadian exploration expense”J.1, 80(8)(b)
- cumulative Canadian oil and gas property expense, 66.4(5)“cumulative Canadian oil and gas property expense”I.1, 80(8)(d)
- farm losses, 80(3)(b)

Index

Debt forgiveness (*cont'd*)

- foreign exploration and development expenses, 66(4)(a)(iii), 80(8)(e)
- income inclusion, 80(13), (14)
- net capital losses, 80(4)(b)
- non-capital losses, 80(3)(a), 80(4)(a)
- ordering of rules, 80(2)(c), 248(27)
- related corporations' shares and debt, 53(2)(g.1), 80(11)
- resource expenditures, 80(8)
- restricted farm losses, 31(1.1)(b), 80(3)(c)
- successor pools, 66.7(2)(a)(ii), 66.7(3)(a)(ii), 66.7(4)(a)(iv), 66.7(5)(a)(iii), 80(8)(a)
- undepreciated capital cost pool, 80(5)(b), 80(6)
- bequest or inheritance, rules do not apply, 80(2)(a)
- corporation to shareholder, taxable benefit, 15(1.2)
- death, rules do not apply, 80(2)(a)
- debt issued in settlement of debt, 80(2)(h)
- debt of deceased settled by estate, 80(2)(p), (q)
- employer to employee, taxable benefit, 6(15)
- foreign affiliate's gain or loss on, 95(2)(i)
- foreign currency debt, 80(2)(k), 80.01(11)
- forgiven amount, *see* Forgiven amount (re settlement of debt)
- guarantee, payment under, 80(2)(l)
- history preservation rules, 47(1), 49(3.01), 51(1), 53(4)–(6), 86(4), 87(5.1), (6.1)
- reduction of adjusted cost base, 53(2)(g.1)
- income inclusion, 12(1)(z.3), 80(13), (14)
- corporation in financial difficulty, 61.3
- interest deemed to be separate obligation, 80(2)(b)
- partnership, by, 80(15)
- R&D expenditures, effect on, 37(1)(f.1)
- reserve, 61.2–61.4
- residual balance
- defined, 80(14)
- income inclusion, 80(13)
- settlement, meaning of, *see* Settlement of debt
- share issued in settlement of debt, 80(2)(g), (g.1)
- simultaneous settlement of obligations, 80(2)(i)
- subsequent disposition, capital gain, 80.03(2)
- surrender of property
 - by debtor to creditor, 79(3), 79.1
 - subsequent to debt forgiveness, 80.03(2)
- transfer of forgiven amount to related person, 80.04
- winding-up, 80.01(4)

Debt obligation, *see also* Commercial obligation; Investment contract; Specified debt obligation

- accrued interest on, 12(3)–(10)
- adjusted cost base, 53(2)(l)
- amalgamation, acquired in, 87(2)(e.2)
- assumption of, expenses deductible, 20(1)(e)(ii.2), 20(1)(e.1)(iii)
- deduction for over-accrual, 20(21)
- defined, *see also* Commercial debt obligation; Indexed debt obligation; Specified debt obligation
 - re prepayments, 18(9.1), (9.2)
 - re qualified investments, 204
- discounted, *see* Bond: discount
- disposition of
 - in exchange for other debt obligation, 40(2)(e.2)
 - addition to adjusted cost base, 53(1)(f.12)
 - to related person, 40(2)(e.1)
 - addition to adjusted cost base, 53(1)(f.1), (f.11)
 - whether capital loss allowed, 40(2)(g)(ii)
- escalating interest, accrual, Reg. 7000(2)(c.1)
- extended meaning of, 248(26)
- for penalties, bonuses and rate reduction payments, 18(9.1)
- for prepaid interest rules, 18(9.2)

- for purposes of scientific research tax credit, 127.3(2)“scientific research and experimental development tax credit”(d)
- generally, not defined
- first registered holder of
 - election re scientific research tax credit, 127.3(9)
- increasing interest rate, accrual, Reg. 7000(2)(c.1)
- interest on, 20(14.1)
- issued by partnership, 80(13)E(a), 80(14)(b), 80(15), (18)
- deemed, 80(2)(n)
- owing by related person, no loss permitted on disposition, 40(2)(e.1)
- partial obligation treated the same as entire obligation, 248(27)
- prescribed
 - accrued interest on, Reg. 7000
 - deemed accrual of interest, 12(9)
 - exception, 12(9.1)
 - re donations to charities, 38(a.1)(i), Reg. 6210
- qualifying, *see* Qualifying debt obligation
- settlement of, *see* Debt forgiveness
- specified, *see* Specified debt obligation
- used or held in insurance or moneylending business
- “eligible property” for transfer to corporation by shareholder, 85(1.1)(g)

Debt parking, 80.01(6)–(8)

- deemed settlement of debt, 80.01(8)
- subsequent payment of debt, 80.01(10)
- to avoid foreign exchange gain, 39(2.01)–(2.03)
- application when functional currency election made, 261(10.1)
- application when functional currency election revoked, 261(14.1)

Debt substitute share

- defined, Canada-U.S. Tax Treaty:Art. XXIX-A:5(a)

Debtor

- defined, 80(1), 80.01(1), 80.04(1)
- gain on settlement of debts, 80(1), Reg. Part LIV

Deceased person, *see* Death of taxpayer

Decline in value of property

- inventory writedown, 10(1), (1.01)
- rules preventing transfer of losses, 13(21.2), 40(3.3), (3.4)

Decoder

- television, visually displaying vocal portion of signal
- medical expense, Reg. 5700(q)

Dedicated geological storage

- defined
- for CCUS credit, 127.44(1)
- for clean electricity tax credit, 127.44(1), 127.491(1)

Deductible

- defined, for hybrid mismatch arrangement rules, 18.4(1)

Deduction

- or set-off, recovery of taxes by, 224.1

Deduction component

- defined, for hybrid mismatch arrangement rules, 18.4(7)(a), 18.4(11)(b), 18.4(13)(b), 18.4(15)(b)

Deduction/non-inclusion mismatch

- defined, for hybrid mismatch arrangement rules, 18.4(6), 18.4(7)(c)
- effect of, 18.4(7)

Deductions in computing income, *see also* Deductions in computing income from business or property; Deductions in computing income from office or employment; Deductions in computing taxable income

- alimony payments, 60(b)
- amounts transferred as retiring allowance, 60(j.1)
- Canadian exploration expenses, 66.1(2), (3)
- capital element of annuity, 60(a)
- “carved-out income”, 66(14.6)

Index

Deductions in computing income (*cont'd*)

- child care expenses, 63
- cost of borrowed money, 21
- costs re construction of building or ownership of land, 18(3.1)–(3.7)
- cumulative Canadian development expenses, 66.2(2)
 - short taxation year, 66(13.1)
- cumulative Canadian oil and gas property expense, 66.4(2)
 - short taxation year, 66(13.1)
- cumulative offset account, 66.5
- deemed residents, 64.1
- deposit insurance corporation, 137.1(3)
 - limitation, 137.1(4)
- disability supports deduction, 64
- dividend from foreign affiliate, 20(13), 113(1)
- employee benefit plan, 32.1
- employer's contributions
 - deferred profit sharing plan, 147(8), (9)
 - employees profit sharing plan, 144(5)
 - registered supplementary unemployment benefit plan, 145
- FHSA, contributions to, 60(i), 146.6(5)
- foreign exploration and development expenses, 66(4)
 - short taxation year, 66(13.1)
- foreign taxes, re, 91(4)
- insurance corporation
 - amounts paid or credited to policyholders, 140(1)
 - interest on death duties, 60(d)
- legal expenses of collecting or establishing right to pension benefit etc., 60(o.1)
- maintenance payments, 60(b), (c), 60.1
- mental/physical impairment
 - attendant care expenses, 64(a)A(ii)(J)
- mortgage on depreciable property, loss from sale of, 20(5), (5.1)
- moving expenses, 62
- Part I.2 tax payable, 60(w)
- patronage dividend, 135(1)
 - carryover of, 135(2.1)
- provincial pension plan contributions, 146(21.1)
- RRSP, premiums under, 60(i), 146.6(5)
- refund of income payments, 60(q)
- refund of RRSP premium transferred to annuity, 60(l)
- refund of undeducted past service additional voluntary contributions, 60.2(1)
- repayment of overpayment of certain benefits, 60(n)
- repayment of policy loan, 60(s)
- residents absent from Canada, 64.1
- resource and processing allowances, Reg. Part XII
- resource expenses
 - successor corporation, 66.7
- retirement compensation arrangement
 - benefit from, 60(t)
 - contributions to, 20(1)(r)
 - disposition of interest in, 60(u)
- scientific research and experimental development, 37
- succession duties applicable to certain property, 60(m.1)
- superannuation benefits transferred to another plan, 60(j)
- support payments, 60(b), (c), 60.1
- trusts of, 104(6)–(8)
- uncollectible proceeds of disposition, 20(4)–(4.2)

Deductions in computing income from business or property,

- see also* Deductions in computing income
- accrued interest on transferred bond, 20(14)
 - amount deemed to be tax payable, 20(1)(ll)
 - bad debts, 20(1)(p)
 - CPP/QPP contributions, 8(1)(l.1), 60(e)
 - cancellation of lease, 20(1)(z), (z.1)
 - capital cost allowance, *see* Capital cost allowance
 - depletion, *see* Depletion allowances

- discount on certain obligations, 20(1)(f)
- dividend from foreign affiliate, 20(13), 113(1)
- employer's contributions
 - deferred profit sharing plan, 20(1)(y), 147(8), (9)
 - pension plan, 20(1)(q), 147.2(1)
 - limitation, 20(22)
 - special, 20(1)(r)
 - profit sharing plan, 20(1)(w)
 - supplementary unemployment benefit plan, 20(1)(x)
- expense of issuing shares or borrowing money, 20(1)(e)
- exploration and development grants, 20(1)(kk)
- foreign taxes
 - exceeding 15%, 20(11)
- guarantee fees etc., 20(1)(e.1)
- injection substances, 20(1)(ll)
- interest
 - accrued on purchased bond, 20(14)
 - compound, 20(1)(d)
 - paid on borrowed money, 20(1)(c)
- inventory adjustment, 20(1)(ii)
- investigation of site, 20(1)(dd)
- investment counsel fee, 20(1)(bb)
- landscaping, 20(1)(aa)
- life insurance corporation, 138(3)
- limitations on, 18(1), (11)
- mineral resources, 65
- mining taxes, 20(1)(v)
- oil or gas wells, 65
- patronage dividend, 20(1)(u)
- permitted, 20(1)
- prepaid expenses
 - limitation re, 18(9)
- repayment of amount previously included, 20(1)(m.2)
- repayment of inducement, 20(1)(hh)
- repayment of shareholder's loan, 20(1)(j)
- representation expenses, 20(1)(cc)
- reserves, *see* Reserve
- salary deferral arrangements, 20(1)(oo)
- scientific research and experimental development, 37
- share transfer fees, 20(1)(g)
- terminal loss, 20(16)
- utilities service connection, 20(1)(ee)
- western grain stabilization levy, 20(1)(ff)

Deductions in computing income from office or employment, *see also* Deductions in computing income; Employee; Expenses

- aircraft costs, Reg. 1100(6)
 - reasonability, 8(9)
 - allowed, 8(1)
 - artists' expenses, 8(1)(q)
 - automobile expenses, 8(1)(h.1)
 - clergyman's residence, 8(1)(c)
 - limitations
 - general, 8(2)
 - meals, 8(4)
 - registered pension plan contributions, 8(1)(m), 147.2(4)
 - retirement compensation arrangement, 8(1)(m.2)
 - teachers' exchange fund, 8(1)(d)

Deductions in computing tax, *see also* Tax credits

- corporations
 - abatement, 124
 - income earned in province, 124(1)
 - manufacturing and processing profits, 125.1
 - small business deduction, 125
- foreign tax, 126
- gifts, 118.1(3)
- income earned in province that provides schooling allowance, 120(2)

- Deductions in computing tax (*cont'd*)
- *Income War Tax Act*, under, ITAR 17(1)
 - international organization, levy by, 126(3)
 - investment corporation, 130(1)
 - investment tax credit, 127(5)–(36)
 - logging tax, 127(1)
 - manufacturing and processing profits, 125.1
 - mortgage investment corporations, 130.1
 - personal credits, 118–118.95
 - political contributions, 127(3)–(4.2)
 - S.C. 1947, c. 63, s. 16, under, ITAR 17(3)
 - small business deduction, 125
 - taxable dividends, 121
- Deductions in computing taxable income**, *see also* Tax credits; Deductions in computing income
- amounts exempt under tax agreements, 110(1)(f)(i)
 - annual adjustment, 117.1
 - capital gains, 110.6
 - corporations
 - gifts, 110.1
 - dividend
 - from foreign affiliate, 113
 - received by corporation, 112
 - employee stock options, 110(1)(d), (d.1)
 - *Income War Tax Act*, under, ITAR 17(2)
 - indexing, 117.1
 - losses of other years, 111
 - medical expenses, *see* Medical expenses
 - member of religious order, 110(2)
 - net capital losses, 111(1)(b), 111(1.1), (2)
 - non-capital losses, 111(1)(a)
 - order of applying provisions, 111.1(1)
 - other, permitted, 110
 - Part VI.1 tax, 110(1)(k)
 - part-year resident, 114
 - separate returns, 114.2
 - social assistance payments, 110(1)(f)(iii)
 - unemployment insurance benefit repayment, 110(1)(i)
 - workers' compensation payments, 110(1)(f)(ii)
- Deemed disposition**, *see* Disposition: deemed
- Deemed dividend**, *see* Dividend: deemed
- Deemed overpayment**, *see* Overpayment of tax: deemed
- Deemed realization of gains**, *see* Disposition: deemed
- Deemed year-end**, *see* Year-end: deemed
- Deer**, 80.3(1)“breeding animals”
- Defaulting taxpayer**, 226
- Defence forces**, *see* Canadian Forces and veterans
- Deferral**, *see also* Rollover
- amount, *see* Deferral amount, defined
 - anti-avoidance rules, *see* Anti-avoidance rules: deferral of tax
 - departure tax, by posting security, 220(4.5)–(4.54)
 - expenses payable but not paid, 78
 - partnership income
 - corporate partner, 34.2
 - individual partner, 34.1
 - stock option benefit, 7(1.1), (1.8), (8)–(16)
 - tax on distribution by trust to non-resident beneficiary, by posting security, 220(4.6)–(4.63)
- Deferred amount, defined**, 248(1)
- Deferred annuity out of pension plan**, 254
- Deferred income**
- salary deferral arrangements, 6(1)(i), 6(11)–(14)
- Deferred income plans**, 144–147.3, *see also* Deferred profit sharing plan; Registered education savings plan; Registered pension plan; Registered retirement income fund; Registered retirement savings plan; Registered supplementary unemployment benefit plan
- interest on money borrowed to invest in, not deductible, 18(11)
 - over-contributions to
 - tax on, 204.1–204.3
 - property held by trust governed by
 - tax re, 207.1, 207.2
 - qualified investments, Reg. Part XLIX
 - small business investments, Reg. Part LI
 - tax on non-qualified investments, 207.1
- Deferred payment**
- defined (re top-up disability payments), 8(1)(n.1)(i)
- Deferred profit sharing plan**
- age 71 maturity, 147(2)(k), 147(10.6)
 - amount received from, income, 56(1)(i)
 - amount taxable, 147(18), 201
 - anti-avoidance rule, 147(18), (22)
 - annuity purchased by, *see* purchase of annuity by (*below*)
 - conditions, 147(2)
 - continuation of, in amalgamation, 87(2)(q)
 - defined, 147(1), 248(1)
 - definitions, 147(1), 204
 - disposal of shares
 - deduction re amount, 110(1)(d.3)
 - disposition of property to, capital loss nil, 40(2)(g)(iv)(A)
 - distribution deemed disposition, 200
 - emigration of employee, no deemed disposition, 128.1(10)“excluded right or interest”(a)(iv)
 - employee contributions prohibited, 147(2)(a.1), 147(14)(c.2)
 - employer's contribution
 - deductible, 20(1)(y), 147(8), (9)
 - limitations, 18(1)(j), 147(5.1), 147(9)
 - not includable in employee's income, 6(1)(a)(i)
 - terms limiting, 147(2.1)
 - where not deductible, 147(9.1)
 - estate receiving benefits from, 104(27.1)
 - “excess amount” defined, 204.2(4)
 - excluded from various trust rules, 108(1)“trust”(a)
 - forfeited amounts, 147(2)(i.1), 147(10.3)
 - defined, 147(1)
 - reallocation of, 147(2.2)
 - forfeitures, tax on, 201
 - initial non-qualified investment, defined, 204
 - insurance corporation demutualization conversion benefit, 139.1(12), (14)
 - interest on money borrowed to invest in, whether deductible, 18(11)(c)
 - life insurance policies, 198(6)–(8)
 - lump-sum payment
 - remuneration, Reg. 100(1)
 - maturity by age 71, 147(2)(k), 147(10.6)
 - money borrowed for contribution to
 - limitation on deductibility, 18(11)(c)
 - non-deductible employer contributions prohibited, 147(2)(a.1), 147(14)(c.2)
 - non-qualified investments of, defined, 204
 - not employees profit sharing plan, 147(6)
 - overcontribution to, 204.1(3)
 - participating employer, meaning of, 147(1.1)
 - payment out of profits, meaning of, 147(16)
 - payment under
 - non-resident, to, 212(1)(m)
 - taxable, 147(10)
 - withholding of tax, 153(1)(h)
 - property
 - appropriation of, by employer, 147(13)
 - disposition or acquisition of, for inadequate consideration, 147(18)
 - purchase of annuity by, 147(2)(k)(vi)

Index

Deferred profit sharing plan (*cont'd*)

- qualified investment, defined, 204“qualified investment”
- qualified investments, Reg. Part XLIX
 - defined, 204
- registration of, 147(2)–(5), Reg. 1501
 - revocation, 147(14), (15)
- reversionary trust rules do not apply, 75(3)(a)
- revocation of, 147(14), (22)
- revoked plan
 - defined, 204, Reg. 4901(2)
 - “excess amount” defined, 204.2(4)
 - payments under, subject to withholding of tax, 153(1)(h)
 - rules applicable, 147(15)
- RRIF may accept transfer from, 146.3(2)(f)(iv.1)
- shares included in single payment on retirement etc., 147(10.1), (10.2)
 - disposal of, 147(10.4), (10.5)
- single payment on withdrawal, 147(10.1), (10.2), (10.4)–(12), Reg. 1503
- surrender of rights
 - on marriage/relationship breakdown, 147(2)(e)(i)
 - to avoid revocation, 147(2)(e)(iii)
- tax on forfeitures, 201
- tax on initial non-qualified investments, 199
- tax on non-qualified investments, 198
 - distribution deemed disposition, 200
 - refund
 - on disposition, 198(4)
 - on recovery of property given as security, 198(5)
- return required, 202(1)
- tax on overcontributions to, 204.1
- tax payable by
 - on acquisition of shares not at fair market value, 207.1(5)
 - on holding certain property, 207.1(2)
- tax where inadequate consideration on purchase or sale, 201
- taxation year of, 144(11)
- transfer to
 - capital loss deemed nil, 40(2)(g)(iv)(A)
 - DPSP, from, 147(19)
- transfer from
 - ALDA (advanced life deferred annuity), to, 147(19)(d)(v)
 - DPSP, to, 147(19)(d)(iii)
 - excess, 147(22)
 - registered pension plan, to, 147(19)(d)(iii)
 - registered retirement income fund, 147(19)(d)(iv)
 - registered retirement savings plan, to, 147(19)(d)(ii)
 - restrictions re, 147(21)
 - spouse/partner’s RRSP, RRIF or RPP on breakdown of relationship, 147(2)(e)(i), 147(19)(b)(ii)
 - taxation of amount transferred, 147(20)
 - trust, through, to RPP or RRSP, 104(27.1)
 - trust under, exempt, 147(7), 149(1)(s)

Deferred salary leave plan, *see* Sabbatical arrangement

Deficit affiliate

- defined, Reg. 5905(7.1)(a)

Defined benefit limit

- defined, Reg. 8500(1)

Defined benefit provision

- defined, 147.1(1)

Defined contribution provision, *see* Money purchase provision

Definitions, *see also* the specific defined terms

- application of, *Interpretation Act* s. 15
- capital gains exemption rules, 110.6(1)
- capital property rules, 54
- charities, 149.1(1)
- corporations, 89
- foreign affiliate rules, 95
- general, 248

- insurance rules, 138(12), 148(9), Reg. 1408
- investment tax credit rules, 127(9)
- registered pension plans, 147.1(1)
- registered retirement income funds, 146.3(1)
- registered retirement savings plans, 146(1)
- regulations, *Interpretation Act* s. 16
- relationships, 251–252
- resource taxation, 66(15), 66.1(6), 66.2(5), 66.4(5)
- small business rules, 125(7)
- terms used in regulations, *Interpretation Act* s. 16
- trusts, 108

Delay

- undue, in rendering account for services, 12(1)(b)(ii)

Delegation of powers and duties of Minister

- administrative, 220(2.01)
- by regulation, 221(1)(f) (repealed), Reg. Part IX (repealed)

Deliberate over-contribution (to TFSA)

- benefit attributable to, constitutes advantage, 207.01(1)“advantage”(c)(i)
- defined, 207.01(1)

Delineated transaction or series

- defined, for transfer pricing rules, 247(1.1)–(1.3)

Demand

- by Minister
 - actuarial report, for registered pension plan, Reg. 8410
 - books and records, to retain, 230(7)
 - documents, for, 231.2(1)(b)
 - information, for, 231.2(1)(a)
 - electronic delivery to bank or credit union, 231.2(1.1)
 - information return, for, 233
 - return, for, 150(2)
- proof of failure to comply with, 244(7), (8)
- proof of service, 244(5), (6)
- third party, *see* Garnishment for taxes unpaid
- time contesting, not to count for reassessment clock, 231.8(1)(b)

Demutualization, 139.1

- defined, 139.1(1)
- effect of, 139.1(4)
- holding corporation, *see* Holding corporation (insurance demutualization)
- paid-up capital following, 139.1(6), (7)
- rollover of ownership rights into shares, 139.1(4)(a), (d)
- time of, 139.1(2)(i)

Denmark, *see also* Foreign government

- stock exchange recognized, 262

Density

- hydrocarbons, determination of, Reg. 1107

Dental Benefit Act (temporary; *see also* Canadian Dental Care Plan)

- benefit exempt from tax, 81(1)(t)
- CRA can share taxpayer info for purposes of administration, 241(4)(d)(xx)

Dental bills, as medical expense, 118.2(2)(a)

Dental instruments (small)

- capital cost allowance for, Reg. Sch. II:Cl. 12(e)

Dental mechanic

- payments to, as medical expenses, 118.2(2)(p)

Dental plan, *see* Private health services plan

Dentist, *see also* Professional practice

- defined, 118.4(2)

Department of Canadian Heritage, *see* Canadian Heritage, Department of

Department of Energy, Mines and Resources

- certificate re Class 34 property, Reg. 1104(11)
- certificate re mineral deposit, 248(1)“mineral resource”(d)(i)

Department of Energy, Mines and Resources (*cont'd*)

- certificate re oil or gas well, 66.1(6)“Canadian exploration expense”(d)(iv), 66.1(10)
- communication of information to, 241(4)(d)(v)–(vi.1)
- consultation re mine capacity, Reg. Sch. II:Cl. 1(l), Sch. II:Cl. 28(b)(ii)
- consultation re pipeline, Reg. Sch. II:Cl. 1(l), Sch. II:Cl. 2(b)
- determination of prescribed energy conservation property, 13(18.1), 241(4)(d)(vi.1)

Department of Finance comfort letters, *see* Table of Comfort Letters**Department of Fisheries and Oceans Act**, *see* Northern Cod Compensation and Adjustment Program**Department of Human Resources Development**, *see* Human Resources Development Canada**Department of Labour Act**

- s. 5, income assistance payments under, *see* Older Worker Adjustment, Program for

Department of National Revenue, *see* Canada Revenue Agency**Department of Natural Resources**

- technical guide to carbon capture, binding for ITA purposes, 13(18.2)
- technical guide to Class 43.1 and 43.2, binding for ITA purposes, 127.44(9)(f)
- technical guide to clean electricity property, binding for ITA purposes, 127.491(37)
- technical guide to clean hydrogen property, binding for ITA purposes, 127.48(32)
- technical guide to clean technology property, binding for ITA purposes, 127.45(20)

Department of Social Development Act

- program under, to compensate parents of child victims of crime, taxable, 56(1)(a.3)

Departure tax, *see* Ceasing to be resident in Canada**Dependant**

- alimony or maintenance paid to, 118(5)
- child, credit for, 118(1)B(b.1), (d)
- credit for, 118(1)B(b), (d)
- apportionment of, 118(4)(e)
- deemed resident, of
 - also deemed resident, 250(1)(f)
- defined, 118(6), Reg. 8500(1)
- infirm, *see* Infirm dependant
- medical expenses of, 118.2(2)(a)
- mental or physical impairment, 118.2(2)(b), (c), 118.3(2), 118.4
- notch provision, 117(7), 118.2(1)D
- partial
 - mental or physical impairment, 118.3(3)
- spouse, 118(1)B(a)
- wholly dependent persons, credit for, 118(1)B(b)
- limitation, 118(4)

Dependants' relief acts, trust created by, 70(6.1)**Dependent personal services**, *see* Employment: income from**Depletion allowances**, *see also* Resource allowance

- gas well, 65, Reg. Part XII
- lessee and lessor, allocation between, 65(3)
- mineral resource, 65, Reg. Part XII
- coal mine, allocation, 65(3)
- mining exploration, Reg. 1203
- oil well, 65, Reg. Part XII
- supplementary, Reg. 1212
- timber limit, 65

Depletion base, *see* Earned depletion base; Mining exploration depletion base; Supplementary depletion base**Deployed operational mission**

- deduction for Canadian Forces or police income while serving on, 110(1)(f)(v)(A)

Deposit

- eligible, *see* Eligible deposit
- insurance corporation, *see* Deposit insurance corporation
- on container
 - as income, 12(1)(a)(ii)
 - deduction when repaid, 20(1)(m.2)
 - reserve for, 20(1)(m)(iv)
- specified, *see* Specified deposit

Deposit accounting insurance policy

- defined, 138(12), Reg. 1408(1)

Deposit balance

- of insurer, defined, Reg. 2400(1)

Deposit insurance corporation, *see also* Canada Deposit Insurance Corporation

- amounts included in income, 137.1(1), (10)
- amounts not included in income, 137.1(2)
- deductions in computing income, 137.1(3)
- limitation, 137.1(4)
- payments to member institutions, 137.1(11)
- deemed not credit union, 137.1(7)
- deemed not private corporation, 137.1(6)
- deeming provision re, 137.1(5.1)
- defined, 137.1(5)
 - for purposes of dividend gross-up and tax credit, 89(15)
- investment property, defined, 137.1(5)
- member institution
 - defined, 137.1(5)
- payments by, deductible in computing income, 137.1(11)(a)
- repayment deductible in computing income, 137.1(11)(b)
- repayment excluded from income of previous year, 137.1(12)
- security for payment of tax, 220(4.3), (4.4)
- no high-gross-up dividends, 89(1)“general rate income pool”A:E(b)
- not subject to mark-to-market rules, 142.2(1)“financial institution”(c)(iv)
- principal amount of interest payable, 137.1(10.1)
- property owned since before 1975, 137.2
- special tax rate, 137.1(9)
- transfer of premiums from another deposit insurance corporation, 137.1(2)(b)
- transfer of premiums to another deposit insurance corporation, 137.1(4)(d)
- wholly-owned subsidiary deemed deposit insurance corporation, 137.1(5.1)

Depository

- RRIF, *see* RRIF: depository
- RRSP, *see* RRSP: depository
- TFSA, *see* TFSA: depository

Depository account

- defined, for Common Reporting Standard, 270(1)

Depository institution

- defined, for Common Reporting Standard, 270(1)

Depository receipt, *see* American Depositary Receipt**Depreciable property**, *see also* Capital cost allowance

- acquired
 - amalgamation, on, 87(2)(d), (d.1)
 - by transfer, amalgamation or winding-up, Reg. 1102(14), (14.1)
 - capital cost, 13(5.2)
 - non-arm's length, 13(7)(e), Reg. 1102(20)
 - corporations controlled by one trustee, 13(7.3)
 - partner's cost, ITAR 20(4)“acquisition cost”
 - with government assistance, deemed capital cost, 13(7.1), (7.2)
- additions and alterations, Reg. 1102(19)
- amortization, *see* Capital cost allowance
- available for use, 13(26)–(32), 20(28), (29), Reg. 1100(2)

Index

Depreciable property (*cont'd*)

- borrowing money for, 21(3)
- capital, disposed of
 - capital cost, 13(5.4)
 - lease cancellation payment, 13(5.5)
 - recaptured depreciation, 13(5.3)
- capital cost, *see* Capital cost
- capital cost allowance, *see also* Capital cost allowance
 - classes, Reg. Sch. II
- capitalization of interest, 21(1), (3)
 - reassessment, 21(5)
- certain transactions after 1971, ITAR 20(1.2)
- change in proportions of use, 13(7)(d), 13(9)
- change in use
 - deemed acquisition/disposition, 13(7)(a), (b), 13(9)
- classes, for capital cost allowance, Reg. Sch. II
 - inclusions in, Reg. 1103
 - transfers between, Reg. 1103
- cost of money borrowed to acquire, 21(1)
 - election, 21(1)
- deductions allowed, Reg. Part XI
- deemed, Reg. 1101(5g)
 - capital cost allowance, Reg. Sch. II:Cl. 36
 - separate classes, Reg. 1101(5g)
- deemed capital cost of, 13(7.4)
- deemed disposition/reacquisition
 - capital cost, deemed, 13(7)(f)
 - on death, 70(5)
- defined, 13(21)
 - includes leasehold interest or option for limited purposes (partnership rollout), 98(7)
 - on windup of corporation, 88(1)(c.7)
- depreciation, *see* Capital cost allowance
- disposition of
 - after ceasing business, 13(8)
 - bad debt on, 20(4)
 - capital gain on, 39(1)(a)
 - on death
 - order of disposition, 70(14)
 - to child, farming or fishing property, 70(9), (9.01)
 - to spouse, 70(6); ITAR 20(1.1)
 - proceeds of disposition, defined, 13(21)
 - recapture, up to original cost, 13(1)
 - terminal loss, where no property left in class, 20(16)
- divided use
 - change in ratio of uses, 13(7)(d)
 - deemed cost/proceeds of income-producing part, 13(7)(c)
- dividend in kind, ITAR 20(1.4)
- election re
 - deemed, 44(4)
- exchanges of, 13(4)
- exclusions from classes, Reg. 1102
- first-year rule, Reg. 1100(2)–(2.4)
- half-year rule, Reg. 1100(2)–(2.4)
- manufacturing and processing business, acquired for
 - deemed capital cost of, 13(10)
- manufacturing and processing enterprises, Reg. 1102(15), (16)
- misclassified, 13(6)
- prescribed class, of
 - transferred to corporation by shareholder, 85(1)(e), (e.1), (e.3), (e.4)
- proceeds of disposition of, 13(21)
- receipt of government grant, 13(7.1), (7.2)
- recreational property, Reg. 1102(17)
- replacement for, 13(4), (4.1)
- rollover of
 - to corporation, 85(1)(e), 85(5)
 - to partnership, 97(2)

- to trust, 107.4(3)(d)
- sale of, *see* disposition of (*above*)
- sale of mortgage, etc., 20(5), (5.1)
- separate classes, Reg. 1101
- transfer of
 - non-resident insurer, by, 138(11.8)
 - not at arm's length, 13(7)(e), 13(21.2)
 - on mutual fund rollover, 132.2(3)(c)
 - pre-1972, not at arm's length, ITAR 20(1.3)
 - to corporation, rules, 85(1)(e), 85(5)
 - to trust, qualifying disposition, 107.4(3)(d)
 - where UCC exceeds fair market value, 13(21.2)
- uncollectible proceeds of disposition, 20(4)–(4.2)
- undepreciated capital cost, 13(21)

Depreciation, *see also* Capital cost allowance

- double, in lieu of, Reg. 1100(1)(d)
- property acquired before 1972, ITAR 18

Deputy Minister, *see* Commissioner of Revenue

Derivative, *see also* Eligible derivative

- election for mark-to-market treatment, 10.1(1)
- excluded from inventory writedown, 10(15), 18(1)(x)
- no mark-to-market treatment without election, 10.1(7)

Derivative assessment, 160

Derivative forward agreement

- defined, 248(1)
- income inclusion, 12(1)(z.7)
 - addition to ACB, 53(1)(s), (t)
- loss deduction, 20(1)(xx)
- reduction in ACB, 53(2)(w), (x)

Derived

- meaning of
 - case law, 18.1(12) Notes
 - for unit trust definition, 108(2.1)

Designated acquired corporation

- defined, for FAPI rules, 95(1)

Designated amount

- of excess FHSA contribution, defined, 207.01(1)
- of stock option, for employer election re cash-out, 110(1.2)
- of trust, in respect of capital gains, 104(21.2)

Designated area

- defined in *Canadian Wheat Board Act*, 76(5)

Designated asset

- defined, for oil sands mine development project, 66.1(6)
- defined, for oil sands project, Reg. 1104(2)

Designated beneficiary

- defined, 210(1)
- excluded from trust designation of Part XII.2 tax paid, 210.2(3)
- no deduction for income of trust paid to, 104(7)

Designated benefit, *see* Registered retirement income fund: designated benefit

Designated city

- defined, Reg. 7304(1)

Designated Class 34 income, Reg. 1100(24) [repealed]

Designated corporation

- defined, for FAPI rules, 95(2)(s)

Designated country, *see also* Designated treaty country

- defined, Reg. 8006

Designated donor information

- defined, 241(10)
- use of by RCMP or CSIS restricted, 241(9.1)

Designated educational institution

- defined, 118.6(1)
- information return for tuition or scholarship, Reg. 203
- registered educational savings plan, 146.1(1)“post-secondary educational institution”(a), 146.1(1)“trust”(d)

Designated employee benefit

- deductible when paid by employee life and health trust, 104(6)(a.4)
- defined, 144.1(1)
- excluded from employee benefit plan (EBP) benefits, 6(1)(g)(iv)
- must be only object of ELHT, 144.1(2)(a)
- no tax to employee on, 144.1(11)

Designated entity

- defined
- for advanced life deferred annuity information return, Reg. 216(1)
- for non-resident investment or pension fund, 115.2(3)(b)

Designated financial institution

- defined, 153(6), 160.5(1)
- large remittances to be made at, 153(1)
- exception, 153(1.4)

Designated foreign insurance business

- defined, 138(12)

Designated gift (for charity disbursement rules)

- deemed not spent on charitable activities, 149.1(1.1)(a)
- defined, 149.1(1)
- not included in receiving charity's income, 149.1(12)(b)(i)
- receiving charity need not disburse, 149.1(4.1)(d), 188.1(12)

Designated immediate expensing property

- defined, Reg. 1104(3.1)

Designated income, *see* Trust (or estate): designated income, tax on**Designated insurance property**

- defined, 138(12), 248(1)

Designated investment services

- defined, re non-resident investment or pension fund, 115.2(1)

Designated jurisdiction

- defined, for CCUS credit, 127.44(1)
- where no jurisdiction designated, 127.44(14.1)

Designated liquidation and dissolution

- defined, 95(1)
- excluded from pregnant-loss rules, 13(21.2)(e)(iii)(E)(I)2, 14(12)(g)(i)(B) [before 2017], 18(15)(b)(iv)(A)(II), 40(3.4)(b)(v)(A)(II), 40(3.5)(c)(iii)

Designated member

- defined, for small business deduction, 125(7)

Designated money purchase provision (of pension plan)

- condition for corrective contributions, 147.1(20)
- defined, 147.1(1)

Designated number

- defined, 237(1.2)
- requirement to provide, 237(1.1)

Designated overburden removal cost, Reg. 1104(2), Reg. Sch. II:Cl. 12(q)

- defined, Reg. 1104(2)

Designated partnership

- defined, for FAPI rules, 95(2)(t)
- defined, for non-resident surplus stripping, 212.1(3)(e)

Designated pension plan, *see* Designated plan**Designated person**

- benefit conferred on through corporation, 74.4(2)
- exceptions, 74.4(4), 74.5(5)
- special rules, 74.5(6)–(8)
- benefit conferred on through trust, 74.3(1)
- defined
- for attribution rules, 74.3(2), 74.4(1), 74.5(5)
- for communication of information, 241(10)
- for FAPI transitional rules, 92(1.5)

Designated person or partnership

- defined, for foreign affiliate surplus calculations, Reg. 5907(1)

Designated plan, *see also* Individual pension plan

- defined, Reg. 8515(1)–(3)
- defined, for registered pension plans, Reg. 8500(1)

Designated pooled pension plan

- defined, 147.5(1)

Designated property

- capital dividend account, re
- defined, 89(1)
- gain on excluded from calculation, 89(1)“capital dividend account”(a)(i)(C)(I), 89(1)“capital dividend account”(a)(ii)(C)(I)
- foreign accrual property income, re
- defined, 95(3.1)

Designated province

- for carbon tax refund to farmers, 127.42(1)
- for carbon tax refund to small business, 127.421(1)

Designated provincial Crown corporation

- defined, for clean electricity credit, 127.491(1)

Designated provincial program

- defined
- for RDSPs, 146.4(1)
- for RESPs, 146.1(1)

Designated provisions

- defined, for look-through rule for certain trusts, 259(5)

Designated rate

- defined, Reg. 5100(1)

Designated region, prescribed

- credit for investment in, 127(9)“specified percentage”(a)(ii)(B), 127(9)“specified percentage”(a)(vi), 127(9)“specified percentage”(e)(i)(B)
- defined, Reg. 4607

Designated savings arrangement

- defined, Reg. 8300(1)

Designated securities lending arrangement

- defined, 212(20)
- non-resident withholding tax, 212(19)

Designated shareholder

- defined, Reg. 4901(2), (2.3)

Designated stock exchange

- defined, 248(1)
- designation of by Minister of Finance, 262

Designated subscriber (of RESP)

- can subscribe for RESP, 146(1)“education savings plan”(a)(v), 146.1(1)“subscriber”(d)
- defined, 146.1(1)

Designated taxation year

- defined, Reg. 5907(1.6)

Designated taxpayer information

- defined, 241(10)
- use of by RCMP, CSIS or FINTRAC, 241(9), (9.1)

Designated treaty country

- defined, Reg. 5907(11), (11.1), (11.11)
- dividends from active income in, Reg. 5907(1)“exempt earnings”(d), “exempt loss”(c)

Designated underground storage cost

- defined, Reg. 1104(2)

Designated withdrawal

- defined, for Home Buyers' Plan, 146.01(1)

Designated work site

- defined, for labour requirements for ITCs, 127.46(1)

Designation

- to treat capital gain as forgiven amount, 80.03(7)

Designation year (re capital gains of trust)

- defined, 104(21.2)

Detaxers, 2(1) (Notes), 248(1)“person” (Notes)

Determination, *see also* Assessment

- legal fees relating to, 56(1)(l), 60(o), 152(1.2)
- Minister, by
 - general anti-avoidance rule application, 152(1.11)
 - losses, of, 152(1.1)
 - binding on Minister and taxpayer, 152(1.3)
 - following GAAR assessment, 152(1.11), (1.12)
 - treated like an assessment, 152(1.2)
- notice of
 - date deemed made, 244(14), (15)
 - general anti-avoidance rule application, 152(1.11), 245(6)
 - losses, 152(1.1), 152(1.2)
 - mailing date, 244(14)
 - proof that not objected to, 244(10)
 - provisions applicable to, 152(1.2)
 - partnership income or loss, 152(1.4)–(1.8)
 - objection to, 165(1.15)
- question, of, by Tax Court, 174
- redetermination, 152(1.2)
- tax consequences under general anti-avoidance rule, 245(5)
- time, defined, 110.6(1)“qualified small business corporation share”
- value of property, by Canadian Cultural Property Export Review Board, 118.1(10)

Deuterium-enriched water

- capital cost allowance, Reg. Sch. II:Cl. 26

Development, *see* Canadian development expense; Scientific research and experimental development**Development phase (of oil sands project)**

- defined, Reg. 1104(2)

Developmental program for children, *see* Children’s Arts Tax Credit (pre-2017)**Devices**

- for hearing- or sight-impaired, business expense, 20(1)(rr)
- medical, credit for, 118.2(2), Reg. 5700

Dex Resources TCC case overruled, 66.1(6)“Canadian exploration expense”(d)(i), 66.1(9)(a)**Diabetes**

- blood-sugar level measuring device, medical expense, Reg. 5700(s)
- Type 1, qualifies for disability credit, 118.3(1.2)

Diagnostic procedures

- medical expenses, 118.2(2)(o)

Diamond

- extraction of, 248(1)“mineral resource”(d)(ii)
- qualified investments for deferred income plans, Reg. 4900(1)(n.1)

Diapers (for incontinence), medical expense, 118.2(2)(i.1)**Die, etc., capital cost allowance**, Reg. Sch. II:Cl. 12(d)**Digester gas**

- defined, Reg. 1104(13)
- included in eligible waste fuel, Reg. 1104(13)“eligible waste fuel”

Digital news subscription

- credit for, 118.02(2)
- defined, 118.02(1)

Digital pen device

- disability supports deduction, 64(a)A(ii)(V)

Digital platform operators

- reporting rules, 282–295

Digital versatile disc, *see* Digital video disk (DVD)**Digital video disk (DVD)**

- rental, capital cost allowance, Reg. Sch. II:Cl. 12(r)
- excluded from half-year rule, Reg. 1100(2)C(b)(i)

Diligence, *see* Due diligence**Diplomat**

- Canadian, abroad

- deemed resident in Canada, 250(1)(c), 250(2)
- reimbursement of allowance, non-taxable, 6(1)(b)(iii)
- foreign, in Canada
- exemption from tax, 81(1)(a), 149(1)(a), Canada-U.S. Tax Treaty:Art. XXVIII

Direct equity percentage, defined, 95(4)**Direct financing lease**

- prescribed property for specified debt obligation definition, Reg. 9004
- prescribed security for lending-asset definition, Reg. 6209(b)(iii)

Directed donations

- prohibited, 168(1)(f)

Directed person (debt forgiveness rules)

- defined, 80(1), 80.04(1)
- eligible transferee, 80.04(2)
- obligations issued by, 80(14)

Director, Director General

- duties delegated to, 220(2.01), Reg. 900

Director (of corporation)

- fees
 - income, 6(1)(c)
 - withholding tax, 153(1)(g)
- liability of
 - for corporation’s unremitted source withholdings, 227.1
 - for offence of corporation, 242

Disability, *see* Mental or physical impairment**Disability assistance payment**, *see also* Registered disability savings plan (RDSP)

- not counted for purposes of Canada Child Benefit, 122.6“adjusted income”
- not counted for purposes of GST/HST Credit, 122.5(1)“adjusted income”
- not counted for purposes of Old Age Security clawback, 180.2(1)“adjusted income”
- tax on, 146.4(6)
- withholding tax
 - non-resident, 212(1)(r.1)
 - resident, Reg. 153(1)(i)

Disability benefit, *see* Disability insurance; Disability pension**Disability credit**, 118.3**Disability Home Purchase Credit, 118.05**, *see* First-Time Home Buyer’s Credit and Disability Home Purchase Credit**Disability insurance**

- benefits under, income, 6(1)(f); ITAR 19
- employer’s contribution not a taxable benefit, 6(1)(a)(i)
- top-up contributions by employer, *see* Disability policy

Disability payments

- military action, for
- exempt, 81(1)(e)

Disability pension

- CPP, *see* Canada Pension Plan/Quebec Pension Plan: disability pension
- RCMP, exempt, 81(1)(i)

Disability policy

- defined, 6(17)
- top-up payments on insolvency of insurer, 6(18)
- reimbursement to employer, 8(1)(n.1)

Disability-related building modifications

- deductible, 20(1)(qq)
- medical expense credit, 118.2(2)(l.2)

Disability-related devices and equipment

- deductible, 20(1)(rr)

Disability-related employment benefits

- when not included in income, 6(16)

Disability supports deduction, 64**Disability tax credit**, 118.3

Disabled

- defined (for pension plan), Reg. 8500(1)

Disabled person, *see* Mental or physical impairment

Disappearing source rule (interest deductibility), 20.1

Disbursement excess (of charity)

- carried forward or back to other years, 149.1(20)
- defined, 149.1(1)

Disbursement quota (of charity)

- defined, 149.1(1)
- • Minister can make certain adjustments, 149.1(1.2)
- • Minister can reduce DQ at charity's request, 149.1(5)
- requirement to expend DQ on charitable activities, 149.1(2)(b), (3)(b), (4)(b)
- tax on deliberate reduction of, 188(3)–(4)

Disclaimer, defined, 248(9)

Disclosure of information

- by CRA, *see* Communication of information (by CRA)
- to CRA, *see* Information return

Discontinuance of business, *see* Ceasing to carry on business

Discontinuance of venture capital business

- meaning of, 204.8(2)
- penalty tax, 204.841

Discount, *see also* Bond: discount

- defined, pre-1972 obligation, ITAR 26(12)

Discounted bonds, *see* Bond: discount

Discovery well costs

- allowed as CEE before 2019, 66.1(6)“Canadian exploration expense”(d)(i)

Discretion of Minister, *see* Minister (of National Revenue)

Discrimination, Canada-U.S. Tax Treaty:Art. XXV

Dishonoured cheque, *see* Cheque: dishonoured

Disposed share

- defined, for foreign affiliate liquidation and dissolution, 88(3)(d)

Disposing affiliate

- defined, 88(3.1), 93(1), 95(1)“designated liquidation and dissolution”

Disposing corporation

- defined, 93(1)

Disposition

- capital gain, 39(1)(a), 40(1)
- child, to, 40(1.1)
- deceased taxpayer, of, 70(5), 164(6)
- deemed
 - • by trust, every 21 years, 104(4)
 - • mark-to-market property, by financial institution, 142.5(2)
 - • on becoming a financial institution, 142.6(1)(b)
 - • on ceasing to be a financial institution, 142.6(1)(c)
 - • on ceasing to be resident, 128.1(4)(b)
 - • on death, 70(5)–(10)
 - • on gift, 69(1)(b)(ii)
 - • synthetic disposition arrangement, 80.6(1)
 - • where spousal trust distributes property to other person, 107(4)
- deemed contribution of capital, where, 53(1.1)
- deferral of tax on, *see* Rollover
- defined, 248(1)
- • satisfaction of obligation, deemed not to be, 49.1
- depreciable, *see* Depreciable property
- income interest in trust, 106(2)
- involuntary, election re, 13(4)
- • deemed, 44(4)
- land used in farming business of partnership, 101
- life insurance policy, interest in, 248(1)“disposition”(b.1)
- loss on, *see* Loss(es); Stop-loss rules
- non-resident, by, 116(1)–(6)

- • certificate, 116(2)
- • notice, 116(3)
- • treaty-protected property, 116(5.01), (5.02)
- • where tax deferred under tax treaty, 115.1
- • of interest in life insurance policy, 148(9), Reg. 217(1)
- • partnership, on ceasing to exist, 98
- • personal-use
 - • capital loss nil, 40(2)(g)(iii)
- principal residence, *see* Principal residence
- proceeds of, *see* Proceeds of disposition
- purchaser corporation controlling or controlled by taxpayer, 40(2)(a)(ii)
- subsequent to debt forgiveness, 80.03(2)
- to a trust, no change in beneficial ownership, 69(1)(b)(iii)
- together with services, allocation rule, 68
- trust, to
 - • capital loss nil, 40(2)(g)(iv)

Dispute, taxes in

- whether taxpayer required to remit, 164(1.1)(d), 225.1

Dissolution, *see* Winding-up

Distress preferred share, 80.02

- constitutes commercial obligation, 80(1)“commercial obligation”
- constitutes excluded security, 80(1)“excluded security”
- defined, 80(1)
- disposition of following debt forgiveness, no deemed capital gain, 80.03(2)
- settled
 - • effect of, where subsidiary wound up into parent, 80.01(5)
 - • meaning of, 80.02(2)(c), 80.02(7)(a)
- share ceasing to be, 80.02(7)
- substituted for debt, 80.02(3)
- substituted for other distress preferred share, 80.02(5)
- substitution of commercial debt obligation for, 80.02(4)
- substitution of other share for, 80.02(6)

Distributing corporation

- defined, 55(1)“distribution”

Distribution

- for butterfly purposes, defined, 55(1)
- from TFSA, defined, 146.2(1)
- of property by non-resident trust, reporting requirement, 233.5
- on winding-up, 84(2), (6)
- tax, *see* Corporate distributions tax

Distribution equipment

- capital cost allowance, Reg. Sch. II:Cl. 47
- defined, 248(1), Reg. 1104(13)

Distribution tax

- on income trusts, *see* SIFT trust: distributions to unitholders
- on partnerships, *see* SIFT partnership: distributions to partners

Distribution tax on income trusts, *see* SIFT trust

Distribution time

- defined, 128.1(7)(b)

Distribution year

- defined
 - • for postponement of tax on distribution by trust to non-resident beneficiary, 220(4.6)(a)
 - • for foreign tax credit of trust, 126(2.22)

District

- defined, Reg. 1802(5)

District energy equipment

- capital cost allowance, Reg. Sch. II:Cl. 43.1(a)(iii.1), 43.1(d)(xv)
- defined, Reg. 1104(13)

District energy system, *see also* District energy equipment

- conditions for Class 43.1/43.2 treatment, Reg. 1104(16)
- defined, Reg. 1104(13)

Index

Divestment obligation percentage

- avoidance of, 188.1(3.2)–(3.5)
- defined, for private foundations, 149.1(1)
- penalty for having, 188.1(3.1)
- private foundation can be revoked for having, 149.1(4)(c)

Dividend

- Canada Recovery (surtax on banks and life insurers for 2022), 191.5
- capital, *see* Capital dividend
- capital gains dividend
 - mutual fund corporation, election, 131(1)–(1.4)
- compensation, *see* Securities lending arrangement: dividend compensation payment
- deemed, 84
 - added to cost base of share, 53(1)(b)
 - capital gains subject to income-splitting tax, 120.4(4), (5)
 - dividend stripping, 84.1(1)(b), 212.1(1.1)(a)
 - foreign affiliate dumping, 212.3(2)(a)
 - guaranteed share, on, 84(4.3)
 - income trust distribution, 104(16)
 - interest on income bond, 15(3)
 - non-resident corporation, 15(4)
 - non-resident surplus strips, 212.1, 212.2
 - on corporation becoming resident in Canada, 128.1(1)(c.1), (c.2)
 - on demutualization of insurance corporation, 139.1(2)(j)
 - on disposition of share of foreign affiliate, 93(1)
 - on distribution by mutual holding corporation, 139.2
 - partnership distribution, 96(1.1)(b)
 - redemption of share, 84(3)
 - reduction of paid-up capital, on, 84(4), (4.1)
 - SIFT trust distribution, 104(16)
 - surplus stripping, 84.1(1)(b), 212.1(1.1)(a)
 - term preferred share, on, 84(4.2), 258(2)
 - thin capitalization, 214(16), (17)
 - windup of business, 84(2)
- deemed not received, 55(2)–(5)
- deemed paid
 - deemed payable when, 84(7)
 - where not deemed received, 84(8)
- deemed proceeds of disposition of share, or capital gain, 55(2)–(5)
- deemed received where attribution rules apply, 82(2)
 - where not applicable, 84(8)
- defined, 248(1)
 - for stop-loss rules, 112(6)(a)
 - for treaty purposes, Canada-U.S. Tax Treaty:Art. X:3
- disqualifies paying corp from CEWS, 125.7(2.01)
- election re
 - excessive, 184(3), (3.1)–(5)
- employees profit sharing plan, allocation by, 144(8)
- excluded from tax under Part VI.1, 191(1)
- exempt, on share of foreign affiliate, 93(3)
- foreign affiliate, from, 20(13), 95(1), 113(1), Reg. 5900
- foreign business corporation, from, received by non-resident, 213
- gross-up, 82(1)(b)
- guarantee agreement re
 - no deduction, 112(2.2)–(2.22)
- in kind
 - cost of, 52(2)
 - depreciable property as, ITAR 20(1.4)
- includes stock dividend, 248(1)
- income, 12(1)(j), (k), 82(1), 90
 - whether specified investment business, 125(7)“specified investment business”
- insurance corporation
 - to policyholders, 140(1)
- life insurance policy, 148(2)
 - mortgage investment corporation, from
 - deemed bond interest, 130.1(2), (3)
 - non-resident corporation, from, 90
 - non-taxable
 - portion not included in beneficiary’s income
 - mutual fund trust, 132(3)
 - received by trust
 - designation re, 104(20)
 - ownership certificate required, 234
 - paid
 - by non-resident corporation
 - out of exempt surplus, 113(1)(a)
 - out of hybrid surplus, 113(1)(a.1)
 - out of pre-acquisition surplus, 113(1)(d)
 - out of taxable surplus, 113(1)(b), (c)
 - in excess of elective amount, tax on, 184
 - to non-resident
 - foreign business corporation, by, 213
 - tax on, 212(2)
 - United States resident, Canada-U.S. Tax Treaty:Art. X
 - patronage, *see* Patronage dividends
 - received
 - amount included in income, 82(1), 90
 - by broker/dealer, withholding tax, 153(4), (5)
 - by corporation
 - deduction from income, 112(1), (2)
 - stop-loss rules, 112(2.1)–(2.9)
 - by financial institution, 112(5)–(5.2)
 - by prescribed venture capital corporation, deemed not taxable dividend, 186.2
 - by spouse, transfer of, 82(3)
 - by trust, allocation to beneficiary, 104(19), (20)
 - gross-up, 82(1)(b)
 - Part IV tax on, 186(1)
 - late assessment of, 152(4.31)
 - triggers dividend refund to paying corporation, 129(1)
 - refund, *see* Dividend refund
 - rental arrangement, *see* Dividend rental arrangement
 - short-term preferred share, 112(2.3)
 - simultaneous, 89(3)
 - stock, *see also* 248(1)“dividend”
 - amount of, 95(7), 248(1)“amount”
 - cost of, 52(3)
 - deemed to be substituted property, 248(5)(b)
 - defined, 248(1)
 - excluded from deemed dividend, 84(1)(a)
 - paid as benefit, 15(1.1)
 - “stop-loss” rule, 112(3), (3.1), (3.2), (4), (4.2), (4.3), (7)
 - stripping, *see* Surplus stripping
 - tax credit, 121
 - taxable
 - allocation of, by credit union, 137(5.1), (5.2)
 - amalgamation, on, 87(2)(x)
 - deduction from tax otherwise payable, 121
 - defined, 89(1)“taxable dividend”, 112(6)(a), 129(7), 248(1)
 - received by private corporation, tax on, 186
 - received by trust, designation re, 104(19)
 - taxable corporation, from
 - life insurer, received by, 138(6)
 - term preferred shares, on
 - received by specified financial institution, 112(2.1)
 - unclaimed at year-end
 - withholding tax, 153(4)
 - effect of remittance, 153(5)
- Dividend allowance
 - defined, for Part VI.1 tax, 191.1(2)
- Dividend compensation payment, *see* Securities lending arrangement: dividend compensation payment

Dividend-like redemption**Dividend payer**

- defined, for capital gains stripping rules, 55(3)(a)(iii)(A)

Dividend received deduction

- dividend from Canadian corporation, 112(1)
- dividend from foreign corporation, 112(1)

Dividend recipient

- defined, for capital gains stripping rules, 55(3)

Dividend refund, *see also* Refundable dividend tax on hand

- defined, 129(1)
- interest on, 129(2.1), (2.2)
- mutual fund corporation, to, 131(5)
- private corporation, to, 129
- application to other liability, 129(2)
- dividends deemed not to be taxable dividends, 129(1.2)

Dividend reinvestment plan

- whether taxable as shareholder benefit, 15(1)

Dividend rental arrangement, *see also* Securities lending arrangement

- defined, 248(1)
- gross-up and credit denied, 82(1)(a)(i), 82(1)(c)
- intercorporate dividend deduction denied, 112(2.3)
- no deduction for dividends received under, 112(2.3)
- share, *see* DRA share

Dividend stripping, *see* Surplus stripping**Dividend tax**

- refundable, *see* Refundable dividend tax on hand

Dividend tax credit, 121**Dividend time**

- defined, for foreign affiliate dumping rules, 212.3(4)

Division of property, *see* Partition of property**Divisive reorganization, 55(1), 55(3)(b)****Divorce and separation**

- alimony, maintenance or support, *see* Support payments (spousal or child)
- attribution rules do not apply
- generally, 74.5(3)
- RRSP withdrawals, 146(8.3)
- deferred profit sharing plan rights, transfer of, 147(2)(e)(i), 147(19)
- registered education savings plan, rights transferred, 204.91(3)
- reimbursement of legal expenses, not taxable, 56(1)(1.1)
- separation agreement defined, 248(1)
- tracing of property transfer does not apply, 160(4)
- transfer of ALDA to spouse's RPP, RRSP, RRIF or PRPP, 146.5(1) "advanced life deferred annuity" (g.1)
- transfer of DPSP funds to spouse's RPP, RRSP or RRIF, 147(2)(e)(i), 147(19)
- transfer of RPP funds to spouse's RPP, RRSP or RRIF, 147.3(5)
- transfer of RRIF funds to spouse's RPP, RRSP or RRIF, 146.3(14)
- transfer of RRSP funds to spouse's RRSP or RRIF, 146(16)(b)

Dock

- capital cost allowance, Reg. Sch. II:Cl. 3
- for mine, Reg. Sch. II:Cl. 10(l)

Documentary evidence

- defined, for Common Reporting Standard, 270(1)

Documentary production

- whether qualifies for Canadian film/video tax credit, Reg. 1106(9)

Documentation

- contemporaneous, for transfer pricing audit, 247(4)

Documentation — due date

- defined (for transfer pricing), 247(1)

Documents, *see also* Books and records

- demand for, 231.2(1)(b)

- examination of, where privilege claimed, 232(3.1)–(7)
- execution of, by corporations, 236
- foreign-based, 143.2(13), (14), 231.6
- proof of, 244(9), (13)
- requirement to provide, 231.2
- compliance order, 231.7
- interference with CRA official, 231.51
- seized
- copies of, 231.5
- seizure of, 231.3(5)–(8)
- where privilege claimed, 232(3), (4)–(7)
- transfer pricing, 247
- waiver of requirement to file, 220(3.1)

Dog, *see* Guide dog expenses; Animal**Dollar amounts in legislation and regulations**

- functional currency to be used when election made, 261(5)(b)
- \$0 proceeds of disposition of shares or debt when corporation goes bankrupt, 50(1)
- \$0.27/km car operating expenses benefit for 2021, Reg. 7305.1(a)
- \$0.28/km car operating expenses benefit for 2019–2020, Reg. 7305.1(a)
- \$0.29/km car operating expenses benefit for 2022, Reg. 7305.1(a)
- \$0.33/km car operating expenses benefit for 2023–24, Reg. 7305.1(b)
- \$0.34/km car operating expenses benefit for 2025, Reg. 7305.1(b)
- \$0.59 and \$0.53/km car allowances for 2019–2021, Reg. 7306
- \$0.61 and \$0.55 per km car allowances for 2022, Reg. 7306
- \$0.68 and \$0.62 per km car allowances for 2023, Reg. 7306
- \$0.70 and \$0.64 per km car allowances for 2024, Reg. 7306
- \$0.72 and \$0.66 per km car allowances for 2025, Reg. 7306
- \$1 deemed PUC increase on stock dividend by Canadian Wheat Board, 135.2(12)
- \$2 below which balance neither demanded nor refunded by CRA, 161.4
- \$2 per day home office expense deduction without receipts, 8(13) [Announced Administrative Change]
- \$3.75 per day residing in prescribed intermediate zone, deduction, 110.7(1)(b)(ii)(A), 110.7(2)
- \$8.25 per day maintaining household in prescribed intermediate zone, 110.7(1)(b)(ii), 110.7(2)
- \$8.25 per day extra, residing in prescribed northern zone, 110.7(1)(b)(ii)(A)
- \$10 daily penalty for late-filed information returns, 162(7.01)(a)
- \$10 per day penalty for trustee/receiver failing to file return, 162(3)
- \$15 daily penalty for late-filed information returns, 162(7.01)(b)
- \$16.50 per day maintaining household in prescribed northern zone, 110.7(1)(b)(ii)
- \$20 monthly amount for part-time student's textbook credit, 118.6(2.1)B(b)
- \$20 monthly Canada Child Benefit threshold for annual advance payment, 122.61(2)
- \$20 per day (indexed after 2023) tax per worker for not paying prevailing wage when claiming CCUS or clean technology credits, 127.46(6)
- \$25 daily penalty for late-filed information returns, 162(7.01)(c)
- \$25 penalty for tax preparer not filing T1 return electronically, 162(7.3)(a)
- \$25 per day penalty for failing to comply with obligation, 162(7), (7.1)
- \$25 up to which interest and penalty may be cancelled, 161.3
- \$33 threshold under which Canada Workers Benefit is single payment, 122.72(2)
- \$50 above which donation returned by charity must be reported on information return, 110.1(16), 118.1(27)

Index

Dollar amounts in legislation and regulations (*cont'd*)

- \$50 credit for U.S. social security tax changes under treaty, Canada-U.S. Tax Treaty:Art. XVIII:5
- \$50 daily penalty for late-filed information returns, 162(7.01)(d)
- \$50 maximum penalty for trustee/receiver failing to file return, 162(3)
- \$50 minimum interest to be reported by financial institution, Reg. 201(1) (Notes)
- \$50 penalty for actions re ownership certificate, 162(4)
- \$50 penalty per missing apprenticeship hour, ITC labour requirements, 127.46(7)
- \$50 per day of conference expenses deemed paid for meals/entertainment, 67.1(3)
- \$50 per day penalty that notice of non-compliance is outstanding, 231.9(12)
- \$50 threshold for advance payment of GST/HST Credit, 122.5(3.1)
- \$65 monthly amount for student's textbook credit, 118.6(2.1)B(a)
- \$75 daily penalty for late-filed information returns, 162(7.01)(e)
- \$75 per year maximum digital news subscription credit, 118.02(2)
- \$100 minimum fees for tuition credit, 118.5(1)(c), 118.5(1.1)
- \$100 minimum penalty for failing to comply with obligation, 162(7), (7.1)
- \$100 minimum penalty for false statement or omission, 163(2)
- \$100 minimum penalty for late-filed information returns, 162(7.01)
- \$100 minimum penalty for late renunciation, 66(12.75)
- \$100 minimum penalty for non-resident corporation failing to file return, 162(2.1)(b)(i)
- \$100 monthly penalty for late-filed election re foreign affiliate dumping, 212.3(13)
- \$100 monthly penalty for late-filed election re loan to non-resident corporate shareholder, 15(2.13)
- \$100 monthly Universal Child Care Benefit, 56(6)
- \$100 optional CCA deduction for timber limit or right to cut timber, Reg. Sch. VI:4
- \$100 penalty for failing to provide SIN or information on a form, 162(5), (6)
- \$100 penalty for paying or remitting amount over \$10,000 non-electronically, 162(7.4)
- \$100 penalty for tax preparer not filing T2 return electronically, 162(7.3)(b)
- \$100 per month penalty for late-filed elections, 85(8), 93(6), 96(6), 220(3.5)
- \$100 per partner per month penalty for failing to file partnership information return, 162(8)
- \$100 per week, certain child care expenses for child 7–15 before 2015, 63(3)“annual child care expense amount”(b)(ii), 63(3)“periodic child care expense amount”
- \$100 threshold for withholding on patronage dividends, 135(3)
- \$125 per week, certain child care expenses for child 7–15, 63(3)“annual child care expense amount”(b)(ii), 63(3)“periodic child care expense amount”
- \$140 monthly amount for part-time student's education textbook credit, 118.6(2)B(a), (2.1)B(a)
- \$150 max credit to teacher for school supplies 2016–2020, 122.9(2)
- \$170 credit to offset pension income, 118(3)
- \$200 below which tool, utensil or medical/dental instrument fully deductible before May 2/06, Reg. Sch. II:Cl. 12(c), (e), (h)
- \$200 cash allowed for fractional interest in share, 107.4(2.1)
- \$200 foreign currency gain or loss ignored for individual, 39(1.1)
- \$200 maximum charitable donations for low-rate credit, 118.1(3)
- \$200 per week, certain child care expenses for child under 7, 63(3)“annual child care expense amount”(b)(i), 63(3)“periodic child care expense amount”
- \$200 work of art deemed not depreciable property, Reg. 1102(1)(e)(i)
- \$215 per square metre hand-woven carpet deemed not depreciable property, Reg. 1102(1)(e)(ii)
- \$250 max credit to teacher for school supplies, 122.9(2)
- \$250 maximum labour-sponsored funds tax credit for 2016, 127.4(5)(a)
- \$250 maximum non-universal ancillary fee eligible for tuition credit, 118.5(3)(d), 118.5(4)(d)
- \$250 penalty for not filing information return electronically, 162(7.02)(a)
- \$250 per year earned-income accumulation for training credit, 122.91(2)(a)(i)B(A)
- \$250 super credit for first-time donor to charity until 2017, 118.1(3.1)
- \$250 teachers' exchange fund contribution deductible, 8(1)(d)
- \$275 per week, certain child care expenses for disabled child since 2015, 63(3)“annual child care expense amount”(a), 63(3)“periodic child care expense amount”
- \$300 contribution to RPP in 1944–45, income from RPP reduced, 57(4)
- \$300 (indexed) maximum monthly tax-free lodging allowance for amateur junior hockey players, 6(1)(b)(v.1)
- \$300 minimum CPP/QPP or UCCB benefits, allocated to prior year, 56(8)(b)
- \$300 per child additional COVID-19 Canada Child Benefit for 2020, 122.61(1.01)
- \$300 per month interest deduction limit for automobile for 2001–2023, 67.2, Reg. 7307(2)
- \$306 per additional dependant COVID-19 GST Credit for 2020, 122.5(3.001)A(a)
- \$350 per month interest deduction limit for automobile for 2024–25, 67.2, Reg. 7307(2)
- \$375 maximum weekly disability supports deduction for student, 64(b)(ii)(B)
- \$400 maximum home office expense deduction without receipts for 2020, 8(13) [Announced Administrative Change]
- \$400 political contribution for 75% credit, 127(3)(a)
- \$450 volunteer firefighter credit before 2024, 118.06(2)
- \$450 volunteer search and rescue credit before 2024, 118.07(2)
- \$465 monthly amount for education and textbook credit, 118.6(2)B(a), (2.1)B(a)
- \$483 base for calculating extra GST Credit for 2022, 122.5(3.002)A
- \$483 base for calculating extra GST Credit for Jan. 2023, 122.5(3.003)A
- \$500 below which tool, utensil or medical/dental instrument fully deductible before May 2/06, Reg. Sch. II:Cl. 12(c), (e), (h)
- \$500 Canada Housing benefit, *Rental Housing Benefit Act* s. 3
- \$500 maximum contribution to personal trust by individual before Oct. 11/02, to not trigger non-resident trust rules, 94(2)(u)(ii)(C)(II)
- \$500 maximum fine for issuing debt with interest coupons lacking “AX” or “F” marking, 240
- \$500 maximum home office expense deduction without receipts for 2021–22, 8(13) [Announced Administrative Change]
- \$500 maximum tradesperson's tools deduction before 2023, 8(1)(s)
- \$500 minimum holding (each) of shares by non-insiders for corporation to be designated public or trust to be mutual fund trust, Reg. 4800(1)(b)(iv), 4800(2)(b)(iv), 4801, 4803(3), (4)
- \$500 minimum holding of each of 150 beneficiaries for FAPI, 95(1)“exempt trust”(b)
- \$500 minimum holding of each of 150 shareholders to not be closely held, 94(1)“closely-held corporation”(b); 94(1)“exempt foreign trust”(h)(ii)(A), 94(14)(b)(ii)(B)
- \$500 minimum penalty re tax shelter identification number, 237.1(7.4)
- \$500 non-taxable reimbursement to employee for computer or furniture for COVID-19 work at home, 6(1)(a) Notes
- \$500 penalty for charity failing to file information returns, 188.1(6)

Index

Dollar amounts in legislation and regulations (*cont'd*)

- \$500 penalty for failing to provide Taxpayer Identification Number so CRA can share information with foreign country, 281(3)
- \$500 penalty for failure to provide Taxpayer Identification Number to financial institution for provision to foreign tax authorities, 281(3)
- \$500 penalty for not filing information return electronically, 162(7.02)(b)
- \$500 penalty for seller failing to provide Taxpayer Identification Number to platform operator, 293(3)
- \$500 per month minimum penalty for late-filed R&D non-profit corporation return, 149(7.1)A(a)
- \$500 per month penalty for failure to provide foreign-based information, 162(10)
- \$500 per month penalty for late-filed elections, 83(4), 131(1.3), 184(5)
- \$500 per week penalty for missing mandatory disclosure, 237.3(8)(a)(ii), 237.4(12)(a)(ii)
- \$500 per year maximum expense for digital news subscription credit, 118.02(2)B(a)
- \$500 tax-free gift or award to employee (CRA administrative policy), 6(1)(a) (Notes)
- \$500 threshold below which no penalty for failure to remit withholdings, 227(9.1)
- \$580 COVID-19 GST Credit for 2020, 122.5(3.001)A(a)
- \$600 minimum RRSP contribution (pension credit offset), Reg. 8301(6), 8309, 8503(4)(a)(i)(B)
- \$600 pension adjustment offset, Reg. 8300(1)“PA offset”(b)
- \$650 dental care benefit, *Dental Benefit Act* s. 9(1)(a)
- \$650 maximum moving expenses, non-taxable reimbursement to employee, *see* Notes to 6(1)(b)
- \$650 maximum political contribution credit, 127(3)(c)(i)
- \$665 monthly threshold for OAS benefits withholding, 180.2(4)(a)(ii)
- \$750 First-Time Home Buyer's Credit until 2021, 118.05(3)
- \$750 maximum deductible health plan premium per child, 20.01(2)(c)C
- \$750 maximum labour-sponsored funds tax credit, 127.4(5)(a), Reg. 100(5)(a)
- \$750 maximum labour-sponsored funds tax credit before 2015, 127.4(5)(a), Reg. 100(5)(a)
- \$750 maximum tuition and education credits transferred, 118.81(a)A(ii)
- \$800 per month leasing cost limit for automobile for 2001–2021, 67.3, Reg. 7307(3)(b)A(v)
- \$847 maximum weekly wage covered by COVID-19 wage subsidy to July 4/20, 125.7(2)A(a)(i)(B), (ii)(C)
- \$900 per month leasing cost limit for automobile for 2022, 67.3, Reg. 7307(3)(b)A(v)
- \$900 volunteer firefighter credit, 118.06(2)
- \$900 volunteer search-and-rescue credit, 118.07(2)
- \$918 base for calculating extra GST Credit for 2022, 122.5(3.002)A
- \$918 base for calculating extra GST Credit for Jan. 2023, 122.5(3.003)A
- \$950 per month leasing cost limit for automobile for 2023, 67.3, Reg. 7307(3)(b)A(v)
- \$1,000 antique furniture or object deemed not depreciable property, Reg. 1102(1)(e)(iv)
- \$1,000 artists' employment expenses deductible, 8(1)(q)
- \$1,000 charitable donation limit for first-time donor super credit, 118.1(3.1)
- \$1,000 employment income eligible for Canada Employment Credit, 118(10)B(a)
- \$1,000 instalment interest threshold below which no penalty applies, 163.1(b)
- \$1,000 maximum allowable for medical expense credit air conditioner for chronic ailment, Reg. 5700(c.3)
- \$1,000 maximum exemption from income of volunteer emergency or search-and-rescue worker, 81(4)
- \$1,000 maximum expense for teacher school-supplies credit, 122.9(2)B(a)
- \$1,000 maximum refundable medical expense credit, 122.51(2)A(a)
- \$1,000 maximum tradesperson's tools deduction, 8(1)(s)
- \$1,000 minimum ACB and proceeds of personal-use property, 46
- \$1,000 minimum cost for electronic equipment to be optionally in separate class, Reg. 1101(5p)
- \$1,000 minimum cost for M&P property to be optionally in separate CCA class, Reg. 1101(5s)
- \$1,000 minimum fine for offence, 238(1)(a)
- \$1,000 minimum penalty for false statement by third party, 163.2(3), (5)
- \$1,000 minimum RRSP contribution (pension credit offset), Reg. 8301(6), 8309, 8503(4)(a)(i)(B)
- \$1,000 monthly threshold for quarterly source deductions remittance for new small employers, Reg. 108(1.4)(b)(i)
- \$1,000 penalty for failing to provide SR&ED claim preparer information, 162(5.1)
- \$1,000 penalty for not filing corporate return electronically, 162(7.2)
- \$1,000 per day advisor/promoter penalty for missing mandatory disclosure, 237.3(8)(b)(iii), 237.4(12)(b)(iii)
- \$1,000 per day penalty, failure by Canadian Wheat Board Farmers' Trust to file information return, 135.2(16)
- \$1,000 per month penalty for failing to provide foreign-based information, 162(10)
- \$1,000 per year gain on farm that is principal residence, election to exempt, 40(2)(c)(ii)
- \$1,000 threshold for apprentice car mechanic tools deduction, 8(1)(r)(ii)B(B)
- \$1,000 threshold for charity penalties to be reduced by charitable transfer, 189(6.3)
- \$1,000 threshold for charity revocation tax to be reduced by charitable expenditure or transfer, 189(6.2)
- \$1,000 threshold for tradesperson's tools deduction, 8(1)(s)
- \$1,050 per month leasing cost limit for automobile for 2024, 67.3, Reg. 7307(3)(b)A(v)
- \$1,100 per month leasing cost limit for automobile for 2025, 67.3, Reg. 7307(3)(b)A(v)
- \$1,129 maximum weekly wage covered by COVID-19 wage subsidy from July 5/20, 125.7(2)A(b)(ii)G(B)
- \$1,129 weekly remuneration cap for Canada Recovery Hiring Program, 125.7(1)“total current period remuneration”(a), “total base period remuneration”(a)
- \$1,200 standard amount for northern residents deduction, 110.7(6)“standard amount”
- \$1,275 maximum political contribution for credit, 127(3)(c)
- \$1,375 maximum 10% wage subsidy per employee for COVID-19 in 2020, Reg. 111
- \$1,500 First-Time Home Buyer's Credit, 118.05(3)
- \$1,500 (indexed after 1988) threshold for medical expense credits for high-income taxpayers, 118.2(1)C
- \$1,500 maximum deductible health plan premium per person, 20.01(2)(c)B
- \$1,500 penalty for not filing information return electronically, 162(7.02)(c)
- \$1,500 per year of employment before 1989, additional retiring allowance transferred to RRSP, 60(j.1)(ii)(B)
- \$1,722.22 defined benefit limit before 1999, Reg. 8500(1)“defined benefit limit”(a)
- \$1,800 threshold for instalments by Quebec residents, 156.1(1)
- \$2,000 apprenticeship expenditure limit for investment tax credit, 127(9)“apprenticeship expenditure”(a)
- \$2,000 deduction from income of dining or recreational club, 149(5)(f)(i)
- \$2,000 moving expenses for person with mobility impairment, medical expense credit, 118.2(2)(1.5)
- \$2,000 pension income, credit to offset, 118(3)
- \$2,000 per week penalty for large corp missing mandatory disclosure, 237.3(8)(a)(i), 237.4(12)(a)(i), 237.5(5)
- \$2,000 per year of employment before 1996, retiring allowance transferred to RRSP, 60(j.1)(ii)(A)

Index

Dollar amounts in legislation and regulations (*cont'd*)

- \$2,000 pre-1986 capital loss balance deductible against any income, 111(1.1)(b)(i)
- \$2,000 RRSP overcontribution room, 204.2(1.1)(b)C
- €2,000, sales threshold for digital platform operator to be required to report, 282(1)“excluded seller”(d)
- \$2,500 maximum employee life and health benefits to key employees, 144.1(2)(e)(ii)A
- \$2,500 maximum penalty for failing to comply with obligation, 162(7), (7.1)
- \$2,500 maximum penalty for non-resident corporation failing to file return, 162(2.1)(b)(ii)
- \$2,500 maximum RESP assistance to part-time student until 2023, 146.1(2)(g.1)(ii)(B)
- \$2,500 minimum employment/business income for refundable medical expense credit, 122.51(1)“eligible individual”(c)
- \$2,500 minimum penalty for false statement in return re distribution from foreign trust, 163(2.4)(e)(i)
- \$2,500 minimum penalty for gross-negligence false statement in trust return, 163(6)
- \$2,500 penalty for not filing information return electronically, 162(7.02)(d)
- \$2,500 restricted farm loss fully deductible, 31(1)
- \$3,000 income offset by volunteer firefighter credit before 2024, 118.06(2)
- \$3,000 income offset by volunteer search-and-rescue credit before 2024, 118.07(2)
- \$3,000 maximum incorporation expenses deductible, 20(1)(b)
- \$3,000 minimum lump-sum payment for retroactive spreading over prior years, 110.2(2)
- \$3,000 monthly threshold for quarterly source deductions remittance, Reg. 108(1.12)
- \$3,000 scholarship exemption before 2006, 56(3)(b)(i)
- \$3,000 threshold for requiring individual or corporate instalments, 156.1(1), 157(2.1)
- \$3,500 deduction for refunds of past service AVCs, 60.2(1)(b)
- \$3,500 maximum employee’s RPP contribution for pre-1990 service, 147.2(4)(b), (c)
- \$3,500 per year of employment, retiring allowance transferred to RRSP, 60(j.1)(ii)
- \$4,000 child care expenses per child age 7–15 before 2015, 63(3)“annual child care expense amount”(b)(ii)
- \$4,000 maximum labour mobility deduction, 8(1)(t)
- \$4,000 maximum RESP assistance to part-time student, 146.1(2)(g.1)(ii)(B)
- \$5,000 and under non-periodic payment, withholding requirement, Reg. 103(1), (4)(a)
- \$5,000 child care expenses per child age 7–15, 63(3)“annual child care expense amount”(b)(ii)
- \$5,000 federal purchase incentive for zero-emission vehicles, Reg. 1102(26)
- \$5,000 gift to registered journalism organization, disclosure of donor, 149.1(14.1)
- \$5,000 income threshold to be deemed not financially dependent on annuitant, 146(1)“refund of premiums”
- \$5,000 maximum amount for First-Time Home Buyer’s Credit and Disability Home Purchase Credit until 2021, 118.05(3)
- \$5,000 maximum annual TFSA contribution 2009–12, 207.01(1)“TFSA dollar limit”(a)
- \$5,000 maximum cost of wheelchair-access van for medical expense credit, 118.2(2)(1.7)
- \$5,000 maximum deductible cost of maintaining old residence after moving, 62(3)(g)
- \$5,000 maximum education and tuition amounts transferred to spouse, parent or grandparent, 118.81(a)A(ii)
- \$5,000 maximum fine for communicating confidential information or SIN, 239(2.2), (2.21), (2.3)
- \$5,000 maximum gain or loss from obligation, not to be specified debt obligation, Reg. 9202(4)(c)
- \$5,000 maximum purchase for labour-sponsored funds tax credit, 127.4(5)(a), 127.4(6)(a)
- \$5,000 maximum RESP payments until 2023 until student enrolled for 13 weeks, 146.1(2)(g.1)(ii)(A)(II)
- \$5,000 maximum training amount limit for Canada Training Credit, 122.91(2)(a)(ii)
- \$5,000 maximum tuition/education amounts transferred to parent, 118.81(a)A(ii)D
- \$5,000 minimum FAPI for participating percentage calculation, 95(1)“participating percentage”
- \$5,000 penalty for using or possessing zapper software or hardware, 163.3(2)(a), (3)(a)
- \$5,000 threshold for withholding rate on RDSP disability assistance payment, Reg. 103.1(2)C(a), (b)
- \$5,000 transfer to outside organization above which charity must disclose on public information return, Reg. 3703
- \$5,400 annual Canada Child Benefit for child age 6–17, 122.61(1)A:E(b)
- \$5,500 maximum annual TFSA contribution 2013–14 and 2016–18, 207.01(1)“TFSA dollar limit”(b), (d)
- \$6,000 income offset by volunteer firefighter credit, 118.06(2)
- \$6,000 income offset by volunteer search-and-rescue credit, 118.07(2)
- \$6,000 maximum annual TFSA contribution 2019–21, 207.01(1)“TFSA dollar limit”(d)
- \$6,400 annual Canada Child Benefit for child under 6, 122.61(1)A:E(a)
- \$8,000 child care expenses per child under 7, 63(3)“annual child care expense amount”(b)(i)
- \$8,000 limitation on RPP past service benefits, Reg. 8307(2)(b)
- \$8,000 maximum carryforward for first home savings account, 146.6(1)“annual FHSA limit”(b) formula, (b)F(ii)(B), 146.6(1)“FHSA carryforward”(a)
- \$8,000 maximum penalty for late-filed elections, 85(8), 93(6), 96(6), 220(3.5)
- \$8,000 maximum RESP payments until student enrolled for 13 weeks, 146.1(2)(g.1)(ii)(A)(II)
- \$8,000 RRSP overcontribution room, 204.2(1.1)(b)M
- \$8,750 maximum restricted farm loss deduction before 2013, 31(1)(a)(ii)
- \$10,000 above which payment to CRA must be electronic, 160.5(2)
- \$10,000 employment income of Canadian resident from U.S. or U.S. resident from Canada not taxable, Canada-U.S. Tax Treaty:Art. XV:2(a)
- \$10,000 external income threshold for deduction of private health plan premiums, 20.01(1)(a)(ii)
- \$10,000 international electronic funds transfer must be reported to CRA, 237.3 [end]
- \$10,000 limit for attendant care credit for disabled person, 118.2(2)(b.1)
- \$10,000 limit to clergy residence deduction, 8(1)(c)(iv)(A)(I)
- \$10,000 max expenditures per location for air quality improvement credit, 127.43(1)“total per location expense”(b)
- \$10,000 maximum amount for First-Time Home Buyer’s Credit and Disability Home Purchase Credit, 118.05(3)
- \$10,000 maximum annual TFSA contribution for 2015, 207.01(1)“TFSA dollar limit”(c)
- \$10,000 maximum expenses for home accessibility tax credit until 2021, 118.041(3)B(a)
- \$10,000 maximum income of non-resident (NR) employee in Canada not needing information return by NR employer, Reg. 200(1.1)
- \$10,000 maximum RRSP withdrawal per year for Lifelong Learning Plan, 146.02(1)“eligible amount”(c), Reg. 104.1(1)(c)
- \$10,000 minimum advisor/promoter penalty for missing mandatory disclosure, 237.3(8)(b)(ii), 237.4(12)(b)(ii)
- \$10,000 minimum fine on summary conviction for using, possessing, making or selling zapper software or hardware, 239.1(2)
- \$10,000 over which capital addition to building owned since 1971 by credit union deemed separate building, ITAR 58(1)(c)(i)
- \$10,000 penalty for making or selling zapper software or hardware, 163.3(4)(a)
- \$10,000 per new child care space for investment tax credit, 127(9)“child care space amount”(a)

Index

Dollar amounts in legislation and regulations (*cont'd*)

- \$10,000 per year minimum income to qualify for training credit, 122.91(2)(a)(i)B(A)(III)
- \$10,000 revenue over which non-profit organization must file information return, 149(12)
- \$10,000 tax-free payment by employer to spouse on death, 248(1)“death benefit”
- \$10,000 threshold for recoverable contribution to non-resident trust, 94(7)(a)(II)(A), 94(7)(b)
- \$10,000 threshold for reporting electronic funds transfers, 244.2(1), 244.4(1)
- \$10,000 threshold for specified disability savings plan, 146.4(1.2)(b)
- \$10,000 value of individual asset required to be reported on emigration, 128.1(10)“reportable property”(d)
- \$11,000 child care expenses for disabled child, 63(3)“annual child care expense amount”(a)
- \$11,500 denominator for reduced small business deduction for large corp before 2022–23, 125(5.1)(a)
- \$12,000 maximum federal tax at issue for Tax Court of Canada informal procedure before June 26/13, *Tax Court of Canada Act* s. 18(1)(a)
- \$12,000 maximum penalty for failure to provide foreign-based information, 162(10)
- \$14,500 exemption from security required for departure tax, 220(4.51)
- \$15,000 athlete/entertainer income of Canadian resident from U.S. or U.S. resident from Canada not taxable, Canada-U.S. Tax Treaty:Art. XVI:1
- \$15,000 basis for additional CCA for grain-drying machinery, Reg. 1100(1)(sb)(iv)(B)
- \$15,000 cutoff for lump sum payment, withholding requirements, Reg. 103(4)(b), (c)
- \$15,000 exempt reimbursement for housing loss on relocation, 6(20)(a)
- \$15,000 maximum annual disability supports deduction for student, 64(b)(ii)(A)
- \$15,000 maximum contributions to eligible funeral arrangement for funeral services, 148.1(1)“eligible funeral arrangement”(b)(i)
- \$15,000 maximum late filing penalty, 66(12.75)
- \$15,000 threshold for withholding rate on RDSP disability assistance payment, Reg. 103.1(2)C(b), (c)
- \$15,500 pension adjustment limitation, Reg. 8509(12)(a)(ii)
- \$17,500 maximum restricted farm loss deduction, 31(1)(a)(ii)
- \$20,000 automobile cost cap (purchased June 18/87–Aug. 31/89), 13(2), 13(7)(g), (h), 20(4), (16.1), 67.2–67.4, 85(1)(e.4), Reg. 1101(1af), Reg. Sch. II:Cl. 10.1
- \$20,000 limit in year of death for attendant care credit for disabled person, 118.2(2)(b.1)
- \$20,000 maximum contributions to eligible funeral arrangement for cemetery care, 148.1(1)“eligible funeral arrangement”(b)(ii)
- \$20,000 maximum expenses for home accessibility tax credit, 118.041(3)B(a)
- \$20,000 maximum RRSP withdrawal for Home Buyers’ Plan before 2009, 146.01(1)“regular eligible amount”(h), 146.01(1)“supplemental eligible amount”(g)
- \$20,000 maximum RRSP withdrawal for Lifelong Learning Plan, 146.02(1)“eligible amount”(d), Reg. 104.1(1)(d)
- \$23,529 maximum base for leasing costs of automobile (before indexing), 67.3(d)
- \$24,000 basic annual ITC limit for individuals, 127(9)“annual investment tax credit limit”
- \$24,000 maximum loss at issue for Tax Court of Canada informal procedure before June 26/13, *Tax Court of Canada Act* s. 18(1)(b)
- \$24,000 maximum penalty for failure to provide foreign-based information after demand, 162(10)
- \$24,000 minimum penalty for false statement in returns re transactions with non-residents and foreign properties, 163(2.4)
- \$24,000 per partner maximum penalty for failing to file partnership information return, 162(8)
- \$25,000 below which arm’s length investment in small business permitted by RRSP, Reg. 4901(2)“connected shareholder”
- \$25,000 below which leasing property rules do not apply, Reg. 1100(1.11)(c), 1100(1.13)(c), 1100(1.14), 8200(b)
- \$25,000 charity false-statement penalty threshold for mandatory suspension of receipting privilege, 188.2(1)(c)
- \$25,000 home relocation loan, interest deduction equivalent to before 2018, 110(1)(j)
- \$25,000 maximum 10% wage subsidy for COVID-19 in 2020, Reg. 111
- \$25,000 maximum federal tax at issue for Tax Court of Canada informal procedure, *Tax Court of Canada Act* s. 18(1)(a)
- \$25,000 maximum fine for offence, 238(1)(a)
- \$25,000 maximum investment in small business by specified shareholder’s RRSP, Reg. 4901(2)“designated shareholder”(a)
- \$25,000 maximum RRSP withdrawal for Home Buyers’ Plan before March 20/19, 146.01(1)“regular eligible amount”(h), 146.01(1)“supplemental eligible amount”(g)
- \$25,000 minimum farming expenses to qualify for carbon tax refund, 127.42(1)“eligible farming expenses”A(a)
- \$25,000 minimum investment assets for charitable foundation disbursement requirement, 149.1(1)“disbursement quota”B(a)(ii)
- \$25,000 minimum property value for interest deduction restrictions, 18.2(1)“excluded lease”(c)(i)
- \$25,000 monthly employer withholdings, remittance dates, Reg. 108(1.1)(a)
- \$25,000 penalty cap for missing mandatory disclosure, 237.3(8)(a)(ii)(A), 237.4(12)(a)(ii)(A)
- \$25,000 per day maximum penalty for outstanding notice of non-compliance, 231.9(12)
- \$25,000 value for total assets required to be reported on emigration, 128.1(9)
- \$30,000 automobile cost cap for 2001–2021, 13(2), 13(7)(g), (h), 20(4), (16.1), 67.2–67.4, 85(1)(e.4), Reg. 1101(1af), 7307(1), Reg. Sch. II:Cl. 10.1
- \$30,000 threshold for phase-out of Canada Child Benefit, 122.61(1)A:Q(a)
- \$34,000 automobile cost cap for 2022, 13(2), 13(7)(g), (h), 20(4), (16.1), 67.2–67.4, 85(1)(e.4), Reg. 1101(1af), 7307(1), Reg. Sch. II:Cl. 10.1
- \$35,000 maximum contributions to eligible funeral arrangement, 148.1(1)“eligible funeral arrangement”(b)(iii)
- \$35,000 maximum RRSP withdrawal for Home Buyers’ Plan after March 19/19, 146.01(1)“regular eligible amount”(h), 146.01(1)“supplemental eligible amount”(g)
- \$35,294 maximum base for leasing costs of automobile 2001–21, 67.3(d)
- \$36,000 automobile cost cap for 2023, 13(2), 13(7)(g), (h), 20(4), (16.1), 67.2–67.4, 85(1)(e.4), Reg. 1101(1af), 7307(1), Reg. Sch. II:Cl. 10.1
- \$37,000 automobile cost cap for 2024, 13(2), 13(7)(g), (h), 20(4), (16.1), 67.2–67.4, 85(1)(e.4), Reg. 1101(1af), 7307(1), Reg. Sch. II:Cl. 10.1
- \$38,000 automobile cost cap for 2025, 13(2), 13(7)(g), (h), 20(4), (16.1), 67.2–67.4, 85(1)(e.4), Reg. 1101(1af), 7307(1), Reg. Sch. II:Cl. 10.1
- \$40,000 basic exemption from minimum tax, 127.53
- \$40,000 FHSA lifetime contribution limit, 146.6(4)(b), 207.01(1)“excess FHSA amount”(c)A
- \$40,000 income threshold for debt forgiveness reserve, 61.2:C
- \$50,000 cost of building, separate CCA class for, Reg. 1101(1ac), (1ad), (5b)
- \$50,000 financial institution account threshold for reporting for US FATCA, Canada-US ETIEA Annex I:II(A), III(A)
- \$50,000 max expenditures for air quality improvement credit, 127.43(1)“total ventilation expense”(b)
- \$50,000 maximum accumulated income payment from RESP, no withholding, Reg. 100(1)“remuneration”(n)(iii)
- \$50,000 maximum assets, trust not required to file return if no income, 150(1.2)(b)
- \$50,000 maximum loss at issue for Tax Court of Canada informal procedure, *Tax Court of Canada Act* s. 18(1)(b)

Index

Dollar amounts in legislation and regulations (*cont'd*)

- \$50,000 maximum qualifying expenditures for Multigenerational Home Renovation Tax Credit, 122.92(3)B(a)
- \$50,000 maximum RESP contributions per beneficiary, 204.9(1)“excess amount”(b), 204.9(1)“RESP lifetime limit”(c)
- \$50,000 minimum fine on indictment for using, possessing, making or selling zipper software or hardware, 239.1(3)
- \$50,000 monthly employer withholdings, requirement to remit through financial institution or early, 153(1) closing words, 153(1.4), Reg. 110
- \$50,000 penalty for second infraction using or possessing zipper software or hardware, 163.3(2)(b), (3)(b), (4)(b)
- \$50,000 top-bracket income exemption for security required for departure tax, 220(4.51)(a)
- \$50,000 USD thresholds for certain reporting of non-residents' accounts, 270(1)“broad participation retirement fund”(c)(iv)(B), 270(1)“excluded account”(a)(v), (b)(iv), (f)(ii), 270(1)“qualified credit card issuer”(b); Canada-US ETIEA Annex I, II(A)(1), II(A)(4), III(A)(1)
- \$55,000 per year maximum salary per employee for journalism labour credit before 2023, 125.6(1)“qualifying labour expenditure”(a)
- \$55,000 zero-emission automobile cost cap, 13(7)(i), Reg. 7307(1.1)
- \$65,000 threshold for slower phase-out of Canada Child Benefit, 122.61(1)A:Q(a)
- \$75,000 rent expense limit for COVID-19 Canada Emergency Rent Subsidy, 125.7(1)“qualifying rent expense”A
- \$85,000 per year maximum salary per employee for journalism labour credit, 125.6(1)“qualifying labour expenditure”(a)
- \$90,000 denominator for reduced small business deduction for large corp, 125(5.1)(a)
- \$100,000 capital gain exempt from security required for departure tax, 220(4.51)(a)
- \$100,000 capital gains exemption, 110.6(3)
- \$100,000 foreign assets, reporting requirement, 233.3(1)“reporting entity”
- \$100,000 maximum cost of addition to pre-1979 building, Reg. Sch. II:Cl. 6(k)
- \$100,000 (+ fees) maximum penalty for s. 160 avoidance planning, 160.01(2)(b)
- \$100,000 minimum cost for accredited film/video production episode under 30 minutes, Reg. 9300(1)(b)(i)
- \$100,000 minimum investment assets for charitable organization disbursement requirement, 149.1(1)“disbursement quota”B(a)(i)
- \$100,000 monthly employer withholdings, remittance dates, Reg. 108(1.1)(a)
- \$100,000 of shares is material for private foundation, 149.1(1)“material transaction”(a), 149.2(1)(a)(ii)
- \$100,000 or more cost of automobile or airplane, *see* Luxury Items Tax
- \$100,000 penalty cap for large corp missing mandatory disclosure, 237.3(8)(a)(i)(A), (b)(iii), 237.4(12)(a)(i)(A), (b)(iii), 237.5(5)
- \$100,000 penalty for second infraction making or selling zipper software or hardware, 163.3(4)(c)
- \$100,000 plus gross compensation, maximum civil penalty, 163.2(5)(b)(ii)
- \$150,000 limit for advanced life deferred annuity for 2020, 205(1)“ALDA dollar limit”
- \$200,000 active business income limit for small manufacturers' M&P calculation, Reg. 5201(b)
- \$200,000 assets over which non-profit organization must file information return, 149(12)
- \$200,000 limit to non-CCPC stock option grants, 110(1.31)A
- \$200,000 maximum taxable income for extra R&D credit, 127(9)“super-allowance benefit amount”C(b)(ii)
- \$200,000 minimum cost for accredited film/video production episode at least 30 minutes, Reg. 9300(1)(b)(ii)
- \$250,000 maximum assets, certain trusts not required to file return if no income, 150(1.2)(b.1), (c)
- \$250,000 or more cost of boat, *see* Luxury Items Tax
- \$250,000 USD threshold for reporting pre-existing non-residents' accounts, 275
- \$266,667 Canadian Entrepreneurs' Incentive deduction for 2025, 110.63(2)(a)A(a)
- \$300,000 rent expense limit for COVID-19 Canada Emergency Rent Subsidy Sept. 27/20 to Oct. 23/21, 125.7(2.1)A:D(b)E.1(i)
- \$400,000 Canadian Entrepreneurs' Incentive (half capital gains offset) for 2025, 110.63(2)(a)A(a)
- \$400,000 taxable income threshold for small CCPC quarterly instalments, 157(1.2)(a)
- \$500,000 capital gains deduction for farming/fishing property, 110.6(2.2)(a)
- \$500,000 dividend allowance for Part VI.1 tax (preferred share dividends), 191.1(2)(a), 191.1(4)(a)
- \$500,000 exemption from earnings subject to branch tax, Canada-U.S. tax treaty Canada-U.S. Tax Treaty:Art. X:6(d)
- \$500,000 income limit for enhanced R&D investment tax credit, 127(10.2)
- \$500,000 maximum consideration received by non-resident trust before certain rules apply, 94(2)(s)(vi)(C)
- \$500,000 maximum cost of addition to pre-1988 building, Reg. Sch. II:Cl. 3(k)(iv)
- \$500,000 maximum fine on summary conviction for using, possessing, making or selling zipper software or hardware, 239.1(2)
- \$500,000 small business deduction threshold, 125(2)–(4), 125(7)“specified partnership income”M(i)
- \$500,000 threshold amount of annual sales affecting GST input tax credit timing, 248(16)(a)(i)(B)(I), 248(16)(a)(ii)(B)
- \$500,000 threshold amount of annual sales affecting QST input tax refund, 248(16.1)(a)(i)(B)(I), 248(16)(a)(ii)(B)
- \$533,333 Canadian Entrepreneurs' Incentive deduction for 2026, 110.63(2)(a)A(b)
- \$800,000 Canadian Entrepreneurs' Incentive (half capital gains offset) for 2026, 110.63(2)(a)A(b)
- \$800,000 Canadian Entrepreneurs' Incentive deduction for 2027, 110.63(2)(a)A(c)
- \$1,000,000 base level deduction for principal-business corporation, 18(2.2)–(2.4)
- \$1,000,000 Canadian development expenses renounced to flow-through shareholder as Canadian exploration expenses before 2019, 66(12.602)(c)
- \$1,000,000 capital gains exemption for farming/fishing property, 110.6(2.2)(a)
- \$1,000,000 financial institution account threshold for reporting for US FATCA, Canada-US ETIEA Annex I:II(B), IV(B)
- \$1,000,000 maximum fine on indictment for using, possessing, making or selling zipper software or hardware, 239.1(3)
- \$1,000,000 maximum penalty for not publishing CCUS climate risk disclosure report, 211.93(5)
- \$1,000,000 minimum cost for accredited film/video production, Reg. 9300(1)(a)
- \$1,000,000 minimum interest and financing expenses for interest deduction restrictions, 18.2(1)“excluded entity”(b)
- \$1,000,000 minimum stock buyback to trigger Part II.2 tax, 183.3(4)
- \$1,000,000 over which office and computer equipment is not “exempt property”, Reg. 1100(1.13)(a)(i), (i.1)
- \$1,000,000 previous year's dividends paid on taxable preferred shares reduces dividend allowance, 191.1(2)(b), 191.1(4)(b)
- \$1,000,000 rent expense limit for COVID-19 Canada Emergency Rent Subsidy Oct. 24/21 to May 7/22, 125.7(2.1)A:D(b)E.1(ii)
- \$1,000,000 threshold of transactions with related non-residents for reporting requirements, 233.1(4)
- \$1,000,000 USD maximum annual lifetime contributions to retirement fund (re reporting of non-residents' accounts), 270(1)“excluded account”(a)(v)
- \$1,000,000 USD threshold for certain reporting of non-residents' accounts, 270(1)“high value account”, “lower value account”, 275(4)(b)(iii)(A), 277(6)(c)
- \$1,050,000 maximum fully refundable R&D investment tax credit since Feb. 26/08, 127(10.2)

Dollar amounts in legislation and regulations (*cont'd*)

- \$1,066,667 Canadian Entrepreneurs' Incentive deduction for 2028, 110.63(2)(a)A(d)
- \$1,200,000 Canadian Entrepreneurs' Incentive (half capital gains offset) for 2027, 110.63(2)(a)A(c)
- \$1,250,000 lifetime capital gains exemption (from June 25, 2024), 110.6(2)(a)
- \$1,333,333 Canadian Entrepreneurs' Incentive deduction after 2028, 110.63(2)(a)A(e)
- \$1,500,000 limit for CCA immediate expensing 2021–2024, Reg. 1104(3.2)
- \$1,600,000 Canadian Entrepreneurs' Incentive (half capital gains offset) for 2028, 110.63(2)(a)A(d)
- \$2,000,000 Canadian Entrepreneurs' Incentive (half capital gains offset) after 2028, 110.63(2)(a)A(e)
- \$2,000,000 expenditure limit for higher investment tax credit before Feb. 26/08, 127(10.2)–(10.4)
- \$2,000,000 penalty for not filing CCUS knowledge-sharing report, 211.93(4)
- \$3,000,000 expenditure limit for higher investment tax credit, 127(10.2)–(10.4)
- \$5,000,000 expected drilling expenses for well, 66.1(6)“Canadian exploration expense”(d)(iv)(A)
- \$5,000,000 gross revenue threshold for calculating transfer pricing penalty, 247(3)(b)(ii)
- \$5,000,000 maximum cost of segregated fund, exclusion from financial institution rules, Reg. 9000(c)(iii)
- \$5,000,000 minimum foreign affiliates value or shares cost for interest deduction restrictions, 18.2(1)“excluded entity”(c)(ii)
- \$10,000,000 capital deduction for large corporations for certain purposes, 181.5(1.1), (4.1)
- \$10,000,000 capital gains exemption on transfer of business to employee ownership trust, 110.62(1)(d)(ii)(A)
- \$10,000,000 cost of pipeline, election for separate class, Reg. 1101(5i)
- \$10,000,000 excess value for CWB trust, 135.2(1)“Canadian Wheat Board continuance”(c), 135.2(1)“eligible unit”(a)
- \$10,000,000 maximum capital gains exemption on sale of shares to employee ownership trust, 110.6(1)(e)(ii)(A)
- \$10,000,000 maximum investment in corporation to be “small business security” for qualified investments, Reg. 5100(2)(e)
- \$10,000,000 minimum outstanding bonds for corporate bonds to be qualified investments, Reg. 4900(1)(i)(iii)
- \$10,000,000 taxable capital employed in Canada, 225.1(8)
- \$10,000,000 taxable capital employed in Canada to be large corporation, 225.1(8)
- \$10,000,000 taxable capital in Canada threshold for reduced small business deduction, 125(5.1)(a)
- \$10,000,000 taxable capital phase-out start for enhanced R&D investment tax credit, 127(10.2)
- \$10,000,000 taxable capital threshold for small CCPC quarterly instalments, 157(1.2)(a)
- \$15,000,000 maximum investment for one corporation by LSVCC, 204.8(1)“eligible investment”(e)
- \$15,000,000 maximum taxable capital employed in Canada for corp to qualify for air quality improvement credit, 127.43(1)“qualifying corporation”(b)
- \$15,000,000 maximum taxable capital of corp that renounces CDE to flow-through shareholder as CEE before 2019, 66(12.601)(a.1)
- \$15,000,000 taxable capital threshold for eliminating small business deduction before 2022–23, 125(5.1)(a) [$\$5,000,000 \times 0.00225 = \$11,250$]
- \$20,000,000 ownership interest threshold for CCUS climate risk disclosure, 211.92(1)“exempt corporation”
- \$25,000,000 debt issuance to qualify for RRSP etc. investment, 204“qualified investment”(c.1)(ii)
- \$25,000,000 minimum corporate capital for bonds to be qualified investments, Reg. 4900(1)(i)(iii)
- \$50,000,000 asset limit for corporation to be “small business security” for qualified investments, Reg. 5100(2)(f)
- \$50,000,000 asset limit for eligible business entity for LSVCC, 204.8(1)“eligible investment”(f)(i)

- \$50,000,000 asset limit for qualified small business corporation (share not mark-to-market property), Reg. 9001(1)(c)
- \$50,000,000 corporate assets threshold for high penalties for missing mandatory disclosure, 237.3(8)(a)(i), 237.4(12)(a)(i)
- \$50,000,000 maximum carrying value of small business corporation for capital gain rollover, 44.1(1)“eligible small business corporation share”(b)
- \$50,000,000 minimum taxable capital for interest deduction restrictions, 18.2(1)“excluded entity”(a)
- \$50,000,000 taxable capital phase-out limit for enhanced R&D investment tax credit since Feb. 26/08, 127(10.2)
- \$50,000,000 taxable capital threshold for eliminating small business deduction, 125(5.1)(a) [$\$40,000,000 \times 0.00225 = \$90,000$]
- \$100,000,000 deduction for annual 1.5% surtax on banks and life insurers, 123.6(2)B(a)(ii)
- \$200,000,000 basic capital deduction for financial institutions capital tax, 190.15
- \$220,000,000 maximum capital deduction for financial institutions capital tax, 190.15
- \$250,000,000 CCUS expenses threshold, 211.92(1)“knowledge sharing CCUS project”
- \$500,000,000 minimum revenue for stock option limit rules to apply, 110(0.1)“specified person”(b), (c)
- €750,000,000 (Euros), threshold for country-by-country reporting, 233.8(1)“excluded MNE group”
- \$1,000,000,000 annual value of shares traded for exchange (re reporting of non-residents' accounts), 270(1)“established securities market”(b)
- \$1,000,000,000 capital deduction for Part VI tax, 190.15(1)–(3)
- \$1,000,000,000 deduction for 2022 15% surtax on banks and life insurers, 190.15(1)–(3)
- \$2,000,000,000 equity for offshore regulated banks FAPI exception, 95(2.11)(b)(i)

Domicile, *see* Residence

Donations, *see* Gifts and donations (charitable); Gratuities

Donor bank

- sperm costs, medical expense credit, 118.2(2)(v)

Double counting of deductions or credits, 248(28)

Double dipping allowed

- home accessibility tax credit and medical expense credit, 118.041(4)
- donation credit and tax-free capital gain, 38(a.1), (a.2), 39(1)(a)(i.1)

Double jeopardy, 238(3), 239(3)

Double tax, elimination of

- generally, 248(28)
- imposed by both Canada and foreign country
 - foreign tax credit, 126
 - treaty relief, Canada–U.S. Tax Treaty:Art. XXIV; Canada–U.K. Tax Treaty:Art. 21

Doubtful debts

- reserve for, 12(1)(d), (l)

Dow Jones Industrial Average units

- qualified investments for deferred income plans, Reg. 4900(1)(n.1)

Downsizing, Reg. 8505

- pension benefits, Reg. 8308(9)
- program, defined, Reg. 8505(1)
- suspension or cessation of pension, Reg. 8503(8)

Dragon Dictate software

- disability supports deduction, 64(a)A(ii)(G)
- medical expense credit, 118.2(2)(1.42)

Dramatic work, copyright royalties

- no withholding tax, 212(1)(b)(vi), 212(9)(b)

Dressing oneself

- defined, 118.4(1)(f)
- impairment with respect to
 - certification by occupational therapist or physician
 - for disability credit, 118.3(1)(a.2)(iv)

Dressing oneself (*cont'd*)

- • eligibility for disability credit, 118.4(1)(c)(ii.1)

Drilling or exploration expense

- defined, 66(15)

Drilling rights, *see* Exploration and drilling rights

Drinks, *see* Food

Drive-in theatre, property acquired for

- capital cost allowance, Reg. Sch. II:Cl. 10(q)

Driver's licence

- change of address, deduction for, 62(3)(h)

Driveway alterations

- medical expense credit, 118.2(2)(l.6)

Drought or flood region

- prescribed regions, Reg. 7305.01(1)
- sales of breeding bees in
 - • deferral of income from, 80.3(4.1)
- sales of breeding livestock in
 - • deferral of income from, 80.3(4)
 - • • exceptions, 80.3(6)
- • inclusion of deferred amount, 80.3(5)
- • • amalgamation, on, 87(2)(tt)

Drug plan, *see* Private health services plan

Drugs

- charitable donation from inventory, additional deduction before 2017, 110.1(1)(a.1), (8)
- medical expense credit, 118.2(2)(n), (s), Reg. 5701
- • behind-the-counter drugs, Reg. 5701
- • Special Access Programme, 118.2(2)(s)

Dual-use electricity and heat equipment

- defined, 127.48(1)
- whether qualifies for clean hydrogen tax credit, 127.48(10)(f), (g)

Dual use equipment

- defined, for CCUS credit, 127.44(1)

Dual-use hydrogen and ammonia equipment [to be repealed]

- defined, 127.48(1)
- extent to which qualifies for clean hydrogen tax credit, 127.48(10)(g)

Due dates, *see* Deadlines

Due diligence

- defence to directors' liability, 227.1(3)
- defence to foreign reporting requirements, 233.5
- defence to notifiable-transaction penalty, 237.4(17)
- defence to reportable-transaction penalty, 237.3(11)
- defence to SR&ED claim-preparer penalty, 162(5.2)
- defence to uncertain-tax-treatments penalty, 237.5(6)
- defence to zapper-software penalty, 163.3(8)
- obligation on financial institution re accounts to be reported to foreign tax authorities, 272–277
- obligation on financial institution re accounts to be reported to US Internal Revenue Service, 265(2), (3)
- required from PRPP administrator, 147.5(9)
- required from RRSP, RRIF, TFSA, RESP or RDSP issuer, carrier or promoter, 207.01(5)

Dues

- not deductible, 8(5)
- professional, union, etc., deduction for, 8(1)(i)
- recreational club, etc., not deductible, 18(1)(l)(ii)

Dumping, *see* Anti-dumping duties or countervailing duties; Foreign affiliate dumping

Durable goods, for teacher school-supplies credit, Reg. 9600

Duties

- anti-dumping or countervailing, *see* Anti-dumping duties or countervailing duties

Duty-free stores relief (COVID), Reg. 8901.1(2)(b)(xiii), *see also* Qualifying tourism or hospitality entity

Dwelling, *see* Home

E

EBITDA [Earnings before interest, taxes, depreciation and amortization], *see* Excessive interest and financing expenses limitation (EIFEL)

EBP, *see* Employee benefit plan

EBRD, *see* European Bank for Reconstruction and Development

ECE, *see* Eligible capital expenditure

ECP, *see* Eligible capital property (pre-2017)

ECRA, *see* Executive compensation repayment amount

EEDD, *see* Excessive eligible dividend designation

EFA, *see* Eligible funeral arrangement; Excess FHSA amount

EFIL, *see* Electronic filing

EFT, *see* Exempt foreign trust

EGE, *see* Eligible group entity

EHLT, *see* Employee life and health trust

EI, *see* Employment insurance

EIFE, *see* Exempt interest and financing expenses

EIFEL, *see* Excessive interest and financing expenses limitation (EIFEL)

ELHT, *see* Employee life and health trust

EMDP, *see* Eligible mine development property

EOSMDE, *see* Eligible oil sands mine development expense

EOT, *see* Employee ownership trust

EPOP, *see* Eligible person or partnership

ERDTH, *see* Eligible refundable dividend tax on hand

ESP, *see* Education savings plan; Registered education savings plan

ESS (Electronic suppression of sales) device, *see* Zapper software (or hardware)

ETF, *see* Exchange-traded fund

EV, *see* Electric vehicle

EV assembly

- defined, for EV supply chain investment tax credit, 127.492(1)

EV battery production

- defined, for EV supply chain investment tax credit, 127.492(1)

EV building property

- defined, for EV supply chain investment tax credit, 127.492(1)

EV supply chain investment tax credit (Electric Vehicle...), 127.492

- allowed as refundable credit, 127.492(2)
- amalgamation, effect of, 87(2)(qq.1)
- amount of credit, 127.492(1)“EV supply chain investment tax credit”, “specified percentage”
- conversion of property to other use or sale, recapture of credit, 127.492(10)–(14)
- deadline for filing claim, 127.492(3), 220(2.2)
- deducted from tax or refunded, 127.492(2), (6)
- deemed to be government assistance for ITC rules, 127(9)“government assistance”
- defined, 127.492(1)
- depreciable property acquired before change of control, 13(24), (25)
- disposition of property, recapture of credit, 127.492(10)–(14)
- expenditures unpaid after 180 days, 127.492(8)
- instalments reduced to reflect credit, 157(3)(e), 157(3.1)(c)
- investment tax credit, 127.492(2)
- late filing, 127.492(3), 220(2.2)
- payable to taxpayer, 127.492(2)
- purpose of credit, 127.492(15)
- refundable credit, 127.492(2)
- tax shelter investment, credit denied, 127.492(9)
- unpaid portion of purchase price after 180 days, 127.492(8)
- windup, effect of, 88(1)(e.31)

Earned depletion allowances

- computation, Reg. 1201
- deduction from income, 65

Earned depletion base

- capital costs of depreciable property, added to
- • proceeds of later disposition, 59(3.3)(b)
- computation, Reg. 1202, 1205
- expenses added to
- • amounts receivable, portion included in income, 59(3.3)(a)

Earned income

- for Canada Child Benefit, 63(3)“earned income”, 122.6
- for child care expenses, 63(3)“earned income”
- for RRSP purposes, defined, 146(1)“earned income”
- for refundable medical expense credit, 122.51(1)“eligible individual”(c)
- for training credit, 122.91(2)(a)(i)B(A)(III)

Earnings (of foreign affiliate)

- defined, Reg. 5907(1)

Earnings supplement. *see* Social assistance payment: supplementing employment income

Earnout agreement

- payments taxable, 12(1)(g)
- payments to non-resident, 212(1)(b) (closing words)

Earthquake reserves

- insurers, Reg. 1400(3)L

Easement

- ecologically sensitive land, value when donated, 110.1(5), 118.1(12)
- • valuation applies for capital gains purposes, 43(2)

eBay

- reporting of sales by sellers, 282–295

Ecological gifts

- by corporation, 110.1(1)(d)
- by individual, 118.1(1)“total ecological gifts”
- determination of value by Minister of Environment, 118.1(10.1)–(10.5)
 - • appeal to Tax Court of Canada, 169(1.1)
 - • reassessment, 118.1(11)
- easement, servitude or covenant, valuation, 110.1(5), 118.1(12)
- • valuation applies for capital gains purposes, 43(2)
- fair market value, certificate of, 118.1(10.5)
- reduced capital gain inclusion, 38(a.2)
- tax if donee disposes of the property, 207.31

Ecologically sensitive land. *see* Ecological gifts

Economic profit

- defined, for foreign tax credit, 126(7)
- none, limitation on foreign tax credit, 126(4.1)

Economic substance, relevant for GAAR. 245(4.1)

- meaning of “lacking in economic substance”, 245(4.2)

Economic zone. *see* Exclusive economic zone

Economically relevant characteristics

- defined, for transfer pricing rules, 247(1)

Edition (of periodical)

- meaning of, 19.01(6)

Education assistance

- provided by employer to employee’s relative, whether taxable, 6(1)(a)(vi)

Education credit (pre-2017). 118.6. *see also* Lifelong Learning Plan; Student loan; Tuition fees: credit for

Education expense reimbursement for ill and injured

- paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(viii)

Education savings plan. 146.1. *see also* Registered education savings plan

- appeal from refusal to register, 172(3)(e), 180
- • conditions, 146.1(2)
- defined, 146.1(1)“education savings plan”

- payment out of
 - • registered plan, 56(1)(q), 146.1(7)
- registration of, 146.1(2), (4)
 - • conditions, 146.1(2)
 - • deemed, 146.1(3)
 - • refusal by Minister
 - • • deemed, 172(4)(d)

Educational assistance payment

- defined, 146.1(1)
- from registered plan, taxable, 56(1)(q), 146.1(7)
- limitations on, 146.1(2)(g), (g.1)
- payable until 6 months after student ceases to be enrolled, 146.1(2.21), (2.22)

Educational institution

- certification by Human Resources Development Canada, 118.5(1)(a)(ii), 118.6(1)“designated educational institution”(a)(ii)
- designated, defined, 118.6(1)
- required to issue tuition fees certificate, Reg. 203

Educational program

- qualifying, defined, 118.6(1)

Educators’ credit. *see* Teacher school-supplies credit

Egypt. *see also* Foreign government; Little Egypt bump

- Canadian Forces personnel and police serving in, no tax on income, 110(1)(f), Reg. 7500(d) [repealed]

Elected functional currency

- defined, for functional currency rules, 261(1)

Elected property

- defined, for CCA separate-class rules for licences, Reg. 1101(lag)

Electing beneficiary (for qualified disability trust)

- defined, 122(3)

Electing contributor (to trust)

- defined, 94(1)
- election to limit liability for non-resident trust’s tax, 94(16)
- liability for joint contribution to trust, 94(17)

Electing trust (for non-resident trust rules)

- defined, 94(1)
- rules for, 94(3)(f)

Election. *see also* Rollover

- amounts receivable at date of death, 70(2)
- • revocation of, 70(4)
- assets acquired from foreign affiliate, 80.1(4)–(6)
- basic herd, reduction of, 29(1)
- beneficiary, by, re single payment from DPSP, Reg. 1503
- beneficiary of non-resident trust, by, 107(2.002)
- branch tax, Reg. 2403
- CCPC, not to be for purposes of dividend tax credit, 125(7)“Canadian-controlled private corporation”(d)
- Canadian development expenses of partnership, exclusion of, 66.2(5)“Canadian development expense”(f)
- Canadian oil and gas property expenses of partnership, exclusion of, 66.4(5)“Canadian oil and gas property expense”(b)
- capital cost allowance
 - • inclusions, Reg. 1103
 - • separate class for certain equipment, Reg. 1101(5q), (5t)
 - • transfers between classes, Reg. 1103
- capital dividend, re, 83(2)–(4)
 - • excessive, tax on, 184
- capital gains dividend, re
 - • investment corporation, 131(1), Reg. 2104
 - • mortgage investment corporation, 130.1(4), Reg. 2104.1
 - • • excessive, tax on, 184
 - • mutual fund corporation, 131(1), Reg. 2104
 - • • excessive, tax on, 184
- capital gains exemption
 - • farm or fishing property, 110.6(2)

Index

Election (*cont'd*)

- • gains to Feb. 22/94, 110.6(3), (19)–(30), *see also* Capital gains deduction: election to trigger gain
- • small business shares, 110.6(2.1)
- • when corporation going public, 48.1
- capital interest distribution by personal trust or prescribed trust, 107(2)
- capitalization of interest, 21
- carryback or carryforward, *see* Carryback; Carryforward
- cash method (farming or fishing business), 28(1)
- ceasing to be resident, on, 128.1(4)(d), Reg. 1300–1302
- • on returning to Canada, 128.1(6)(a), (c), 128.1(7)(d), (g)
- • postponement of departure tax by posting security, 220(4.5)–(4.54)
- change in use of property, 45(2)
- communal organization, re taxable income, 143(2), (3)
- corporation and partners re property transferred, 85(1), (2)
- corporation and shareholder, re property transferred
- • eligible property, 85(1.1)
- cost of capital property where change in control of corporation, 111(4)(e)
- Crown corporation, to remain taxable, 149(1.11)
- currency to use other than Canadian dollar, 261(3)
- death of taxpayer, 70(6.2), Reg. Part X
- debt settled on windup of subsidiary into parent, 80.01(4)
- deemed capital loss on partnership interest, 40(3.12)
- deemed disposition of bad debt or share of insolvent corporation, 50(1)
- deemed disposition of capital property on change of control, 111(4)(e)
- deferral of “departure tax” payment, 220(4.5)–(4.54), Reg. 1301
- departure tax, *see* taxpayer ceasing to be resident (*below*)
- derivatives, mark-to-market treatment, 10.1
- disposition of Canadian securities, 39(4)
- disposition of share in foreign affiliate, 93(1), (1.1), (1.11)
- disposition of vessel, 13(16)
- eligible non-residential building, Reg. 1101(5b.1)
- emigration that is temporary, ignored, 128.1(6)(a), (c), 128.1(7)(d), (g)
- employees profit sharing plan, Reg. 1500
- excessive, re dividend
- • treatment of excess as separate dividend, 184(3), Reg. 2106
- executor, by, to carry back losses to year of death, 164(6)
- expropriation assets, re, 80.1(1), Reg. 4500
- fiscal period, non-calendar year, 249.1(4)
- fiscal period of terminated partnership, 99(2)–(4)
- fishermen, tax deduction, Reg. 105.1
- foreign accrual business income, 93.4
- foreign trust reporting, 233.2(5)
- forward averaging, 110.4(2) [repealed]
- • revocation, 110.4(6.1) [repealed]
- functional currency other than Canadian dollar, 261(3)
- gifts by communal organizations, allocated to members, 143(3.1)
- inducement, where offset by expense, 12(2.2)
- insurer
- • non-resident, 219(5.2)
- interest on expropriation assets, 80.1(2)
- investment tax credit, renunciation by general partner, 127(8.4)
- involuntary dispositions, 13(4)
- joint exploration corporation, 66(10)–(10.4)
- late, 220(3.2)–(3.7); Reg. 600
- leasing properties, in respect of, 16.1(1)
- legal representative of deceased taxpayer, *see also* Legal representative of deceased taxpayer
- manufacturing and processing property, Reg. 1102(16.1)
- mark-to-market treatment of derivatives, 10.1
- mortgage investment corporation, re capital gains dividend, 130.1(4)
- • where not made, 130.1(4.1)
- mutual fund corporation, re dividend, 131(1)–(1.4)
- mutual fund reorganization, 132.2(1)“qualifying exchange”(c)
- mutual fund trust status from beginning of first year, 132(6.1)
- non-resident, to file return under Part I, 216(1), 217
- • restriction on deduction, 216(8)
- non-resident parent corporation, re interest on loan, 218(3), (4)
- Part II of former Act, under, ITAR 66
- Part VI.1 tax, to pay, 191.2
- partners, by
- • re property transferred, 97(2)
- • validity of, 96(3)
- partnership ceasing to exist
- • rules applicable, 98(3), (4)
- partnership’s Canadian development expenses, 66.2(5)“Canadian development expense”(f)
- partnership’s Canadian oil and gas property expenses, 66.4(5)“Canadian oil and gas property expense”(b)
- personal injury award, 81(5)
- personal representative, by, to carry back losses to year of death, 164(6)
- post-emigration loss, 128.1(8)
- postponement of departure tax by posting security, 220(4.5)–(4.54)
- postponement of tax on distribution of property by trust to non-resident beneficiary, by posting security, 220(4.6)–(4.63)
- preferred beneficiary, of trust, 104(12), 104(14), Reg. 2800
- principal residence, 45(3)
- • distribution by spousal trust, 107(2.01)
- • where not available, 45(4)
- property owned on Dec. 31/71, ITAR 26(7)
- proportional holdings in trust property, 259(2)
- proprietor, on disposing of business, 25
- public corporation, to be, ITAR 50(2)
- qualifying dividend
- • late-filed, 83(3)–(5)
- replacement property, 13(4), 44(5)
- representation expense, 20(9)
- research and development, 37(8)(a)(ii)(B), 37(10)
- reserves for year of death, 72(2)
- retirement compensation arrangement
- • refundable tax, 207.5(2)
- revocation of, *see* Revocation of elections
- rights or things on death, re, 70(2)
- • revocation of, 70(4)
- RPP contribution
- • additional voluntary contributions, 8(1.1)
- sale of accounts receivable, 22
- scientific research, 37(8)(a)(ii)(B), 37(10)
- scientific research tax credit, re first holder of share, 127.3(9)
- segregated fund trusts, Reg. 6100
- services not rendered, 20(24), (25)
- specified leasing property not to be exempt property, Reg. 1100(1.14)
- spousal attribution rule on emigration, 74.2(3)
- stock option
- • by employer to forgo deduction for cash payment, 110(1.1), (1.2)
- subsec. 26(7) of ITAR, under, Reg. 4700
- surpluses, re, Reg. Part XXI
- taxpayer ceasing to be resident
- • deferral of capital gains, 128.1(4)(d), Reg. 1300–1302
- • deferral of payment of taxes, 220(4.5)–(4.6)
- • realization of capital gains, 128.1(4)(d), Reg. 1302
- time of acquisition of control, re, 256(9)
- transfer of property to corporation
- • partnership, from, 85(2), (6)–(9)
- • • partnership wound up, 85(3)
- • shareholder, by, 85(1), (6)–(9)

Election (*cont'd*)

- • • eligible property, 85(1.1)
- treat bovine animal as specified animal, 28(1.2)
- treat dividend as capital dividend, to, 83(2.2)–(2.4)
- • where not available, 83(2.1)
- trigger capital gain on small business corporation share, 48.1
- trust, by
 - • accumulating income, 104(12), 104(14), Reg. 2800
 - • capital distribution, no rollover, 107(2.001)
 - • gains not distributed to beneficiaries, 107(2.11), (2.12)
 - • preferred beneficiary, 104(12), 104(14), Reg. 2800
- V-day value, re, Reg. 4700
- withholding tax, 153(1)(n)
 - • to increase, 153(1.2), Reg. 109
- work in progress of professional, exclusion of until 2017, 34

Election expenses

- contributions deductible, 127(3)–(4.2)

Electric, gas or steam corporations

- information returns, Reg. 213

Electric car, *see* Zero-emission vehicle**Electric motor system technician**

- apprenticeship job creation credit, 127(9)“investment tax credit”

Electric vehicle

- defined, for EV supply chain investment tax credit, 127.492(1)

Electric vehicle charging station

- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(xvii)

Electrical advertising signs

- capital cost allowance, Reg. Sch. II:Cl. 11

Electrical energy, *see* Energy: electrical**Electrical energy storage property**

- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(xviii)

Electrical furnace

- medical expense credit for, Reg. 5700(c.2)

Electrical generating equipment

- capital cost allowance, Reg. Sch. II:Cl. 1(k), Sch. II:Cl. 2(a), Sch. II:Cl. 8(g), Sch. II:Cl. 8(h), Sch. II:Cl. 9(e), Sch. II:Cl. 9(f), Sch. II:Cl. 17(a.1), Sch. II:Cl. 29, Sch. II:Cl. 41, Sch. II:Cl. 43.1, Sch. II:Cl. 43.2
- electrical energy producer/distributor
 - • capital cost allowance, Reg. Sch. II:Cl. 1(m), Sch. II:Cl. 8(f), Sch. II:Cl. 9(a)
- for mine
 - • capital cost allowance, Reg. 1102(8)–(9.2), Reg. Sch. II:Cl. 10(r), Sch. II:Cl. 41

Electricity, *see* Energy: electrical**Electricity Support Program**, *see* Ontario: Electricity Support Program**Electrolux-Husqvarna spinoff**, Reg. 5600(c)**Electronic cash register**

- defined, for penalties re zapper software, ETA 285.01(1), 327.1(1)

Electronic communications equipment

- capital cost allowance, Reg. 1101(5p), Reg. Sch. II:Cl. 10(f)
- excluded from apprentice vehicle mechanics' deduction, 8(6)(b)(iv)
- excluded from tradesperson's tools deduction, 8(6.1)(d)

Electronic data processing equipment, *see* Computer**Electronic document**

- print-out as proof, 244(9)

Electronic filing

- E-FILE, 150.1
- information returns
 - • emailing of T4, T4A, T5 or T2202, Reg. 209(5)
 - • emailing of taxpayer portion with express consent, Reg. 209(3), (4)
 - • mandatory, Reg. 205.1

- • optional, 244(22)
- mandatory
 - • for certain corporations, 150.1(2.1), Reg. 205.1(2)
 - • for certain tax preparers, 150.1(2.3), (2.4)
- • • penalty (filing fee) for non-compliance, 162(7.3)
- • for Part XX digital platform reporting, 291(5)
- • penalty for failing to file electronically, 162(7.2)
- proof of return filed, 244(21)
- tax returns, 150.1

Electronic funds transfer

- defined, 244.1
- reporting of international transfers of \$10,000 or more, 244.2(1)

Electronic mail

- information slips to taxpayers with express consent, Reg. 209(3), (4)
- T4 slips to employees, 221.01, Reg. 209(3), (5)

Electronic notice

- presumed sent and received, 244(14.1)
- Requirement for Information, to bank or credit union, 231.2(1.1), 231.6(3.1)
- • proof of, 244(6.1)

Electronic payment

- defined, 160.5(1)
- required for payment to CRA over \$10,000, 160.5(2)

Electronic records

- requirement to maintain, 230(4.1)
- • exemption, 230(4.2)

Electronic suppression of sales device

- defined, for penalties re zapper software, 163.3(1), 239.1(1)

Electronics technician (consumer products)

- apprenticeship job creation credit, 127(9)“investment tax credit”

Electrotherapy device

- medical expense credit, Reg. 5700(z.2)

Elevator

- for disabled, 20(1)(qq)
- grain, 76(4), (5)

Eligible adoption expense

- defined, 118.01(1)

Eligible alignment income

- defined (for corporate inclusion of partnership income), 34.2(1)

Eligible amount

- charitable donations
 - • defined, 248(31), (41)
 - • limits amount of donation credit, 110.1(1)(a), 118.1(1)“total charitable gifts”
- defined
 - • for charitable or political donations, 248(31), (41)
 - • • where deemed nil for donation over \$5,000, 248(41)
 - • for foreign retirement arrangement, 60.01
 - • for Home Buyers' Plan, 146.01(1)
 - • for Lifelong Learning Plan, 146.02(1)
 - • for RRIF, 146.3(6.11)
 - • political contributions, 248(31)
 - • defined, 248(31), (41)
 - • limits amount of political credit, 127(3)

Eligible apprentice

- defined, 127(9)

Eligible apprentice mechanic

- deduction for tools, *see* Apprentice: mechanic
- defined, 8(6)(a)

Eligible bank affiliate

- defined, for FAPI, 90(15), 95(2.43)
- where facilitating trades for arm's length customers, 95(2.43)–(2.45)

Index

Eligible bioenergy fuel

- defined, for clean technology credit, 127.45(1)

Eligible business entity

- defined, 204.8(1)

Eligible Canadian bank

- defined, for FAPI, 90(15), 95(2.43)
- where facilitating trades for arm's length customers, 95(2.31), (3.01)

Eligible Canadian indebtedness

- defined, for FAPI of banks, 90(15), 95(2.43)

Eligible Canadian partnership

- defined, 80(1), 80.04(1)
- whether a "directed person", 80(1)"directed person"

Eligible capital amount (before 2017), 14(1) [repealed]

Eligible capital expenditure

- 2017 and later, *see* Goodwill
- before 2017, 14(5) [repealed]

Eligible capital property (pre-2017), 14 [repealed]; 20(1)(b) Notes

- 2017 and later, *see* Goodwill
- disposition of before March 22, 2016, 13(43)

Eligible child

- defined
- • for adoption expense credit, 118.01(1)
- • for child care expense deduction, 63(3)

Eligible child care space expenditure

- defined, 127(9)

Eligible clean hydrogen property

- defined, for clean hydrogen tax credit, 127.48(1)
- exclusions from capital cost for purposes of credit, 127.48(10)

Eligible collective agreement

- defined, for labour requirements for ITCs, 127.46(1)

Eligible controlled foreign affiliate

- defined, 95(4)

Eligible corporation

- for restrictive-covenant rules
- • defined, 56.4(1)
- for RRSP/RRIF small business investments
- • defined, Reg. 5100(1)
- • qualified investment in, Reg. 4900(6)(a)

Eligible currency hedge

- defined, for FAPI of banks, 95(2.43)

Eligible debt (of Canadian wheat board)

- defined, 135.2(1)

Eligible derivative

- defined, 10.1(4)
- effect of amalgamation, 87(2)(e.41), (e.42)
- effect of windup, 88(1)(i.1)
- election for mark-to-market treatment, 10.1(1)
- • no s. 85 rollover when election made, 85(1.12), 85(2)(a)
- • no 97(2) rollover when election made, 97(2)
- no mark-to-market treatment without election, 10.1(7)

Eligible distribution

- defined, for foreign spin-off, 86.1(2)

Eligible dividend

- defined, 89(1), 248(1)
- designation of, 89(14)
- dividend compensation payment deemed to be, 260(1.1), (5)
- excessive, *see* Excessive eligible dividend designation
- 45% gross-up, 82(1)(a.1), 82(1)(b)(ii)
- late designation, 89(14.1)
- partial, 89(1)"eligible dividend"(a)

Eligible donee

- for charity revocation tax
- • defined, 188(1.3)
- • transfer to, 188(1.1)B(c), 189(6.2)(b), 189(6.3)

- for RCAA revocation tax

- • defined, 188(1.4)

Eligible dwelling

- defined
- • for home accessibility credit, 118.041(1)
- • for Multigenerational Home Renovation Tax Credit, 122.92(1)

Eligible educator

- defined, for teacher school-supplies credit, 122.9(1)

Eligible electricity generation source

- defined, for clean hydrogen tax credit, 127.48(1)

Eligible employee

- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)
- defined, for COVID-19 source deduction benefit, 153(1.03)

Eligible employer

- defined, for 2020 COVID-19 benefit, 153(1.03)
- for COVID-19 Canada Emergency Wage Subsidy, *see* Eligible entity

Eligible entity

- defined
- • for air quality improvement credit, 127.43(1)
- • for COVID-19 Canada Emergency Wage Subsidy, 125.7(1), Reg. 8901.1
- • re residence of international shipping corporation, 250(6.04)

Eligible family member

- defined, for northern residents' deduction, 110.7(6)

Eligible farming expenses

- for carbon tax refund to farmers, 127.42(1)

Eligible fiscal period

- defined, 34.2(1)"eligible alignment income"(a), (b)

Eligible funeral arrangement, 148.1

- defined, 148.1(1), 248(1)
- emigration of individual, no deemed disposition, 128.1(10)"excluded right or interest"(e)(iv)
- excluded from various trust rules, 108(1)"trust"(e.1)
- exemption for amount accruing in, 148.1(2)(a)
- income inclusion on return of funds, 12(1)(z.4), 148.1(3)
- information return, Reg. 202(2)(m)
- payment to non-resident, Reg. 202(2)(m)
- • information return, Reg. 202(2)(m)
- • withholding tax, 212(1)(v)
- payment to resident, Reg. 201(1)(f)
- provision of funeral services under, 148.1(2)(b)(i)
- rollover to new trust, 248(1)"disposition"(f)(vi)

Eligible group entity

- defined, for interest deduction restrictions, 18.2(1), (16)
- • transitivity deeming rule, 18.2(16)

Eligible housing loss, *see* Housing loss: eligible

Eligible hydrocarbon

- defined, for clean hydrogen tax credit, 127.48(1)

Eligible individual

- defined
- • for Canada Carbon Rebate, 122.8(1)
- • for Canada Child Benefit, 122.6, 122.62(1); Reg. 6301, 6302
- • for Canada Workers Benefit, 122.7(1)
- • for GST credit, 122.5(1), (2)
- • for home accessibility tax credit, 118.041(1)
- • for Multigenerational Home Renovation Tax Credit, 122.92(1)
- • for refundable medical expense credit, 122.51(1)
- • for restrictive-covenant rules, 56.4(1)
- • for rollover to RDSP on death, 60.02(1)

Eligible interest

- defined

Eligible interest (*cont'd*)

- • for residence of international shipping corporation, 250(6.04)
- • for restrictive covenant rules, 56.4(1)

Eligible investment

- defined, 204.8(1)
- of financial institution, for capital tax
- • defined, 181.3(5), 190.14(2)
- of labour-sponsored venture capital corporation
- • tax where insufficient, 204.82
- • • refund of tax, 204.83

Eligible jurisdiction

- defined, for clean electricity credit, 127.491(1)

Eligible labour body

- defined, 204.8(1)

Eligible landfill site

- defined, Reg. 1104(13)

Eligible liquefaction activities

- income from, defined, Reg. 1100(18)

Eligible liquefaction building

- additional CCA, Reg. 1100(1)(a.3)
- defined, Reg. 1104(2)

Eligible liquefaction equipment

- additional CCA, Reg. 1100(1)(yb)
- defined, Reg. 1104(2)

Eligible liquefaction facility

- building for
- • CCA, Reg. 1100(1)(a.3), Sch. II:Cl. 1(q)
- • separate class, Reg. 1101(5b.2)
- defined, Reg. 1104(2)
- equipment for
- • CCA, Reg. 1100(1)(yb), Sch. II:Cl. 47
- • separate class, Reg. 1101(4i)

Eligible medical gift (pre-2019), 110(1)(a.1), 110.1(8), (9)**Eligible member**

- defined, for agricultural cooperatives, 135.1(1)

Eligible mine development property

- defined, Reg. 1104(2)
- inclusion in Class 41, Reg. Sch. II:Cl. 41.2 opening words

Eligible newsroom employee

- defined, for journalism labour credit, 125.6(1)

Eligible non-residential building

- addition or alteration to, rules for, Reg. 1102(23), (24)
- additional allowance for, Reg. 1100(1)(a.1), (a.2)
- • manufacturing and processing, used for, Reg. 1100(1)(a.1)
- defined, Reg. 1104(2)
- separate CCA class, Reg. 1101(5b.1)
- under construction on March 19, 2007, Reg. 1102(25)

Eligible offset

- application on rollout of property by trust, 107(2)(c)(ii), 107(2.1)(c)(iii)
- excluded from disposition, 248(1)“disposition”(h)
- defined, 108(1)

Eligible oil sands mine development expense

- defined, 66.1(6)
- included in CEE, 66.1(6)“Canadian exploration expense”(g.2)(ii)

Eligible PRPP withdrawal amount

- defined, 60.022(4)

Eligible pathway

- defined, for clean hydrogen tax credit, 127.48(1)

Eligible pension income

- defined
- • for non-refundable pension credit, 118(7)
- • for pension income splitting, 60.03(1)

Eligible period

- defined, for 2020 COVID-19 benefit, 153(1.03)

Eligible period of reduced pay

- counted as full pay for pension purposes, Reg. 8503(4)(a)(ii), 8504(4)(d)(i), 8507(3)(a), 8507(7)(b)
- defined, Reg. 8500(1)
- • COVID-19 relief for 2020–22, Reg. 8500(1.3)
- • sabbatical arrangement deemed to be eligible period, Reg. 8508(a)

Eligible period of temporary absence

- defined, Reg. 8500(1)

Eligible person or partnership

- defined, for immediate-expensing rules, Reg. 1104(3.1)

Eligible pooling arrangement

- defined, for small business investment capital gain rollover, 44.1(1)

Eligible portion (of corporation's gains or losses)

- defined, 129(4)

Eligible portion (of the specified amount)

- re royalty reimbursements, 80.2(11)

Eligible power purchase agreement

- defined, for clean hydrogen tax credit, 127.48(1)

Eligible proceeds

- defined, for rollover to RDSP on death, 60.02(1)

Eligible production corporation

- defined, for film/video production services credit, 125.5(1)

Eligible property

- conversion of foreign bank affiliate to branch
- • defined, 142.7(1)
- shareholder/corporation rollover, for, 85(1)
- • defined, 85(1.1)
- • limitation re real property of non-resident, 85(1.2)

Eligible RRIF withdrawal amount

- defined, 60.022(2)

Eligible refundable dividend tax on hand

- defined, 129(4)
- • transitional determination for 2019, 129(5)
- • • on amalgamation, 129(5.1)
- refund of, 129(1)(a)(i)(B), 129(1)(a)(ii)(B)(I)2

Eligible relocation

- defined, 248(1)
- moving expenses deductible, 62

Eligible remuneration

- defined, for 2020 COVID-19 benefit, 153(1.03)
- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)

Eligible renewable hydrocarbon

- defined, for clean hydrogen tax credit, 127.48(1)

Eligible renewable natural gas, *see* Eligible renewable hydrocarbon**Eligible resale property**

- defined, for SIFT REIT rules, 122.1(1)
- gains from disposition of, 122.1(1)“real estate investment trust”(b)(vi)
- revenue from managing, 122.1(1)“qualified REIT property”(b)

Eligible salary and wages

- defined, 127(9), (11.4)

Eligible sewage treatment facility

- defined, Reg. 1104(13)

Eligible share (of Canadian Wheat Board)

- defined, 135.2(1)

Eligible small business corporation

- defined, for small business investment capital gain rollover, 44.1(1), (10)
- share

Index

Eligible small business corporation (*cont'd*)

- defined, for small business investment capital gain rollover, 44.1(1), (11)

Eligible supplies expense

- defined, for teacher school-supplies credit, 122.9(1)
- refundable credit for, 122.9(2)B(b)

Eligible survivor benefit period

- defined, Reg. 8500(1)

Eligible taxable capital gains of trust, defined, 108(1)“eligible taxable capital gains”

Eligible taxation year

- defined, for retroactive spreading of lump-sum payments, 110.2(1)

Eligible taxpayer

- defined, for small business investment tax credit, 127(9)

Eligible temporary relocation

- defined, for labour mobility deduction, 8(14)(c)
- expense, *see* Eligible temporary relocation expense

Eligible temporary relocation expense

- defined, for labour mobility deduction, 8(14)(d), (e)

Eligible tool

- cost of, 8(7)
- deduction for, *see* Apprentice: mechanic
- defined, 8(6)(b), 8(6.1)

Eligible tradesperson

- deduction for moving to temporary work, 8(1)(t)
- defined, for labour mobility deduction, 8(14)(a)

Eligible transferee (of forgiven debt)

- agreement to transfer forgiven amount to, 80.04(4)
- defined, 80.04(2)

Eligible travel period

- defined, for long-haul trucker rules, 67.1(5)

Eligible trust

- defined
- for Canadian Wheat Board farmers, 135.2(1)
- for FAPI rules, 95(1)

Eligible unit

- defined, re Canadian Wheat Board Farmers' Trust, 135.2(1)

Eligible use

- for captured carbon, defined, 127.44(1)

Eligible variable benefit withdrawal amount

- defined, 60.022(3)

Eligible volunteer firefighting services

- credit for, 118.06(2)
- defined, 118.06(1)

Eligible waste fuel

- defined, Reg. 1104(13)
- used in energy generation system, Reg. Sch. II:Cl. 43.1(c)(i)(A), Sch. II:Cl. 43.1(d)(ix), Sch. II:Cl. 43.2

Eligible waste management facility

- defined, Reg. 1104(13)

Eligible wind-up distribution (of Canadian Wheat Board Farmers' Trust)

- defined, 135.2(1)

Elk, 80.3(1)“breeding animals”

Email, *see* Electronic mail

Emergency-response vehicle

- deemed not to be automobile, 248(1)“automobile”(b.1), (b.2)

Emergency worker

- volunteer
- exemption from employment income, 81(4)

Emigration, *see* Ceasing to be resident in Canada

Emigration disposition

- defined, 74.2(3)

Emigration year

- defined
- for foreign tax credit, 126(2.21)
- for security for departure tax, 220(4.5)

Emission intensity

- defined, for clean electricity credit, 127.491(1)
- excessive, recapture of clean electricity credit, 127.491(17), (19)

Emissions allowance

- deemed cost, 27.1(2)
- defined, 248(1)
- excluded from taxable assistance, Reg. 7300(d)
- tax treatment of, 27.1

Emissions obligation

- defined, 248(1)
- restriction on deduction for, 27.1(3)

Emissions trading regime, 27.1

Employed

- defined, 248(1)
- in Canada
- deemed, 115(2)(c)
- non-residents, tax on, 2(3), 115(1)
- part-year residents, 114

Employee

- aircraft
- capital cost allowance, 8(1)(j)(ii), 13(11)
- deductions allowed, 8(1)(j), 8(9)
- allowances, 6(1)(b)
- not income, 6(6)
- automobile (belonging to employee)
- capital cost allowance, 8(1)(j)(ii), 13(11), Reg. 1100(1)(a)(x), 1100(6)
- interest expense, 8(1)(j)(i), 67.2, 67.4
- leasing expense, 67.3, 67.4
- automobile (belonging to employer)
- employee of partner, 12(1)(y)
- goods and services tax, treatment of, 6(7)
- operating expenses, benefit, 6(1)(k), (l), Reg. 7305.1
- rule for automobile salesperson, 6(2.1)
- standby charge, benefit, 6(1)(e), 6(2)
- automotive products, transitional assistance benefits taxable, 56(1)(a)(v)
- benefit, *see* Benefit: employment
- benefit plan, *see* Employee benefit plan
- benefits taxable, 6(1)
- Canada Pension Plan, contribution, credit for, 118.7
- charity trust, receipts, Reg. 3502
- clergyman's residence, 8(1)(c)
- contribution to RPP deductible, 147.2(4)
- contribution to teachers' exchange fund, 8(1)(d)
- deductions, *see* Deductions in computing income from office or employment
- defined, 248(1)
- for employee life and health trusts, 144.1(1)
- for source deductions, Reg. 100(1)
- dues
- deduction, 8(1)(i)
- non-deductible, 8(5)
- dues to professional organization, deductible, 8(1)(i)(i)
- employer, as
- deductions, 8(1)(i)(ii), 8(1)(l.1), 8(1)(l.2)
- certificate of employer, 8(10)
- employment insurance premiums
- as employer, deductions, 8(1)(l.1)
- credit for, 118.7
- expenses of
- deductions, 8(1)
- general limitation, 8(2)

Employee (cont'd)

- foreign country, of
 - exemption, 149(1)(a)
 - family and servants of, 149(1)(b)
- former, *see* Former employee
- group insurance premium, portion taxable, 6(4)
- housing loan to, or spouse, 15(2.4)(b)
- includes officer, 248(1)
- income maintenance plan benefits, ITAR 19
- incorporated, *see* Personal services business
- international organization, of, tax deduction, 126(3)
- legal costs recovered, income, 56(1)(l)
- legal expenses of collecting or establishing right to wages, 81(1)(b)
- loan, *see* Employee loan
- meals, 8(4)
- more than five, *see* Six employees test
- musical instrument costs, 8(1)(p)
- negotiating contracts, expenses, 8(1)(f)
 - certificate of employer, 8(10)
- part-time
 - travelling allowance, excluded from income, 81(3.1)
- payments received from employer
 - during employment, 5(1), 6(3)
 - on death, *see* Death benefit
 - on termination or retirement, *see* Retiring allowance
- profit sharing plan, *see* Employees profit sharing plan
- Quebec Parental Insurance Plan premiums
 - as employer, deductions, 8(1)(l.2)
 - credit for, 118.7:B(a.1), (a.2)
 - deduction for, 60(g)
- railway, *see* Railway: employees, 8(1)(e)
- registered pension plan contributions, 8(1)(m), 147.2(4)
- retirement compensation arrangement, *see* Retirement compensation arrangement
- return required of, re withholding of tax, 227(2), Reg. 107
 - where not filed, 227(3)
- salary deferral arrangements, deduction for amounts forfeited under, 8(1)(o)
- salesperson's expenses, 8(1)(f)
 - certificate of employer, 8(10)
- share option benefits, 7(1)
- shares held by trustee, 7(2)
- shares purchased for, by trustee, 7(6)
- sickness and accident benefits, income, 6(1)(f)
- specified, *see* Specified employee
- stock options, *see* Stock option
- transport, away-from-home expenses, 8(1)(g)
- travelling expenses of, 8(1)(h)
 - certificate of employer, 8(10)
 - limitation, 8(4)
 - re meals, 8(4)
- trust, *see* Employee trust
- unemployment insurance premiums
 - credit for, 118.7
- union dues, deductible, 8(1)(i)(i)

Employee benefit plan

- allocations, 32.1(2)
- amalgamation, on, 87(2)(j.3)
- amount received from, *see* payments out of (*below*)
- becoming retirement compensation arrangement
 - deemed contribution, 207.6(4)
- benefits from, taxable, 6(1)(g)
 - not taxable under general benefit provision, 6(1)(a)(ii)
 - who deemed to received benefit, 6(1.2)
- contributions to, 6(10)
 - not deductible, 18(1)(o)
 - when deductible, 18(10)

- deduction in computing income of, 104(6)(a.1)
- deduction to employer, 32.1
- defined, 248(1)
- distribution of property by, deemed disposition at cost amount, 107.1(b)
- emigration of employee, no deemed disposition, 128.1(10)“excluded right or interest”(a)(vi)
- excluded from annual interest accrual rules, 12(11)“investment contract”(a)
- excluded from non-resident trust rules, 94(1)“exempt foreign trust”(f)
- excluded from various trust rules, 108(1)“trust”(a)
- income of, 32.1(3)
- payments out of
 - not subject to non-resident tax, 212(17)
 - to employee, taxable, 6(1)(g)
 - source withholding, 153(1)(a)
 - to employer, taxable, 12(1)(n.1)
- prescribed arrangement, Reg. 6800
- reversionary trust rules do not apply, 75(3)(a)

Employee health and life trust, *see* Employee life and health trust

Employee life and health benefit trust, *see* Employee life and health trust

Employee life and health trust, 144.1

- amalgamation of corporations, effect of, 87(2)(j.3)
- benefits under insurance plan administered by, 6(1)(f)(iii.1)
- ceasing to be resident in Canada, 128.1(4)(b.1)
- conditions for, 144.1(2), (3)
- deduction from income, 104(6)(a.4)
- deemed not to be EBP, 248(1)“employee benefit plan”(a)
- deemed not to be RCA, 248(1)“retirement compensation arrangement”(f.1)
- deemed not to be SDA, 248(1)“salary deferral arrangement”(e.1)
- defined, 144.1(2), 248(1)
- designated employee benefit, *see* Designated employee benefit
- distribution by
 - included in income if not designated employee benefit, 56(1)(z.2), 144.1(11)
 - withholding of tax at source
 - payment to Canadian resident, 153(1)(s), Reg. 100(1)“remuneration”(h.1)
 - payment to non-resident, 212(1)(w)
 - of property, deemed disposition at fair market value, 107.1(a)
- emigration of beneficiary, no deemed disposition, 128.1(10)“excluded right or interest”(e)(vi.1)
- employer contribution to
 - deductible to employer, 20(1)(s), 144.1(4)–(7)
 - not a taxable benefit to employee, 6(1)(a)(i)
- excluded from certain trust rules, 108(1)“trust”(a)
- exemption from Part XII.2 tax, 210(2)(d)
- former employees, 144.1(1)“employee”
- health and welfare trust
 - transfer of property to ELHT, 144.1(16)–(17)
 - treated as ELHT, 144.1(14)–(15)
- immigration of beneficiary, no deemed disposition, 128.1(10)“excluded right or interest”(e)(vi.1)
- key employee, *see* Key employee
- losses, carryback and carryforward, 111(7.3)–(7.4), 144.1(13)
- minimum tax not payable by, 127.55(f)(iv)
- prescribed payments permitted to employers, Reg. 9500
- prohibited investment, tax on, 207.9
- reversionary trust rules do not apply, 75(3)(b)

Employee loan, 6(9), 80.4(1)

- forgiven, amount to be included in income, 6(15)
- to buy motor vehicle, 15(2.4)(d)
- to buy stock, 15(2.4)(c)

Index

Employee ownership trust

- capital gains exemption on transfer of shares to, 110.61(2)
- defined, 248(1)
- disposition of shares to, 10-year reserve, 40(1.3)
- excluded from EBP definition, 248(1)“employee benefit plan”(b.1)
- excluded from ET definition, 248(1)“employee trust” opening words
- may borrow from corp to finance purchase of corp’s shares if it repays within 15 years, 15(2.51)
- • no deemed interest if loan repaid, 80.4(3)(c)
- not subject to 21-year deemed disposition rule, 108(1)“trust”(h)
- not subject to certain other trust rules, 108(1)“trust”(a.1)
- transfer of shares to, capital gains deduction, 110.61

Employee trust, 6(1)(h)

- allocations under, includable in income, 6(1)(h)
- benefits from, not includable in employee’s income, 6(1)(a)(ii)
- deduction in computing income of, 104(6)(a)
- defined, 248(1)
- distribution of property by, deemed disposition at fair market value, 107.1(a)
- emigration of employee, no deemed disposition, 128.1(10)“excluded right or interest”(e)(i)
- excluded from various trust rules, 108(1)“trust”(a)
- payments out of, not subject to non-resident tax, 212(17)
- receipt from, 12(1)(n)
- rollover to new trust, 248(1)“disposition”(f)(vi)
- trust not falling within definition, 108(1)“trust”(a.1)

Employees’ charity trust

- defined, Reg. 3500

Employees profit sharing plan

- allocations under, income, 6(1)(d), 144(3)
- capital gains allocated, 144(4)–(4.2)
- deferred profit sharing plan not an, 147(6)
- defined, 144(1), 248(1)
- disposition of property to, capital loss nil, 40(2)(g)(iv)(A)
- dividend credit allocated, 144(8)
- election, Reg. 1500
- emigration of employee, no deemed disposition, 128.1(10)“excluded right or interest”(a)(v)
- employer’s contribution, deduction, 20(1)(w), 144(5)
- excess EPSP amount
 - • deduction from income to prevent double tax, 8(1)(o.2)
 - • defined, 207.8(1)
 - • tax on, 207.8(2)
- excluded from non-resident trust rules, 94(1)“exempt foreign trust”(e)
- excluded from various trust rules, 108(1)“trust”(a)
- foreign tax credit, 144(8.1)
- income allocated, 144(3)
- information return, Reg. 212
- interest income, allocation re, 144(8.2)
- payment under
 - • portion excluded from income, 81(1)(k)
- payments “out of profits” defined, 144(10)
- receipts from, 12(1)(n)
 - • by employee, 144(6)–(8)
- refund to former beneficiary, 144(9)
- registration of, as DPSP, 147(3), (4)
- reversionary trust rules do not apply, 75(3)(a)
- rollover to new trust, 248(1)“disposition”(f)(vi)
- trust not taxable, 144(2), 149(1)

Employer

- benefits provided by, taxable, 6(1)
- Canada Emergency Wage Subsidy (COVID-19), 125.7
- certificate re employees’ expenses, 8(10)
- contributions of
 - • Canada Pension Plan, to
 - • • deductible, 8(1)(l.1)(i)

- • deferred profit sharing plan, to, 20(1)(y), 147(8)–(9.1)
- • • limitation on deductibility, 18(1)(j)
- • employees profit sharing plan, to, 20(1)(w), 144(5)
- • employment insurance premiums
 - • • deductible, 8(1)(l.1)(i), 9(1)
- • pension plan, 20(1)(q), 147.2(1)–(3), Reg. Part XXVII [Revoked]
 - • • special, 20(1)(r)
- • profit sharing plan, to
 - • • limitation on deductibility, 18(1)(k)
- • Quebec Parental Insurance Plan premiums
 - • • deductible, 8(1)(l.2), 9(1)
- • registered supplementary unemployment benefit plan, to, 145(5)
 - • • limitation on deductibility, 18(1)(i)
- deduction re salary deferral arrangements, 20(1)(oo)
- defined, 248(1)
 - • for automobile standby charge, 6(2)
 - • for disability insurance top-up payments, 6(17)
 - • for employee loans, 80.4(1)(b)(i)
 - • for incorporated employee/RCA rules, 207.6(3)(a)
 - • for municipal officer’s expense allowance, 81(3)(c)
 - • for source deductions, Reg. 100(1)
 - • generally, 248(1)
- eligible, *see* Eligible employer
- housing subsidy, taxable, 6(23)
- insolvent, commutation of benefits, *see* Registered pension plan: insolvent employer
- participating, defined, 147.1(1), Reg. 8308(7)
- payment to employee
 - • during employment, 5(1), 6(3)
 - • on death, *see* Death benefit
 - • on termination or retirement, *see* Retiring allowance
- reimbursement for housing loss, 6(19)–(22)
- union locals all deemed to be one, for pension purposes, 252.1
- withholding of tax, 153(1), Reg. 101
- variations in deductions, Reg. 106

Employment

- benefits, *see* Benefit
- defined, 248(1)
- expenses, *see* Employee: expenses of
- income from, 5(1), 6(1), Canada-U.S. Tax Treaty:Art. XV
- reimbursement to employer, 8(1)(n.1)
- insurance, *see* Employment insurance
- loss from, 5(2)
- office or, *see* Office or employment
- outside Canada, tax credit (pre-2016), 122.3
- special work site, at, 6(6)
- termination of, *see* Former employee; Retiring allowance

Employment Credit, *see* Canada Employment Credit

Employment insurance, *see also* Registered supplementary unemployment benefit plan

- benefit
 - • remuneration, Reg. 100(1)
 - • repayment of, 60(v.1)
 - • repayment of overpayment, deduction for, 60(n)(iv)
 - • right to, no disposition on emigration, 128.1(10)“excluded right or interest”(h)
 - • self-employment (Part VII.1), taxable, 56(1)(a)(iv)
 - • taxable, 56(1)(a)(iv)
 - • withholding tax, 153(1)(d.1), Reg. 100(1)“remuneration”(g)
- income replacement benefits under temporary program, 56(1)(r)
- premium
 - • collection of debt by US Internal Revenue Service, Canada-U.S. Tax Treaty:Art. XXVI-A:9
 - • paid by employee
 - • • as employee, credit, 118.7:B(a)
 - • • as employer, deduction, 8(1)(l.1)

Employment insurance (*cont'd*)

- paid by employer, deduction, 9(1) (general accounting principles)
- paid by self-employed person, credit, 118.7:B(a)
- Program for Older Worker Adjustment, *see* Older Worker Adjustment, Program for
- tips and gratuities covered by, Reg. 100(1)“remuneration”(a.1)

Employment Insurance Act

- benefits under, *see* Employment insurance: benefit
- costs of appealing decision under, deductible, 60(o)
- recovery of, income, 56(1)(l)(ii)
- financial assistance under, 56(1)(r)

Enactment, *see also* Amendment; Legislation

- defined, ITAR 12“enactment”

End of taxation year

- defined, Reg. 1104(1)

Endowment date

- of exemption test policy, defined, Reg. 310

Endowment (to charity), *see* Enduring property [repealed]**Enduring property [repealed]**

- of registered charity
- defined, 149.1(1)

Energy

- conservation property, Reg. 8200.1, Reg. Sch. II:Cl. 43.1
- determination of, 13(18.1)
- disclosure of information to Energy, Mines & Resources, 241(4)(d)(vi.1)
- conversion grant
- included in income, 12(1)(u), 56(1)(s)
- information return re, Reg. 224
- non-resident taxable on, 212(1)(s)
- prescribed program, Reg. 5501
- distribution of, 66(15)“principal-business corporation”(h)
- electrical
- combustion turbine for, separate class, Reg. 1101(5t)
- corporation distributing or generating
- equipment for, Reg. 1102(8), (9), Sch. II:Cl. 1(m), Sch. II:Cl. 2(c)
- exclusion from CCA restrictions, Reg. 1100(26)(a)
- information return, Reg. 213(1)
- municipal corporation, exemption, 149(1.2)
- equipment for processing in prescribed area, 127(9)“qualified property”(c.1)
- generating equipment, capital cost allowance, Reg. Sch. II:Cl. 17(a.1)
- generating, manufacturing & processing credit, 125.1(2)
- producing or processing, 125.1(3)“manufacturing or processing”(h), Reg. 1104(9)(h)
- generation of, 66(15)“principal-business corporation”(h)
- property, *see* Specified energy property
- renewable, generation of, Reg. Sch. II:Cl. 43.1
- utility business, *see* Regulated energy utility business

Energy Cost Benefit

- disclosure of taxpayer information to enable payment, 241(4)(d)(vii.2)
- payments non-taxable, 81(1)(g.5)

Energy, Mines & Resources, *see* Department of Energy, Mines and Resources**Enforcement of Act**, 220–244, *see also* Collection of tax**Engineer**, *see* Professional practice**England**, *see* United Kingdom**Enhanced combined cycle system**

- defined, Reg. 1104(13)

Enhanced garnishment, 224(1.2), (1.3)**Enhanced recovery equipment**, Reg. 1206(1)

- proceeds of disposition, 59(3.3)(d)

Enquiry, *see* Inquiry**Entering Canada**, *see* Becoming resident in Canada**Entertainer**

- U.S. resident, Canada-U.S. Tax Treaty:Art. XVI

Entertainment expenses (and meals)

- airplane, train, bus travel, 67.1(4)
- Christmas party exemption, 67.1(2)(f)
- club dues and facilities, 18(1)(l)
- construction work camp exemption, 67.1(2)(e.1)
- “entertainment” meaning of, 67.1(4)
- general limitation on deduction for, 67.1(1)
- exceptions, 67.1(2)
- included in convention fee
- limitation on deductibility, 67.1(3)
- interpretation, 67.1(4)

Entity

- defined
- for Common Reporting Standard, 270(1)
- for digital platform operator reporting rules, 282(1)
- for electronic funds transfer reporting, 244.1
- for foreign affiliates, 95(1)
- for SIFT trust and partnership distributions, 122.1(1)
- for stapled-security rules, 18.3(1), 122.1(1)
- for third-party civil penalty, 163.2(1)

Entrant bank

- defined, for conversion of foreign bank affiliate to branch, 142.7(1)

Entrusted shares percentage [repealed], *see* Exempt shares percentage**Entry**

- Canada, into, *see* Becoming resident in Canada
- dwelling-house, into, for audit, 231.1(3), *see also* Search warrant
- compliance required, 231.51

Environment

- conservation of, *see* Ecological gifts

Environmental law

- compliance with
- required for certain Canadian renewable and conservation expenses, Reg. 1219(5)
- required for clean-energy CCA, Reg. 1104(17)

Environmental Quality Act (Quebec)

- trust required by, no tax on, 149(1)(z.1)

Environmental trust, *see* Qualifying environmental trust**Environmentally hypersensitive person**

- equipment qualifying for medical expense credit, Reg. 5700(c)–(c.2)

Equalization payments (family law)

- rules on partition of property, 248(20)

Equipment

- administering oxygen, for, 118.2(2)(k)
- automotive, CCA, Reg. Sch. II:Cl. 10(a), *see also* Automobile
- bituminous sands
- defined, 59(6), Reg. 1206(1)
- proceeds of disposition, 59(3.3)(c)
- cable systems interface, CCA, Reg. Sch. II:Cl. 10(v)
- contractor’s movable, CCA, Reg. Sch. II:Cl. 10(h), Sch. II:Cl. 22, Sch. II:Cl. 38
- data communication, CCA, Reg. Sch. II:Cl. 3
- disability-specific, deduction for, 20(1)(rr)
- earth-moving, separate class, Reg. 1101(5k)
- electrical energy processing, investment tax credit, 127(9)“qualified property”(c.1)
- electrical generating, Reg. 1100(1)(t), (ta), Reg. Sch. II:Cl. 1(k), Sch. II:Cl. 1(m), Sch. II:Cl. 2(a), Sch. II:Cl. 8(g), Sch. II:Cl. 9(e), Sch. II:Cl. 9(f), Sch. II:Cl. 29
- electronic data-processing, CCA, Reg. Sch. II:Cl. 10(f), Sch. II:Cl. 29
- general-purpose, defined, Reg. 1104(2)

Index

Equipment (*cont'd*)

- enhanced recovery, Reg. 1206(1)
- • proceeds of disposition, 59(3.3)(d)
- for hearing- or sight-impaired, business expense, 20(1)(rr)
- gas manufacturing/distribution, CCA, Reg. Sch. II:Cl. 1(n), Sch. II:Cl. 2(d)
- gas or oil well, CCA, Reg. 1104(2), Reg. Sch. II:Cl. 10(j)
- generating, Reg. 1100(1)(t), (ta), Reg. Sch. II:Cl. 1(k), Sch. II:Cl. 1(m), Sch. II:Cl. 2(a), Sch. II:Cl. 2(c), Sch. II:Cl. 8(f), Sch. II:Cl. 8(g), Sch. II:Cl. 9(a), Sch. II:Cl. 9(e), Sch. II:Cl. 9(f), Sch. II:Cl. 29
- heat production/distribution, CCA, Reg. Sch. II:Cl. 1(p), Sch. II:Cl. 2(f)
- logging, CCA, Reg. Sch. II:Cl. 10(o)
- machinery and, CCA, Reg. Sch. II:Cl. 8, Sch. II:Cl. 29
- medical, 118.2(2)(m), Reg. 5700
- mining, CCA, Reg. Sch. II:Cl. 10(k), Sch. II:Cl. 10(l), Sch. II:Cl. 10(m), Sch. II:Cl. 41
- oil or gas well, CCA, Reg. Sch. II:Cl. 10(j), Sch. II:Cl. 41
- petroleum/natural gas exploration, CCA, Reg. Sch. II:Cl. 10(t), Sch. II:Cl. 41
- pollution control, Reg. 1100(1)(t)
- prescribed
 - • for sight- or hearing-impaired, business expense, 20(1)(rr)
 - • medical, 118.2(2)(m), Reg. 5700
- radar, CCA, Reg. Sch. II:Cl. 9
- radio communication, CCA, Reg. Sch. II:Cl. 8, Sch. II:Cl. 9
- railway traffic control, CCA, Reg. Sch. II:Cl. 1(i)
- scientific research, for, 37(8)(a)(ii)
- solar heating, CCA, Reg. Sch. II:Cl. 43.1(d)(i), Sch. II:Cl. 43.2(b)
- stable, CCA, Reg. Sch. II:Cl. 10(c)
- telephone/telegraph, CCA, Reg. Sch. II:Cl. 3, Sch. II:Cl. 17
- tertiary recovery, Reg. 1206(1)
- timber limit, for, CCA, Reg. Sch. II:Cl. 10(n), Sch. II:Cl. 15
- water-distributing, CCA, Reg. Sch. II:Cl. 1(o), Sch. II:Cl. 10(e)

Equity

- defined
 - • for RRSP, RRIF, TFSA, RESP and RDSP advantage rules, 207.01(1)
 - • for SIFT trust definition, 122.1(1)
 - • for stock buyback tax, 183.3(1)
 - • for trust loss trading, 251.2(1)

Equity-accounted entity

- defined, for alternative interest-deduction restrictions, 18.21(1), (4)

Equity accounting method

- prohibited for debt forgiveness reserve, 61.3(1)(b)C(i)
- prohibited for purposes of Act, 248(24)

Equity amount

- defined, for thin capitalization rules, 18(5), (5.3)

Equity contribution

- defined, for thin capitalization rules, 18(5)

Equity interest

- for alternative interest-deduction restrictions
 - • defined, 18.21(1)
- hybrid mismatch arrangement rules
 - • defined, 18.4(1)
- in non-resident corporation without share capital
 - • defined, 93.2(1)
 - • treated as a share, 93.2(2)

Equity limit (of insurer)

- defined, Reg. 2400(1)

Equity or debt interest

- defined, for Common Reporting Standard, 270(1)

Equity or financing return

- defined, for hybrid mismatch arrangement rules, 18.4(1)

Equity percentage

- defined
 - • for foreign affiliate rules, 95(4)
 - • for certain foreign affiliate surplus computations, Reg. 5905(14)
 - • for private foundations, 149.1(1)
- direct, defined, 95(4)“direct equity percentage”

Equity property

- defined, Reg. 2400(1)

Equity repurchase, *see* Stock buyback tax

Equity share, defined, 204, Reg. 4803(1)

Equity value

- defined
 - • for SIFT trust and partnership distributions, 122.1(1)
 - • for stapled-security rules, 18.3(1), 122.1(1)
 - • for trust loss trading, 122.1(1), 251.2(1)

Equivalent to married credit, 118(1)B(b)

Equivalent to spouse credit, 118(1)B(b)

Ergonomic work chair

- disability supports deduction, 64(a)A(ii)(R)

Escalating interest GICs

- income accrual, Reg. 7000(2)(c.1)

Established securities market

- defined, for Common Reporting Standard, 270(1)

Establishment, *see* Permanent establishment

Estate, *see* Trust (or estate)

- bankrupt, of
 - • deemed not trust or estate, 128(1)(b)
 - • defined, 248(1)
- Canada/Quebec Pension Plan death benefit taxed, 56(1)(a.1)
- carryback of losses to year of death, 164(6)
- debt of deceased settled by, 80(2)(p), (q)
- defined, 104(1), 248(1)
- flow-through of death benefits, 104(28)
- income of, paid to non-resident, 212(1)(c), 212(11)
- • exemption for, 212(9), (10)
- information returns, Reg. 204
- life, *see* Life estate in real property
- *pur autre vie*, *see* Life estate in real property
- return required, 150(1)(c)
- transfer of rights or things to beneficiaries, 70(3)

Estate administration tax, *see* Probate fees

Estate freeze, 86(1) (Notes)

Estate planning, *see also* Death of taxpayer

- attribution rule inapplicable on certain benefits through trust, 74.4(4)

Estate tax

- Canadian [repealed in 1972]
- • interest on, deductible, 60(d)
- U.S.
 - • credit for, Canada-U.S. Tax Treaty:Art. XXIX-B:6, 7
 - • interest on, possibly deductible, 60(d)

Estimate of tax, required, 151, *see also* Instalment payments (Instalments)

Estimate of the expenses of survey

- defined, Reg. 3600(2)

Estimated annual taxable income

- defined, Reg. 102(2)(c)

Estimated deductions

- defined, for source deductions, Reg. 100(1)

Estonia, *see also* Foreign government

- universities, gifts to, Reg. Sch. VIII, s. 25

Euro, *see* European Union: currency of

European Bank for Reconstruction and Development

- bonds of, qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(l)(v))
- no withholding tax on interest payable to, Reg. 806.1

European Union, see also Foreign government

- currency of, use as functional currency, 261(1)“qualifying currency”(b)

Evasion of tax, see Tax evasion, penalty for**Evidence, see Proof****Examination fees for professional status**

- tuition credit, 118.5(1)(d)

Excepted dividend

- defined, 187.1

Excepted gift

- defined, 118.1(19)
- donation to charity permitted, 118.1(13)

Excess ALDA transfer

- defined, 205(1)
- tax on, 205(2)

Excess amount (for registered education savings plan)

- defined, 204.9(1), (2)

Excess capacity

- defined, for interest deduction restrictions, 18.2(1), 248(1)

Excess corporate holdings percentage

- defined, for private foundations, 149.1(1)

Excess EPSP amount, see Employees profit sharing plan: excess EPSP amount**Excess FHSA amount**

- defined, 207.01(1)
- tax on, 207.021

Excess liquidity

- defined, for FAPI of banks, 90(15), 95(2.43)

Excess money purchase transfer

- re past service event, Reg. 8303(7.1)

Excess TFSA amount

- defined, 207.01(1)
- tax on, 207.02

Excessive eligible dividend designation

- defined, 89(1), 248(1)

Excessive interest and financing expenses limitation (EIFEL)

- alternative calculation, 18.21
- limited to 30% of EBITDA, 18.2(2)B(b)
- exclusions, 18.2(1)“excluded entity”, “excluded interest”
- group ratio alternative, 18.21
- partnership add-back, 12(1)(1.2)
- windup, effect of, 88(1.1), (1.11)

Exchange period

- defined, for SIFT unwinding rules, 85.1(7)(a)

Exchange rate, see also Foreign currency

- defined, 111(8)

Exchange share

- defined, for SIFT unwinding rules, 85.1(7)(b)

Exchange-traded fund

- rules for allocation to redeemers, 132(5.31)

Exchanges of property

- amalgamation, effect of, 87(2)(1.3)
- capital property, 44
- corporation controlling or controlled by taxpayer, 44(7)
- depreciable property, 13(4), (4.1)
- leasing properties, 16.1(5)–(7)
- non-qualifying security donated to charity, 118.1(15)
- non-resident, 44(7)

Exchanges of shares, see Share**Excise Tax Act, see also Goods and services tax (GST)**

- communication of information for enforcement of, 241(4)(d)(ii)

- fuel tax rebate under, 12(1)(x.1)
- GST included in taxable benefit, 6(7), 15(1.3)
- input tax credit under, deemed to be government assistance, 248(16)–(18)
- rebate under, deemed not to be reimbursement, 8(11)
- tax payable under Part IX, 248(1)“goods and services tax”

Excluded account

- defined, for Common Reporting Standard, 270(1)

Excluded acquisition or disposition

- defined, for FAPI stub-period rules, 91(1.3)

Excluded amount

- re expenses of financing
- defined, 20(1)(e)(iv.1)
- no deduction, 20(1)(e)
- re registered education savings plan
- defined, 146.1(7.2)
- excluded from income, 146.1(7.1)(b)
- re split income
- defined, 120.4(1)
- excluded from income-splitting tax, 120.4(1)“excluded amount”

Excluded benefits (re registered pension plan)

- defined, Reg. 8303(5)(f)–(l), 8504(10)
- excluded from normalized pension, Reg. 8303(5)

Excluded building (re LNG liquefaction facility)

- defined, Reg. 1104(2)
- excluded from additional CCA, Reg. 1104(2)“eligible liquefaction building”

Excluded business

- for Canadian Entrepreneur Incentive
- defined, 110.63(1)
- ineligible for incentive, 110.6(3)“qualifying Canadian entrepreneur incentive property”(a)(i)
- for tax on split income (TOSI)
- defined, 120.4(1)

Excluded consideration

- defined, re corporation attribution rules, 74.4(1)
- excluded from attribution rules, 74.4(2)(f), 74.4(3)

Excluded contribution (for retirement compensation arrangement)

- defined, 207.5(1)

Excluded contribution (to registered pension plan)

- defined, Reg. 8300(1)
- excluded from pension credit, Reg. 8301(4)(a), 8301(5)(a), 8301(8)(e)
- excluded from provisional PSPA, Reg. 8303(8)

Excluded corporation

- charities, non-qualified investment rules
- debt excluded from non-qualified investments, 149.1(1)“non-qualified investment”(a)(ii)
- defined, 149.1(1)“non-qualified investment”(d)–(f)
- refundable investment tax credit
- defined, 127.1(2)
- excluded from additional credit, 127.1(2)“refundable investment tax credit”(a) pre-(f), 127.1(2.01)

Excluded disposition

- defined, 150(5)
- does not require tax return to be filed, 150(1)(a)(i)(C), (D), 150(1.1)(b)(iii)

Excluded dividend (for Part VI.1 tax)

- defined, 191(1), 191(4)(d)
- excluded from dividend allowance, 191.1(2)
- excluded from “excepted dividend” for Part IV.1 tax, 187.1(d)
- excluded from Part VI.1 tax, 191.1(1)(a)(i)–(iii)

Excluded entity

- defined, for interest deduction restrictions, 18.2(1)
- anti-avoidance rule, 18.2(15)

Index

Excluded entity (*cont'd*)

- excluded from interest deduction restrictions, 18.2(2) opening words
- • for partnership, 12(1)(1.2)B(i)

Excluded equipment

- clean technology investment tax credit
- • defined, 127.45(1)
- LNG liquefaction facility
- • defined, Reg. 1104(2)
- • excluded from additional CCA, Reg. 1104(2)“eligible liquefaction equipment”

Excluded income

- defined, for FAPI rules, 92(2.5)

Excluded individual

- defined, re disclosure of taxpayer information, 241(10)
- information about, not to be disclosed, 241(4)(l), (9.3), (9.4)

Excluded interest

- for interest deduction restrictions
- • defined, 18.2(1)
- • excluded from IFE, 18.2(1)“interest and financing expenses”A(a)(i)
- in partnership
- • defined, 40(3.15)–(3.18)
- • grandfathered from deemed-gain rules for passive partnership interest, 40(3.1)

Excluded lease

- defined, for interest deduction restrictions, 18.2(1)
- excluded from restrictions, 18.2(1)“interest and financing expenses”A(f)

Excluded loan

- defined, 12(11)
- not considered government assistance, 12(1)(x)(ix)

Excluded MNE group

- defined, for country-by-country reporting, 233.8(1)

Excluded obligation

- re debt forgiveness
- • defined, 80(1)
- • principal amount excluded from debt forgiveness rules, 80(1)“forgiven amount”B(j)
- • proceeds of disposition for debtor, 79(3)F(b)(iv)
- re flow-through shares
- • application to prescribed shares, Reg. 6202.1(1)(b), (c)
- • deemed not to be a guarantee, security or similar indemnity, Reg. 6202(1)(m.1)
- • defined, Reg. 6202.1(5)
- • excluded from limited partnership at-risk rules, 96(2.2)(d)(vii)
- • excluded from tax shelter at-risk adjustment, 143.2(3)(b)(iv)
- re non-resident withholding tax on interest
- • defined, 214(8)
- • sale of, by non-resident, 214(7)

Excluded payment

- defined, re indexed debt obligations, Reg. 7001(7)

Excluded period

- defined, re salary deferral arrangement, 6(13)(a)(ii)

Excluded personal property, *see* Excluded right or interest

Excluded platform operator

- defined, for digital platform operator reporting rules, 282(1)

Excluded policy

- defined, for application of IFRS to insurers, 138(12)

Excluded premium

- defined
- • for Home Buyers’ Plan, 146.01(1)
- • for Lifelong Learning Plan, 146.02(1)
- excluded from repayment of eligible amount
- • Home Buyers’ Plan, 146.01(3)(a)
- • Lifelong Learning Plan, 146.02(3)(a)

Excluded production (re Canadian film/video credit)

- defined, Reg. 1106(1), (1.1)
- excluded from Canadian film or video production, Reg. 1106(4)

Excluded property

- art flips, defined, 46(5)
- clean hydrogen tax credit
- • defined, 127.48(1)
- • excluded from credit, 127.48(1)“eligible clean hydrogen property”
- clean technology manufacturing ITC
- • defined, 127.49(1)
- • excluded from credit, 127.48(1)“CTM property”
- debt forgiveness rules
- • adjusted cost base of, not reduced, 80(9)–(11)
- • defined, 80(1)
- emigration, *see* Excluded right or interest
- foreign affiliate, of
- • accrued gains, included in FAPI, Reg. 5907(13)(b)(i)
- • defined, 95(1), Reg. 5907(1)
- • excluded from FAPI calculation, 95(1)“foreign accrual property income”B, E, 95(1)“relevant tax factor”(a)
- • net earnings from, Reg. 5907(1)“net earnings”(d)
- • net earnings of foreign affiliate from, Reg. 5907(1)“taxable earnings”(b)(v)
- • net loss from, Reg. 5907(1)“net loss”(d)
- • net loss of foreign affiliate from, Reg. 5907(1)“taxable loss”(b)(iv)
- • of second affiliate, 95(2)(a)(ii)(D)(III)
- • settlement of debt, gain or loss relating to, 95(2)(i)
- mark-to-market rules
- • defined, 142.2(1)
- • extended reassessment period, 152(6.2)
- non-resident, of
- • defined, 116(6), Reg. 810
- • excluded from disposition certificate requirements, 116(1), (3), (5), (5.1)(a)
- personal-use property donated to charity, 46(5)
- prohibited investment of retirement compensation arrangement
- • defined, 207.5(1)
- qualified investments for DPSP
- • defined, 204
- RRSP, RRIF, TFSA, RESP and RDSP advantage rules
- • defined, 207.01(1)
- trust, of
- • defined, 108(1)
- • excluded from rule preventing rollout to 75(2) trust, 107(4.1)

Excluded remuneration (re registered pension plan)

- defined, Reg. 8503(14)(b)
- excluded from pension adjustment, Reg. 8503(14)(e)

Excluded revenue

- defined, for FAPI rules, 92(2.5)

Excluded right or interest

- defined, 128.1(10)
- excluded from deemed disposition
- • on emigration, 128.1(4)(b)(iii)
- • on immigration, 128.1(1)(b)(iv)

Excluded security (for debt forgiveness rules)

- defined, 80(1)
- excluded from rule where share issued in exchange for debt, 80(2)(g)

Excluded seller

- defined, for digital platform operator reporting rules, 282(1)

Excluded share

- re Part X tax on DPSPs
- • defined, 204
- • excluded from equity share, 204“equity share”(a), (b)

Excluded shares

- defined, for income-splitting tax, 120.4(1)

Excluded subsidiary entity

- defined, for SIFT trust definition, 122.1(1)

Excluded trust

- defined
- foreign reporting rules, 233.6(2)
- qualifying environmental trust rules, 211.6(1)
- shareholder benefit rules, 15(1.4)(d)

Excluded withdrawal

- defined
- for Home Buyers' Plan, 146.01(1)
- for Lifelong Learning Plan, 146.02(1)
- not taxable, 146(8), (8.01)

Exclusive economic zone

- application of legislation to, *Interpretation Act* 8(2.1)
- defined, *Interpretation Act* 35(1)
- SR&ED performed in, deemed performed in Canada, 37(1.3)

Executive compensation repayment amount

- defined, for Canada Emergency Wage Subsidy, 125.7(1)
- repayment of part of wage subsidy, 125.7(14), (14.1)

Executive remuneration

- defined, 125.7(1)

Executor, see also Legal representative

- certificate required by, before distribution, 159(2)
- deemed to be legal representative, 248(1)“legal representative”
- obligations of, 159
- return required by, 150(3)
- withholding tax, liable for, 227(5), (5.1)(i)

Exempt activity

- for tobacco manufacturers' surtax, 182(2)
- defined, 182(2)
- no surtax on, 182(2)“tobacco manufacturing”

Exempt amount

- defined, for non-resident trust rules, 94(1)

Exempt capital gains balance (re flow-through entity)

- after 2004, added to adjusted cost base, 53(1)(p)
- defined, 39.1(1), (7)
- used to reduce capital gain, 39.1(2)–(6)

Exempt collective investment vehicle

- defined, for Common Reporting Standard, 270(1)

Exempt contribution (to TFSA)

- defined, 207.01(2)
- permitted, 207.01(1)“excess TFSA amount”A(b), 207.01(1)“unused TFSA contribution room”B(ii)

Exempt corporation, see also Exempt person

- becoming or ceasing to be exempt, 149(10)
- capital dividend account, 89(1.2)
- deemed disposition/acquisition of depreciable property, 13(7)(f)
- loss carryover, restriction, 149(10)(c)
- resource expenses, rules, 66.7(10)
- electronic filing not required, Reg. 205.1(2)(d)
- for CCUS credit knowledge sharing, defined, 211.92(1)
- Parts IV, IV.1, VI and VI not applicable, 227(14)

Exempt dealer compensation payment

- defined, for hybrid mismatch rules, 18.4(1)

Exempt deficit (of foreign affiliate)

- defined, Reg. 5907(1)

Exempt earned income

- contribution of, to PRPP, 147.5(31)–(34)
- defined, for pooled registered pension plan, 147.5(1)

Exempt earnings (of foreign affiliate)

- defined, Reg. 5907(1)

Exempt foreign trust

- defined, 94(1)

Exempt gains balance, see also Exempt capital gains balance (re flow-through entity)

- defined, 14(5) [before 2017]
- effect of excessive election, 14(9) [before 2017]

Exempt income

- defined, 248(1)
- under treaty, used in calculating clawback, Canada-U.S. Tax Treaty:Art. XXIV:10

Exempt-income contribution amount

- defined, for pooled registered pension plan, 147.5(1)
- reduces unused RRSP deduction room, 146(1)“unused RRSP deduction room”B(iv)

Exempt interest and financing expenses

- defined, for interest deduction restrictions, 18.2(1)

Exempt loan of transfer

- defined, re loans to non-residents, 17(15)

Exempt loss (of foreign affiliate)

- defined, Reg. 5907(1)

Exempt person, see also Exempt corporation

- capital gains and losses, 40(2)(a)(i)
- exchanges of property, determination of gain, 44(7)
- for investments by deferred income plans
- defined, Reg. 4901(2)“connected shareholder”B, 4901(2)“designated shareholder”A(ii)
- for non-resident trust (NRT) rules
- defined, 94(1)
- excluded from NRT rules, 94(1)“contributor”, 94(1)“resident beneficiary”
- no reserve for amount not due until later year, 20(8)
- obligation issued at discount by, 16(2), (3)
- partnership of, effect where taxable partner joins, 96(8)
- sale of Canadian resource property by, 66.6
- U.S. charitable organization, Canada-U.S. Tax Treaty:Art. XXI

Exempt policy

- defined, 12.2(11), Reg. 306

Exempt property

- for specified leasing property CCA rules
- defined, Reg. 1100(1.13), (1.14)
- excluded from specified leasing property, Reg. 1100(1.11)
- for trusts' 21-year deemed disposition rule
- defined, 108(1)
- excluded from deemed disposition, 104(4), (5), (5.2)

Exempt service

- defined, for non-resident trust rules, 94(1)
- excluded from service being a deemed transfer of property, 94(2)(f)

Exempt shares percentage

- defined, for private foundations, 149.1(1)

Exempt surplus (of foreign affiliate)

- adjustment where gain deemed due to negative adjusted cost base, 93(1)(b)(ii)
- deduction for dividend paid out of, 113(1)(a), Reg. 5900(1)(a)
- defined, 113(1)(a), Reg. 5907(1)
- portion of dividend deemed paid out of, Reg. 5900(1)(a)

Exempt trust

- defined, for FAPI rules, 95(1)
- defined, foreign reporting rules, 233.2(1), *see also* Exempt foreign trust

Exemption test policy

- defined, Reg. 306(3)

Exemption threshold

- deemed capital gain on donation of flow-through share, 40(12)
- defined, 54

Exemption-end time

- defined, for TFSA, 146.2(9)(a)

Exemptions, 81, 149, see also Grandfathering

- agricultural organizations, 149(1)(e), 149(2)

Index

Exemptions (*cont'd*)

- apportionment rule, 149(6)
- Association of Universities and Colleges of Canada, 149(1)(h.1)
- basic, re minimum tax, 127.53
- benevolent or fraternal benefit society, 149(4)
 - limitation, 149(4)
- benevolent society, 149(1)(k)
- boards of trade, 149(1)(e), 149(2)
- capital gains, 110.6, *see also* Capital gains deduction
 - principal residence, *see* Principal residence
 - transfer of shares to employee ownership trust, 110.61
- chambers of commerce, 149(1)(e), 149(2)
- charitable organization, 149(2)
- compensation by Federal Republic of Germany, 81(1)(g)
- Crown corporations, 149(1)(d)–(d.4)
 - exception, 27(1), (2)
- employee of foreign country, 149(1)(a)
 - family and servants of, 149(1)(b)
- expenses of gaining exempt income not deductible, 18(1)(c)
- fraternal benefit society/order, 149(1)(k)
- funeral arrangements, 148.1(2), 149(1)(s.1)
- general, 149
- Governor General's stipend, 81(1)(n)
- Halifax disaster pension, 81(1)(f)
- housing corporation, 149(1)(i), 149(2)
- income from aircraft operated by non-resident, 81(1)(c)
- income from international shipping, 81(1)(c), (c.1), 250(6)–(6.05)
- income from ship operated by non-resident, 81(1)(c)
- insurer of farmers and fishermen [repealed], 149(1)(t), 149(4.2)
 - limitation, 149(4.1)
- labour organizations, 149(1)(k)
- master trust, 149(1)(o.4)
- mines, Reg. Part XIX [Revoked]
- municipal authorities, 149(1)(c)
- municipal corporations, 149(1)(d.6)
- mutual insurance corporations, 149(1)(m)
- non-profit corporation for scientific research, 149(1)(j), 149(2)
- non-profit organizations, 149(1)(l), 149(2)
 - deemed trust, 149(5)
- pension corporation, 149(1)(o.1), (o.2)
- pension trust, 149(1)(o)
- personal, *see* Personal credits
- personal injury award, income from, 81(1)(g.1), (g.2)
- principal residence, *see* Principal residence
- prisoners of war, compensation paid to, 81(1)(d)
- prospecting, 81(1)(l)
- provincial corporations, 149(1)(d)–(d.4)
- provincial indemnity, 81(1)(q)
- RCA trust, 149(1)(q.1)
- RCMP pensions, 81(1)(i)
- registered charities, 149(1)(f)
- scholarships, *see* Scholarship exemption
- scientific research corporation (non-profit), 149(1)(j), 149(2)
 - control, rules re, 149(8)
 - rules as to income, 149(9)
- service and other pensions, 81(1)(d)
- service pension from other country, 81(1)(e)
- small business investment corporation, 149(1)(o.3)
- social assistance payments, 110(1)(f)(ii)
- societies, 149(1)(l), 149(2)
 - deemed a trust, 149(5)
- statutory, 81(1)(a)
- trust
 - deferred profit sharing plan, 149(1)(s)
 - employees profit sharing plan, 149(1)(p)
 - registered disability savings plan, 146.4(5), 149(1)(u.1)

- registered education savings plan, under, 149(1)(u)
- registered retirement income fund, 149(1)(x)
- registered retirement savings plan, 149(1)(r)
- registered supplementary benefit plan, 149(1)(q)
- vacation pay plan, 149(1)(y)
- war savings certificate, 81(1)(b)
- workers' compensation, 110(1)(f)(ii)

Existing guaranteed life insurance policy

- defined, 211(1)

Existing plan

- defined, Reg. 8500(1)

Exiting Canada, *see* Ceasing to be resident in Canada

Expectation of profit

- required for business deduction, 18(1)(h), 248(1)“personal or living expenses”

Expected carbon intensity

- defined, for clean hydrogen tax credit, 127.48(1)

Expenditure, *see also* Expenses

- carbon capture, *see* CCUS tax credit
- defined
 - for rule disallowing deductions or credits for option or share issuance, 143.3(1)
 - for ruling disallowing contingent amounts and “right to reduce”, 143.4(1)
 - for tax shelter investment, 143.2(1)
- matchable, *see* Matchable expenditure

Expenditure pool (re investment tax credit), *see* SR&ED qualified expenditure pool

Expenses, *see also* Deductions in computing income

- advertising in non-Canadian periodicals etc., not deductible, 19
- advertising on non-Canadian broadcast media, not deductible, 19.1
- allowances for
 - taxable, 6(1)(b)
- annual value of property, not deductible, 18(1)(d)
- appeal, of, 60(o)
- automobile of employee
 - deductions allowed, 8(1)(j)
 - depreciation, 13(11)
- away-from-home
 - railway employee, 8(1)(e)
- borrowing money, 18(11), 20(1)(e), 21
- cancellation of lease, payment for, 20(1)(z), (z.1)
 - limitation on deductibility, 18(1)(q)
- capital outlay, not deductible, 18(1)(b)
- clearing farm land, 30
- club dues, not deductible, 18(1)(l)(ii)
- commission agent's, 8(1)(f), 13(11)
 - automobile or aircraft, 8(1)(j), 8(9)
 - certificate of employer, 8(10)
- construction of building or ownership of land, 18(3.1)–(3.7)
- convention, 20(10)
- development, *see* Canadian development expense
- drilling and exploration, defined, 66(15)“drilling or exploration expense”
- election, tax credit for, 127(3)–(4.2)
- employee, of, 8(1), (2)
- employee's automobile or aircraft, 8(1)(j), 8(9)
- exploration, *see* Canadian exploration expense; Exploration and development expenses
- food, beverages, entertainment, *see* Entertainment expenses (and meals)
- general limitation, 67
- improving farm land, 30
- incurred to gain exempt income, not deductible, 18(1)(c)
- interest, 18(11), 20(1)(c), 20(3)
 - borrowed money, on, 20(1)(c), 20(2)
 - used to acquire land, 18(3)

Expenses (*cont'd*)

- capitalization of, 21(1)
- compound, 20(1)(d)
- paid to acquire land, 18(2)
- paid to non-resident shareholder, 18(4)–(8)
- investigation of site, 20(1)(dd)
- “investment expense” defined, 110.6(1)
- issuing units, interests or shares, 20(1)(e)
- land drainage system, 30
- landscaping, 20(1)(aa)
- limitations on deductibility, 18(1)
- listing fee, 20(1)(g)
- meals, limitation, 8(4)
- medical, *see* Medical expenses
- mining taxes, 20(1)(v)
- moving, *see* Moving expenses
- objection or appeal, of, 60(o)
- performing duties of office or employment, deduction, 8(1)(i)
- personal or living, not generally deductible, 18(1)(h)
- personal services business, limitation re, 18(1)(p)
- prepaid
 - amalgamation, on, 87(2)(j.2)
 - limitation on deductibility, 18(9)
- printing financial report, 20(1)(g)
- reasonableness criterion, 67
- recreational facilities, 18(1)(l)
- relieving telegrapher or station agent, 8(1)(e)
- representation, 20(1)(cc)
 - deemed capital cost allowance, 13(12)
 - election to defer, 20(9), Reg. 4100
- research and development, 37
- salesperson’s, deduction, 8(1)(f)
 - certificate of employer, 8(10)
- scientific research and experimental development, 37
- selling units, interests or shares, 20(1)(e)
- share transfer fees, 20(1)(g)
- taxes on unproductive land, not deductible, 18(2)
- tile drainage, 30
- transport employee’s, 8(1)(g)
- travelling, *see* Travelling expenses
- unpaid for more than 2 years, 78
- utilities service connection, 20(1)(ee)
- yachts, camps, clubs etc., no deduction, 18(1)(l)

Exploration and development expenses

- borrowing for, 21(4)
- Canadian, *see* Canadian exploration and development expenses
- foreign, *see* Foreign exploration and development expenses
- joint exploration corporation, *see* Joint exploration corporation
- limitation, 66(13)
- recovery of, 59(3.2)
- where change in control, 66(11.4), (11.5)

Exploration and development grants, deductions, 20(1)(kk)**Exploration and development shares, *see also* Flow-through shares**

- cost to taxpayer, 66.3(1)(a)(iii)
- whether inventory, 66.3(1)(a)(ii)

Exploration and drilling rights

- dealers in, limitation, 66(5)

Export Development Canada

- loan guaranteed by, no UK withholding tax, Canada–U.K. Tax Treaty:Art. 11:3(a)

Exporting resource, Reg. 1206(1)**Exposure to a designated country**

- defined, Reg. 8006

Express consent

- defined, Reg. 209(4)

Expropriation

- amount paid constitutes proceeds of disposition, 13(21)“proceeds of disposition”(d), 54“proceeds of disposition”(d)
- foreign assets, *see* Expropriation assets
- resource properties, 59.1
- rollover where property replaced, 13(4), (4.1), 44

Expropriation assets

- acquired from foreign affiliate, 80.1(4)–(6)
- adjusted cost base of, 80.1(2)(b)
- adjusted principal amount, 80.1(7)
 - currency in which computed, 80.1(8)
- cost base, addition to, 53(1)(k)
- deductions from, 53(2)(n)
- election re, 80.1(1), Reg. 4500
- income from, computation of, 80.1(2)(a)
- interest and capital amounts received at same time, 80.1(3)
- interest on
 - election re, 80.1(2)
- sale of foreign property, for, 80.1

Extended motor vehicle warranty

- defined (insurance policy reserves) [repealed], Reg. 1408(1)

Extension of time

- to file appeal
 - by Tax Court, 167
- to file election or application, 220(3.2)
- to file notice of objection
 - by Minister, 166.1
 - by Tax Court, 166.2
 - deadline for requesting, 166.1(7)(a)
- to file notice of qualified dependant for Canada Child Benefit, 122.62(2)
- to file return, 220(3)
- to invest in labour-sponsored venture capital corporation, 127.4(5.1)
- to make or revoke election or designation, 220(3.2)
- to make RRSP contribution, 146(22)
- to post security for departure tax, 220(4.54)

Extinct shellfish, *see* Ammonite gemstone**Eyeball Networks case overruled, 160(5)(c)****Eyeglasses, as medical expense, 118.2(2)(j)****F****FABI, *see also* Foreign accrual business income**

- underlying, *see* Underlying FABI surplus tax

FABI surplus

- defined, 93.4(1)

FACL, *see* Foreign accrual capital loss**FAD, *see* Foreign affiliate dumping****FAPI, *see* Foreign accrual property income****FAPL, *see* Foreign accrual property loss****FAPI year**

- defined, Reg. 5907(1.5)

FATCA, *see* Foreign Account Tax Compliance Act (U.S.)**FEDE, *see* Foreign exploration and development expenses****FHSA, *see* First Home Savings Account****FHSA carryforward**

- defined, 146.6(1)

FICT, *see* Fixed interest commercial trust**FIE, *see* Foreign investment entity****FIGE, *see* Financial institution group entity****FINTRAC, *see also* Financial Transactions and Reports Analysis Centre (FINTRAC)**

- provision of information by CRA to, for limited purposes, 241(4)(d)(xv)

FMV, *see* Fair market value

FOI, *see* Foreign ordinary income; Freedom of information

FRE, *see* Foreign resource expenses

FTC, *see* Foreign tax credit

FTCMME, *see* Flow-through critical mineral mining expenditure

FTS, *see* Flow-through shares

FVA, *see* Fair value amount

Facsimile machine, *see* Fax machine

Factoring of accounts

- income of foreign affiliate from, 95(1)“investment business”
- accounts arising in active business of related corporation, 95(2)(a)(iii), Reg. 5907(1)“exempt earnings”(d)(ii)(J)

Failure to file return, *see* Returns: failure to file, penalty

Failure to keep records, 230(3)

Failure to remit withheld taxes, 227(9)

- penalty applicable only on amounts over \$500, 227(9.1)
- salary or wages, from, 227(9.5)

Failure to withhold tax, 227(8)

- assessment for, 227(10)
- salary or wages, from, 227(8.5)

Fair market value

- charitable donation of property, limited to cost, 248(35)–(38)
- cultural property, donated, 118.1(10)
- deemed disposition at, *see* Disposition: deemed
- defined, 69(1) (Notes)
- ecological gift, 118.1(10.1)–(10.5)
- certificate, 118.1(10.5)
- inadequate considerations deemed to be, 69
- exceptions re pre-1972 property, ITAR 32
- inventory property, of, 10(1), (4)
- meaning of, 69(1) (Notes)
- property donated or contributed, limited to cost, 248(35)–(38)
- property of deceased, 70(5.3)
- publicly-traded securities held since before 1972, ITAR 26(11)
- share
 - disposed of on death, 70(5.3)
 - foreign affiliate, of, ITAR 26(11.1), (11.2)
 - that is not capital property, 112(4.1)
- transfer at, to spouse or minor, 74.5(1)
- trust, capital interest in, 107.4(4)
- held as inventory, 107(1.2)
- trust for benefit of spouse, 70(8)(a)
- undivided interest in property transferred by tax debtor, 160(3.1)
- V-day election, Reg. 4700, Reg. Sch. VII

Fair value amount

- defined, for alternative interest-deduction restrictions, 18.21(1)

Fair value property

- defined, for mark-to-market rules, 142.2(1)

Fairness package (1991), *see* Taxpayer relief

False statement, *see also* Penalty: false statement

- defined, for third-party penalty, 163.2(1)
- offence, 239(1), (1.1)
- penalty, 163(2)
- charity receipt, 188.1(9), (10)
- third-party penalty, 163.2

Family allowances, *see* Canada Child Benefit

Family Caregiver credit

- additional amount, 118(1)B(a)(ii)C(A), 118(1)B(b)(iv)D(A), 118(1)B(b.1)
- base amount for infirm adult relative, 118(1)B(d)

Family farm or fishing corporation/partnership

- capital gains exemption on disposition, 110.6(2), (31)
- farm or fishing property leased to
 - transfer of, 70(9.8)
- interest in partnership, defined, 70(10)“interest in a family farm or fishing partnership”

- share of corporation, defined, 70(10)“share of the capital stock of a family farm or fishing corporation” 110.6(1)
- transfer of
 - *inter vivos*, 73(4), (4.1)
 - on death, 70(9.2), (9.21), (9.3), (9.31)
 - to parent, 70(9.6)

Family law, *see* Province: laws of; Spouse

Family Orders and Agreements Enforcement Assistance Act

- Canada Child Benefit payments not garnishable under, 122.61(4)(e)
- disclosure of taxpayer information for purposes of, 241(4)(e)(vii)

Family Support Plan

- payroll deduction reduces source withholding, Reg. 100(3)(d)

Family Tax Cut (2014–15 only), 119.1

Farm Income Protection Act, *see also* Net income stabilization account; NISA Fund No. 2

- payment received under, taxable, 12(1)(p)
- information return, Reg. 234–236
- premium paid under, deductible, 20(1)(ff)

Farm land, *see also* Farm or fishing property

- addition to adjusted cost base, 53(1)(i)
- improving, expenses deductible, 30
- instalment on sale of, not considered payment from production, 12(1)(g)

Farm loss

- amalgamation, on, 87(2.1)
- defined, 111(8)“farm loss”, (9), 248(1)
- determination of, by Minister, 152(1.1), (1.2), (1.3)
- drought, due to, *see* Drought or flood region: prescribed
- flood, due to, *see* Drought or flood region: prescribed
- includes fishing loss, 111(8)“farm loss”A(a)(i)
- limitation on deductibility, 111(3)
- partnership, from, 96(1)
- reassessment, 152(6)(c)
- reduction of, on debt forgiveness, 80(3)(b)
- restricted, 31(1), (1.1), *see also* Restricted farm loss

Farm or fishing property

- disposition by partnership, 101
- family farm or fishing corporation or partnership, transfer of, 70(9.2), (9.21)
- investment tax credit, 127(9)“qualified property”(c)(ii)
- leased, transfer of, 70(9.8)
- qualified
 - capital gains exemption, 110.6(2)
 - defined, 110.6(1)
 - transfer of
 - from spouse’s trust, to children, 70(9.1), (9.11)
 - *inter vivos*, to child, 73(3), (3.1)
 - reserve, 44(1.1)
 - to farmer’s child, ITAR 26(18), (19)
 - on death, 70(9), (9.01)
 - to parent, 70(9.6)

Farm quota

- capital gains exemption, 110.6(1)“qualified farm property”(d)

Farm support payments, *see also* Farm Income Protection Act

- defined, Reg. 234(2)
- information slips for payments under, Reg. 234–236

Farmer

- capital gain
 - principal residence, exclusion of, 40(2)(c)
- cash method of computing income, 28(1)
- instalments, 155
- payments to, income, 12(1)(p)
- transfer of farm property by, to child
 - *inter vivos*, 73(3), (3.1)
 - on death, 70(9), (9.01)

Farming

- business
- capital cost allowance (pre-1972 property), Reg. Part XVII
- cash-base method of calculation, 28
- ceasing to carry on, 28(4), (5)
- expenses deductible, 30
- inventory
 - acquisition of, 28(1.1)
 - valuation of, 28(1.2), (1.3), Reg. 1802
- losses, deduction for
 - adjustment to cost base of land, 53(1)(i), 111(6)
 - partnership, disposition of land used in, 101, 111(7)
- prepaid expenses, 28(1)(e), (e.1)
- crop insurance, *see Farm Income Protection Act*
- defined, 248(1)
- drought, sales during, *see Drought or flood region: prescribed*
- exempt from tobacco manufacturers' surtax, 182(2)“exempt activity”(a)
- farm loss, defined, 111(8)
- flood, sales during, *see Drought or flood region: prescribed*
- income deferred from destruction of livestock, 80.3
- inventory
 - acquisition of, 28(1.1)
 - amalgamation, on, 87(2)(b)
 - transfer to corporation, 85(1)(c.2)
 - valuation of, 28(1.2), (1.3), Reg. 1802
 - winding-up, on, 88(1.6)
- losses, deduction for, 31
- reduction in basic herd, 29(2)
- election re, 29(1)
- restricted farm loss, *see Restricted farm loss*
- stabilization payments and fees, 12(1)(p), 20(1)(ff)

Farming activities

- for carbon tax refund to farmers, 127.42(1)

Fax machine

- capital cost allowance, Reg. 1101(5p), Reg. Sch. II:Cl. 10(f)

Feasibility study

- re investigation of site, deductible, 20(1)(dd)

Federal body

- defined, Reg. 237(1)

Federal Court

- defined, *Federal Courts Act* s. 4
- registration of certificate re amount payable, 223(3)
- charge on land, 223(5), (6)

Federal Court of Appeal

- appeal to
 - Canadian amateur athletic association, revocation or refusal to register, 172(3)(a)
 - charity revocation or refusal to register, 172(3)(a.1)
 - DPSP, refusal to register, 172(3)(c)
 - from Tax Court, *Tax Court of Canada Act* ss. 17.6, 18.24
 - qualified donee revocation or refusal to register, 172(3)(a.2)
 - RESP, refusal to register, 172(3)(e)
 - RRIF, refusal to register, 172(3)(f)
 - RRSP, refusal to register, 172(3)(b)
- defined, *Federal Courts Act* s. 3
- proceedings in camera, 179

Federal credit union

- defined, 248(1)
- excluded from definition of “bank”, 248(1)“bank”
- provincial allocation of income, Reg. 404.1

Federal Crown corporation, *see Crown corporation***Federal government, *see Government*****Federal-Provincial Fiscal Arrangements and Established Programs Financing Act**

- agreement under, 228

Federal sales tax

- refund of, taxable, 12(1)(x)(iv)

Federal sales tax credit, *see also Goods and services tax (GST)***Fee, *see also Fees***

- defined
- for notifiable-transaction rules, 237.4(1)
- for reportable-transaction rules, 237.3(1)

Feeding oneself

- defined, 118.4(1)(e)
- impairment with respect to
- certification by occupational therapist or physician
 - for disability credit, 118.3(1)(a.2)(iv)
- eligibility for disability credit, 118.4(1)(c)(ii)

Feedlot Health case overruled, 37(8)(a)(ii)(B)(II)**Fees**

- directors, 6(1)(c)
- included in income, 6(1)(c)
- investment counsel, 20(1)(bb)
- share transfer, deduction for, 20(1)(g)
- withholding tax, 153(1)(g)

Fees for an individual's tuition

- defined, 118.5(3)

Fellowship, *see Scholarship***Fence**

- capital cost allowance for, Reg. Sch. II:Cl. 6
- in amusement park, CCA, Reg. Sch. II:Cl. 37

Ferrel case overruled, 120.4**Fertility treatment**

- medical expense credit, 118.2(2)(v)
- medical infertility not required, 118.2(2.2)
- surrogacy expenses, 118.2(2.21)

Festival organizer relief (COVID), Reg. 8901.1(2)(b)(xx)(A), *see also Qualifying tourism or hospitality entity***Fiat currency**

- defined, for digital platform operator reporting rules, 282(1)

Fiat demerger spinoff, Reg. 5600(d)**Fibre-optic cable**

- capital cost allowance, Reg. Sch. II:Cl. 42(a)
- supporting equipment, Reg. Sch. II:Cl. 3(l)

Fiduciary, *see Legal representative; Trustee***Field processing, *see Canadian field processing*****Fifth Supplement, *see Revised Statutes of Canada, 1985 (5th Supp.)*****Figuroa case responded to, 127(3.3) Notes****Filing deadlines, *see also Deadlines***

- agreement to transfer forgiven amount (debt forgiveness rules), 80.04(6)(a), 80.04(7)
- annual returns, 150(1)
- claims for SR&ED
- deductions, 37(1), (8)
- investment tax credits, 127(9)“investment tax credit”(m)
- designation to flow out capital gains from trust, 104(21)–(21.03)
- discontinued business, Reg. 205(2)
- election to trigger capital gains exemption, 110.6(24)
- revocation or amendment, 110.6(25), (27)
- expiring on Sunday or holiday, *Interpretation Act* s. 26
- extension by Minister, 220(3)
- information returns (T4, etc.), Reg. 205(1)
- distribution from foreign trusts, 233.5(1)
- foreign affiliates, 233.4(4)
- foreign property, 233.3(3)
- payments to non-residents, Reg. 202(7), (8)
- registered pension plan, Reg. 8409
- transfer of property to foreign trust, 233.2(4)
- interest offset applications, 161.1(3)(c)

Index

Filing deadlines (*cont'd*)

- investment tax credit claims, 127(9)“investment tax credit”(m)
- preferred beneficiary election, 104(14)–(14.02)
- scientific research claims, 37(11), 127(9)“investment tax credit”(m)
- no extension allowed, 220(2.2)
- section 85 rollover, 85(6), (7)
- tax returns, 150(1)

Filing-due date, 150(1)

- defined, 248(1)

Filing electronically, *see* Electronic filing

Film, *see* Motion picture film

Film agency

- prescribed person for Canadian film/video tax credit, Reg. 1106(10)

Film credit, *see* Canadian film or video tax credit; Film or video production services credit

Film or video production services credit, 125.5, *see also* Canadian film or video tax credit

- amalgamation of corporations, 87(2)(j.94)
- refund of credit before assessment, 164(1)(a)(ii)
- refundable credit, 125.5(3)
- revocation of certificate, 125.5(6)

Film property

- defined, for minimum tax purposes, 127.52(3)

Filter

- air or water, medical expense credit, Reg. 5700(c.1)

Finance comfort letters, *see* Table of Comfort Letters

Financial account

- defined, for Common Reporting Standard, 270(1)

Financial account identifier

- defined, for digital platform operator reporting rules, 282(1)

Financial accounts of non-residents

- reporting required, *see* Common Reporting Standard; *Foreign Account Tax Compliance Act*

Financial aid, *see* Assistance/government assistance; Reimbursement

Financial asset

- defined, for Common Reporting Standard, 270(1)

Financial difficulty (taxpayer in)

- debt forgiveness reserve for insolvent corporation, 61.3
- replacement obligations, exemption from non-resident withholding tax, 212(3)
- share, 248(1)“term preferred share”(e), *see also* Distress preferred share

Financial holding corporation

- defined, for EIFEL rules, 18.2(1)

Financial institution, *see also* Bank; Insurance corporation; Investment dealer; Moneylender; Restricted financial institution

- accounting rule changes, transitional rules, 142.51
- amalgamation of, 87(2)(g.2)
- bad debt deduction, 20(1)(p)(ii)
- becoming, 142.6(1)(a), (b)
- ceasing to be, 142.6(1)(a), (c)
- debt obligation owned by, *see* Specified debt obligation
- defined
 - for charitable donations, 118.1(20)
 - for Common Reporting Standard, 270(1)
 - for financial institutions capital tax, 190(1)
 - for insurance corporations, Reg. 2400(1)
 - for Large Corporations Tax, 181(1)
 - for mark-to-market rules, 142.2(1)
 - for stop-loss rules, 112(6)(c), 142.2(1)
 - re disposition by financial institutions, Reg. 9200(1)
- dividends received by
 - dividend deduction denied, 112(2.01)–(2.03)

- mark-to-market property, effect on sale of share, 112(5)–(5.2)
- ineligible for election to treat Canadian securities as capital property, 39(5)(b)
- interference with remittance of tax, 227(5.2)–(5.4) (1995 draft, abandoned)
- mark-to-market property, *see* Mark-to-market property; Specified debt obligation
- non-resident, *see* Non-resident: financial institution
- Part VI tax, 190–190.211
- deductible in computing branch tax liability, 219(1)(h)(i)
- instalments, 157(1)
- rates, 190.1(1)
- short taxation year, 190.1(2)
- unused, reassessment re, 152(6)(e)
- prescribed
 - for foreign affiliate rules, 95(2)(a.3), 95(2.5)“specified deposit”, Reg. 7900
- remittance of tax through, 229 [repealed]
 - by large employers, required, 153(1), (1.4), Reg. 110
 - reserve for doubtful debts, 20(1)(l)(ii)
- restricted, *see also* Restricted financial institution
 - election by mutual fund/investment corporation to not be, 131(10)
 - receiving dividends on taxable RFI shares
 - information return, 187.5
 - partnerships, 187.4
 - tax payable, 187.3(1)
 - time of acquisition of share, 187.3(2)
- safety deposit box rented from, no deduction, 18(1)(l.1)
- specified
 - defined, 248(1)
 - dividends received by, 112(2.1), (2.2)
 - guarantee agreement re shares, 112(2.2)–(2.22)
 - related corporations, 248(14)
 - superficial loss of, 18(13)–(16), 142.6(7)
- transitional rules for accounting rule changes, 142.51
- windup of, *see* Winding-up: financial institution

Financial institution group entity

- defined, for interest deduction restrictions, 18.2(1)

Financial instrument

- defined, for hybrid mismatch arrangement rules, 18.4(1)

Financial intermediary corporation, defined, 191(1)

Financial Transactions and Reports Analysis Centre (FINTRAC)

- provision of charity information to, for security purposes, 241(9), (9.1)

Financially dependent child or grandchild, *see* Child: financially dependent

Financing fees

- deduction for, 20(1)(e), (e.1)
- election to capitalize, 21

Financing lease, *see* Direct financing lease

Financing subsidy

- provided by employer, taxable, 6(23)

Fine

- imposed for offence under ITA, *see* Offences
- non-deductible, 67.6

Finland, *see also* Foreign government

- stock exchange recognized, 262

Fire alarm indicator

- visual, for the hearing impaired, medical expense credit, Reg. 5700(q.1)

Firefighter

- killed in line of duty, tax-free benefit to families, 81(1)(j)
- pension accrual to retire early, *see* Public safety occupation
- vehicle of, deemed not to be automobile, 248(1)“automobile”(b.1)

Firefighter (*cont'd*)

- volunteer
- credit if performs 200 hours per year, 118.06(2)
- employment income exemption, 81(4)

First day of commercial operations

- defined, for CCUS credit, 127.44(1)

First day of the compliance period

- defined, for clean hydrogen tax credit, 127.48(1)

First Home Savings Account, 146.6

- administration fees, non-deductible, 18(1)(u)
- bankruptcy, effect of, 128(2)(d.3)
- carrying on business, 146.6(3)
- holder jointly liable with FHSA for tax, 146.6(4)
- ceasing to be, 146.6(17)
- conditions for, 146.6(2)
- contribution to
 - attribution rules do not apply, 74.5(12)(d)
 - deduction for, 60(i), 146.6(5)
 - excess contribution, 207.01(1)“excess FHSA amount”, 207.021
 - survivor subject to overcontributions tax, 207.022
 - no deduction for interest on borrowed money, 18(11)(k)
- death of holder, 146.6(1)“annual FHSA limit”(c)(ii), 146.6(13)–(15)
- deduction for contribution to, 60(i), 146.6(5)
- deduction limit, 146.6(1)“annual FHSA limit”
- defined, 146.6(1), 248(1)
- disposition of property to, capital loss nil, 40(2)(g)(iv)(A)
- emigration of beneficiary, no deemed disposition, 128.1(10)“excluded right or interest”(e)(iii.1)
- excluded from annual interest accrual rules, 12(11)“investment contract”(d.2)
- excluded from various trust rules, 108(1)“trust”(a)
- exempt from tax, 146.6(3), 149(1)(u.4)
- income inclusion from, 56(1)(z.6), 146.6(3), (6), (9), (11), (14), (17)
- investment counselling fees, non-deductible, 18(1)(u)
- no tax on, 146.6(3), 149(1)(u.4)
- not required to report for FATCA, Reg. 9005(p), 9006(l)
- overcontributions, 207.01(1)“excess FHSA amount”, 207.021
 - survivor subject to 207.021 overcontributions tax, 207.022
- payment from
 - income inclusion, 56(1)(z.6), 146.6(6)
 - non-resident withholding tax, 212(1)(y)
 - withholding at source, 153(1)(v)
- reversionary trust rules do not apply, 75(3)(a)
- services in respect of, non-deductible, 18(1)(u)
- T3 trust return not required, Reg. 204(3)(h)
- tax on advantage, 207.05
- tax on excess contributions, 207.021
 - survivor subject to 207.021 overcontributions tax, 207.022
- tax on non-qualified investment or prohibited investment, 207.04(1)
- transfer from
 - tax-free to FHSA, RRSP or RRIF, 146.6(7), (8)
 - taxable, 146.6(9)
 - withdrawals included in income, 146.6(6)
- transfer to
 - capital loss deemed nil, 40(2)(g)(iv)(A)
 - from RRSP, 146(16)(a.2)
- used as security for loan, 146.6(11)
- withdrawals included in income, 146.6(6)

First instalment base

- of corporation, 157(4), Reg. 5301(1)

First Nations, *see also* Indian

- drinking water class action settlement, no tax, 81(1)(g.3)(i)(D)

First Nations Tax, *see also* Indian

- federal credit for, 120(2.2)

- instalments, 156.1(1)“net tax owing”(b)B, E, F, 156.1(1.3)
- tax evasion offences, 239(5)

First project period

- defined, for CCUS credit, 211.92(1)

First recovery taxation year

- defined, for CCUS credit, 211.92(1)

First responders

- fallen in duty, tax-free benefit to families, 81(1)(j)

First term shared-use-equipment, for R&D investment tax credit

- defined, 127(9)

First-time donor

- defined, 118.1(1)
- super-credit for charitable donations, 118.1(3.1), (3.2)

First-time home buyer

- credit, *see* First-Time Home Buyer's Credit
- Home Buyer's Plan eligibility, 146.01(1)“regular eligible amount”(e), (f)

First-Time Home Buyer's Credit and Disability Home Purchase Credit, 118.05

- amount of credit (\$1,500), 118.05(3)
- apportionment among multiple claimants, 118.05(4)

First-year rule, depreciable property, Reg. 1100(2)–(2.4)**Fiscal period**

- business, of, 11(2)
- change of control, on, 249(4)(d)
- deemed end on emigration, 128.1(4)(a.1)
- deemed end where exceeds 365 days, 249(3)(b)
- defined, 249.1
 - not to be changed without CRA permission, 249.1(7)
 - partnership election to align with corporate partners, 249.1(8)–(11)
- election for non-calendar year, 249.1(4), (5)
- annual income inclusion where election made, 34.1
- late filing, Reg. 600(b.1)
- election on termination of proprietorship, 25
- member of terminated partnership
 - election re, 99(2)–(4)
- ending in a taxation year, 249(2)(b)
- reference to, 249(2), (3)

Fiscal year

- of MNE group, defined for country-by-country reporting, 233.8(1)

Fisher, *see* Fishing**Fisherman**, *see also* Fishing

- defined, Reg. 105.1(1)

Fishing

- business
 - ceasing to carry on, 28(4), (5)
 - cash method, 28(1)
 - instalments required, 155
 - loss from, constitutes farm loss, 111(8)“farm loss”A(a)(i)
- cod compensation, *see* compensation programs (*below*)
- compensation programs
 - payments received under, taxable, 56(1)(a)(vi), Reg. 5502(c)
 - withholding of tax at source, 153(1)(m), Reg. 5502(c)
- repayment of benefits, deductible, 60(n)(v)
- defined, 248(1)
- expedition, by CRA, 231.2(3)
- family fishing corporation or partnership, *see* Family farm or fishing corporation/partnership
- income from
 - election re source deductions, Reg. 105.1
 - instalments and payment of balance, 155
- losses, 111(8)“farm loss”A(a)(i), *see also* Farm loss
- not eligible for manufacturing & processing credit, 125.1(3)“manufacturing or processing”(a)

Index

Fishing (*cont'd*)

- property
 - *inter vivos*, 73(3)–(4.1)
 - investment tax credit, 127(9)“qualified property”(c)(ii)
 - on death, 70(9)–(9.31)
 - transferred to child
 - when available for use, 13(27)(g)
- quota, 110.6(1)“qualified fishing property”(d)
- vessel
 - capital cost allowance, Reg. 1100(1)(i), 1101(2a), Reg. Sch. II:Cl. 7
 - leased to controlled corporation, investment tax credit, 127(9)“qualified property”(d)(iv)

Fishing camps relief (COVID), Reg. 8901.1(2)(b)(xii), *see also* Qualifying tourism or hospitality entity

Fishing charters relief (COVID), Reg. 8901.1(2)(b)(vi), *see also* Qualifying tourism or hospitality entity

Fishing expedition, 231.2(3)

Fitness clubs relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(I), *see also* Qualifying tourism or hospitality entity

Fitness credit, *see* Children’s Fitness Credit (pre-2017)

Five full-time employees, *see* Six employees test

Fixed interest, *see also* Specified fixed interest

- defined
- for loss restriction event rules for trusts, 251.2(1)
- for non-resident trust rules, 94(1)

Fixed interest commercial trust

- defined, for interest deduction restrictions, 18.2(1)

Fixed location fuel cell systems or equipment

- capital cost allowance, Reg. Sch. II:Cl. 43.1(a)(ii.1)

Fixed payment obligation

- defined, Reg. 9100

Flared gas, *see* Solution gas

Flat benefit provision (of pension plan)

- defined, Reg. 8300(1)

Flipped property (housing unit)

- deemed to be inventory and not capital property, 12(12)
- defined, 12(13)

Flood region, *see* Drought or flood region

Floorcovering installer

- apprenticeship job creation credit, 127(9)“investment tax credit”

Flow-through

- adjusted cost base of option, to share, partnership interest or trust interest, 49(3.01)
- Canadian development expense, to shareholder, 66(12.62)
- Canadian exploration expense, to shareholder, 66(12.6)
- Canadian oil and gas property expense, to shareholder, 66(12.64)
- corporate income to shareholder, *see* Integration
- corporation’s capital gain, untaxed portion, 83(2)
- death benefit, through trust or estate, 104(28)
- entity, *see* Flow-through entity (re capital gains exemption)
- intercorporate dividends, 82(1)(a), (a.1), 112(1)
- investment tax credits on windup, 88(1)(e.3)
- paid-up capital deficiency, on conversion of shares, 51(3), 86(2.1)
- partnership income to partner, 96(1)
- limited to amount at risk, 96(2.1)–(2.7)
- qualifying environmental trust income to beneficiary, 107.3(1)
- shares, *see* Flow-through shares
- trust capital gains to beneficiary, 104(21)
- trust income to preferred beneficiary, 104(14)
- trust pension benefits to beneficiary, 104(27)

Flow-through critical mineral mining expenditure

- defined, 127(9)
- reduction for assistance received, 127(11.1)(c.21)

- investment tax credit for, 127(5)(a)(i), 127(9)“investment tax credit”(a.21)
- carryforward or carryback, 127(9)“investment tax credit”(c)
- reduces CCEE, 66.1(6)“cumulative Canadian exploration expense”L

Flow-through entity (re capital gains exemption)

- adjusted cost base, addition to, 53(1)(p)
- amalgamation of, 87(2)(bb.1)
- defined, 39.1(1)
- distribution of property to beneficiary, 107(2.2)
- reduction in capital gain, 39.1(2)–(6)
- sale of interest in, 39.1(7)

Flow-through mining expenditure

- defined, 127(9)
- reduction for assistance received, 127(11.1)(c.2)
- investment tax credit for, 127(5)(a)(i), 127(9)“investment tax credit”(a.2)
- carryforward or carryback, 127(9)“investment tax credit”(c)
- reduces CCEE, 66.1(6)“cumulative Canadian exploration expense”L

Flow-through share class of property

- deemed capital gain on donation of, 40(12)
- defined, 54

Flow-through shares, 66(12.6)–(12.75)

- amalgamation, effect of, 87(4.4)
- COVID-19 extensions, 66(12.6001), (12.731), 211.91(2.1)
- class of property, *see* Flow-through share class of property
- cost of, 66.3(3)
- defined, 66(15), 248(1)
- donation to charity, deemed capital gain, 40(12)
- capital dividend account impact, 89(1)“capital dividend account”(a)(i)(A), (B.1)
- subsequent rollover, 38.1
- information return, Reg. 228
- interest on renunciation for previous year, 211.91(1)
- minimum tax, 127.52(1)(d.2)
- mining exploration expenses in first 60 days of year, 66.1(8)
- not “tax shelter”, 237.1(1)
- oil, gas and coal eliminated as of April 2023, 66(12.6)(b.2)
- one-year look-back rule, 66(12.66)(a.1), 211.91
- paid-up capital, 66.3(4)
- prescribed, Reg. 6202.1
- renunciation of, 66(12.6), (12.62), (12.64), 66(12.73)
- Canadian development expenses
 - conversion to CEE before 2019, 66(12.601), (12.602)
- Canadian exploration expenses, 66(12.6)
- Canadian oil and gas property expenses, 66(12.64)
- expenses in first 60 days of the year, 66(12.66)
- member of partnership, by, 66(19)
- mining properties excluded, 66(12.62)(b.1)
- restrictions, 66(12.67), (12.71), (19)
- selling instrument
 - defined, 66(15)
 - filing of, 66(12.68)
 - late filing, 66(12.74), (12.75)

Fluctuations in currency, *see* Foreign exchange

Fondaction

- prescribed as labour-sponsored venture capital corporation, Reg. 6700(f), 6701(g)

Food, *see also* Entertainment expenses (and meals); Meals

- delivered after the end of the year, reserve for, 20(6)

Food and animal waste

- defined, Reg. 1104(13)

Food waste

- defined, Reg. 1104(13) [repealed]

Football players, *see* Athlete

Foreclosure, *see* Surrender: of property to creditor

Foreign Account Tax Compliance Act (U.S.)

- intergovernmental agreement for exchange of information, *see at end of Canada-U.S. Tax Convention*
- reporting required by Canadian financial institutions, 263–269
- information return of accounts held by U.S. persons, 266(1)
- records to be kept for 6 years, 267(3)
- U.S. taxpayer identifying number must be provided to financial institution, 162(6)

Foreign accrual business income

- defined, 93.4(1)

Foreign accrual capital loss

- application to FAPI, 95(1)“foreign accrual property income”F.1, Reg. 5903.1(1)
- defined, Reg. 5903.1(3), (4)

Foreign accrual property income, *see also* Foreign affiliate

- banks, rules for, 95(2.31), (2.43)–(2.45), (3.01)
- contract manufacturing, 95(3.2)
- currency hedging, 95(2)(g.01)
- defined, 95(1), 95(2), 248(1)
- definitions, 95(1), (4)
- foreign affiliate purchasing goods for use in Canada, 95(2)(a.1)
- fresh start rule, 95(2)(k)
- included in income, 91(1)
- insurance of risks in Canada, 95(2)(a.2)
- loss carryback, 152(6.1), Reg. 5903(1)(b)
- loss carryforward, Reg. 5903(1)(a)
- partnership, of, 93.1(5), (6)
- partnerships and trusts, 95(3.6)
- regulated foreign financial institution exception, 95(2.11)
- stub period, 91(1.1)–(1.5)
- transparent affiliate, Reg. 5907(1.091), (1.092)

Foreign accrual property loss

- carryback 3 years, Reg. 5903(1)(b)
- reassessment to permit, 152(6.1)
- carryforward 20 years, Reg. 5903(1)(a)
- defined, Reg. 5903(3)
- for interest deduction restrictions, 18.2(1)

Foreign accrual tax

- deduction from income, 91(4)
- defined
- for foreign accrual property income, 95(1)

Foreign affiliate, *see also* Controlled foreign affiliate; Foreign accrual property income

- absorptive merger of, 87(8.2)
- active business income, 95(2)(a), Reg. 5907(2)–(2.6)
- acquisition of shares of
 - from partnership, 91(7)
- assets acquired from
 - as consideration for settlement of debt, 80.1(5)
 - as dividend in kind, 80.1(4)
 - on winding-up, 80.1(6)
- becoming resident in Canada, 128.1(1)(d)
- benefit to shareholder from, 15(1)–(7), 90(6)–(15)
- capital gains
 - election re, Reg. 5902
- capital gains and losses, 95(2)(f)
- currency fluctuation, from, 95(2)(g)–(g.02)
- capital gains of, *see* Exempt surplus (of foreign affiliate); Hybrid surplus (of foreign affiliate); Taxable surplus (of foreign affiliate)
- capital loss of, *see* Foreign accrual capital loss
- carrying on business in a country, Reg. 5906
- consolidated groups’ liabilities, Reg. 5907(1.1)
- controlled, defined, 95(1)“controlled foreign affiliate”
- currency dealings of, 95(2.3), (2.5)“indebtedness”
- deductible loss, 95(1)“foreign accrual property income”F, Reg. 5903
- defined, 95(1), 248(1)

- look-through rule for shares held by partnership, 93.1
- definitions, Reg. 5907
- disposition of shares of
 - election re capital gains on, 93(1)
 - held by partnership, 93(1.2)
 - loss on, 93(2)–(2.3), (4)
 - share-for-share exchange, 85.1(3)–(6)
- disposition of shares of another foreign affiliate, 95(2)(c)
- dissolution of, 88(3)–(3.5), 95(2)(e), Reg. 5905(7)
- dividends from, 20(13), 113(1), Reg. 5900
- shares held by partnership, 93.1(2)
- “earnings” of, defined, Reg. 5907(1)
- “excluded property”
 - debt related to, gain or loss on settlement of, 95(2)(i)
 - defined, 95(1)
 - “exempt earnings”
 - defined, Reg. 5907(1)
 - listed countries re, Reg. 5907(11)–(11.2)
 - “exempt loss”
 - defined, Reg. 5907(1)
 - listed countries re, Reg. 5907(11)–(11.2)
 - “exempt surplus” defined, Reg. 5907(1)
- foreign accrual property income of, defined, 95(1)
- “foreign accrual tax” defined, 95(1)
- hedge gain, stop-loss rule, 93(2)–(2.31)
- income bonds or debentures issued by, 95(5)
- income derived from indebtedness, 95(2)(a.3), 95(2.4), (2.5)“indebtedness”
- income from services, 95(2)(b)
- “services” defined, 95(3)
- information return re, 233.4
- insurer
 - income of, 95(1)“investment business”, 95(2)(a.2)
 - subject to Canadian rules, 95(2)(k)(iv)
- investment business of, *see* Investment business
- liquidation of, 88(3)–(3.5), 95(2)(e), Reg. 5905(7)
- lower tier liquidation and dissolution, 95(2)(e)
- loan to, 17(3), 247(7)
- loan to shareholder by, 15(2)–(2.6), 90(6)–(15)
- merger of, 87(8), (8.1), 95(2)(d), (d.1)
- “net earnings” defined, Reg. 5907(1)
- “net loss” defined, Reg. 5907(1)
- “net surplus” defined, Reg. 5907(1)
- participating percentage, Reg. 5904
- partnership interest
 - adjusted cost base of, 95(2)(j)
- qualifying interest in, *see* Qualifying interest (in respect of foreign affiliate)
- regulations, Reg. Part LIX
- “relevant cost base” of property, 95(4)
- “relevant tax factor” defined, 95(1)
- reporting requirements, 233.4
- residence of, Reg. 5907(11.2)
- return of capital, Reg. 5901(2)(b)
- second affiliate, 95(2)(a)(ii)(D)
- settlement of debt, gain or loss from, 95(2)(i)
- share of
 - adjusted cost base, 92
 - amalgamation, on, 87(2)(u)(i)
 - amount included in income re, 91(1)
 - reserve where foreign exchange restriction, 91(2)
 - disposition of, 85.1(3)–(6)
 - held by partnership, 93(1.2)
 - election re disposition, 93(1), (1.1), (1.11)
 - late-filed, 93(5)
 - penalty, 93(6)
 - special cases, 93(5.1)
 - unpaid balance of penalty, 93(7)
- exempt dividends, 93(3)

Foreign affiliate (*cont'd*)

- on amalgamation, 87(2)(u)(ii)
- fair market value, ITAR 26(11.1), (11.2)
- held by partnership, 93.1(2)
- issued to avoid tax, deemed not issued, 95(6)(b)
- loss limitation on disposition of, 93(2)–(4)
- participating percentage of, defined, 95(1)“participating percentage”
- special rules, Reg. 5905
- start-up rule, for non-active business, 95(2)(k)
- stock dividends from, 95(7)
- surplus distributions
 - how taxed, 113(1)
 - order, Reg. 5901
- “surplus entitlement percentage” defined, 95(1)
- tax, *see* Foreign taxes
- “taxable earnings” defined, Reg. 5907(1)
- “taxable loss” defined, Reg. 5907(1)
- “taxable surplus” defined, Reg. 5907(1)
- taxation year, 95(1)
- taxpaying affiliates’ losses, Reg. 5907(1.2)
- third affiliate, 95(2)(a)(ii)(D)
- windup of, distribution of property, 88(3)

Foreign affiliate dumping, 212.3

- corporate emigration, 219.1(2)
- corporate immigration, 128.1(1)(c.3)

Foreign assets

- reporting of, to CRA, 233.3

Foreign bank, *see also* Authorized foreign bank

- defined
- re FAPI, 95(1)
- fund deposited with, reporting requirement, 233.3

Foreign-based information or document

- defined, 231.6(1)
- requirement to provide, 231.6(2)
- consequence of non-compliance or incomplete compliance, 231.6(8)
- notice of, 231.6(3)
- review of, 231.6(4)–(6)
- time during review not to count, 231.6(7)
- tax shelter investment, effect on, 143.2(13), (14)

Foreign broadcasting undertaking

- defined, 19.1(4)
- no deduction for advertisement broadcast to Canadian market by, 19.1(1)

Foreign business

- defined, for FAPI rules, 95(2)(j.1)(v), 95(2)(k.1)

Foreign business corporation

- deemed resident in Canada, 250(4)(b)
- defined, 213(3)
- no withholding tax on dividend from, 213(1)

Foreign charitable organization

- designation of, for donations to qualify, 149.1(26)

Foreign charity

- qualifying for Canadian donations
- charity that received gift from Canada, 149.1(1)“qualified donee”(a)(v), 149.1(26)
- US charity, where donor has US-source income, Canada-U.S. Tax Treaty:Art. XXI:7
- US charity, no Canadian tax on, Canada-U.S. Tax Treaty:Art. XXI:1

Foreign corporation, *see* Foreign affiliate; Non-resident**Foreign country**, *see* Foreign government; Foreign investment entity; Prescribed countries**Foreign currency**, *see also* Foreign exchange

- defined, 248(1)
- election to use for tax reporting, 261(3)

Foreign currency debt

- defined, 111(8), 248(1)
- gain or loss on, after change of control, 40(10), (11), 111(12), (13)

Foreign deduction component

- defined, for hybrid mismatch arrangement rules, 18.4(7)(b), 18.4(11)(c), 18.3(13)(c), 18.4(15)(b)

Foreign divisive reorganization

- effect on shareholders, 15(1.5)

Foreign exchange, *see also* Foreign currency

- adjustment, re specified debt obligation, Reg. 9104
- calculating currency defined, 95(1)
- calculation of income where foreign assets expropriated, 80.1(8)
- change of control of corporation, effect of, 111(12), (13)
- debt obligation denominated in
 - application of debt forgiveness rules, 80(2)(k), 80.01(11)
 - assumed by non-resident in Canadian business, 76.1(2)
 - moved by non-resident from Canadian business, 76.1(1)
 - surrender of property to creditor, calculation of proceeds, 79(7)
- exchange rate defined, 111(8), 248(1)
- fluctuations in
 - capital gain or loss, 39(1.1), (2)
 - debt parking and statute-barred debt rules to be ignored, 80.01(11)
 - foreign affiliate’s capital gain or loss from, 95(2)(g)–(g.02)
 - ignored in determining employee stock option deduction, 110(1)(d)(iii)
 - loan or lending asset, 248(1)“amortized cost”(c.1), (f.1)
 - revenue to real estate investment trust, 122.1(1.3)
 - specified debt obligation of financial institution, 142.4(1)“tax basis”(f), (o)
- income in blocked currency, waiver of interest on tax, 161(6)
- restriction, reserve where, 91(2), (3)

Foreign expense restriction rule

- defined, for hybrid mismatch arrangement rules, 18.4(1), 113(3)

Foreign exploration and development expenses, *see also*

Exploration and development expenses; Resource expenses

- borrowed money
- capitalization of interest, 21(2), (4)
- reassessment, 21(5)
- country-by-country allocation, 66(4.1), (4.2)
- successor rules, 66.7(2.1), (2.2)
- deduction for, 66(4)
- short taxation year, 66(13.1)
- defined, 66(15)
- individual ceasing to be resident in Canada, 66(4.3)
- limitation, 66(12.4)
- reduction of, on debt forgiveness, 80(8)(e)
- short taxation year, 66(13.1)
- specified, *see* Specified foreign exploration and development expense
- successor corporation, rules, 66.7(2)
- application, 66.6(1)

Foreign government, *see also* United States

- bonds of, eligible for RRSP investment, 204“qualified investment”(c.1) (formerly Reg. 4900(1)(o))
- bribery of officials non-deductible, 67.5
- diplomats, exempt, 149(1)(a), Canada-U.S. Tax Treaty:Art. XXVIII
- employees of, exempt, 149(1)(a), Canada-U.S. Tax Treaty:Art. XIX, XXVIII
- expropriation by, 80.1
- social security plan of, excluded from RCA, Reg. 6802(g)
- stock exchanges recognized, 262
- tax paid to, *see* Foreign tax credit; Foreign taxes

Foreign hybrid mismatch rule

- defined, for hybrid mismatch arrangement rules, 18.4(1)

Foreign immigration trust, *see* Immigration trust**Foreign income**, *see also* Foreign accrual property income

- Canadian resident, generally taxable, 3(a)
- employment, tax credit for (pre-2016), 122.3
- foreign affiliate, of, *see* Foreign accrual property income
- non-resident, not taxable, 115(1)
- taxed by foreign country, *see* Foreign tax credit

Foreign insurance subsidiary

- defined, Reg. 8605(4)

Foreign investment entity, 94.1–94.4 [former draft, not implemented]**Foreign investment income**

- defined, 129(4)
- refund to private corporation in respect of, 129(1), (3)

Foreign merger

- absorptive merger, 87(8.2)
- defined, 87(8.1)
- effect of, 87(8)
- taxable Canadian property rollover, 87(8.4), (8.5)

Foreign Missions and International Organizations Act

- employment income from international organization, tax credit, 126(3)

Foreign mutual fund trust

- exemption from reporting requirement, 233.2(1)“exempt trust”(c)
- reporting requirement, 233.3

Foreign non-profit organization

- defined, Reg. 6804(1)

Foreign oil and gas business

- defined
 - for foreign tax credit, 126(7)
 - for FAPI, Reg. 5910(4)
- foreign tax credit for, 126(5)

Foreign ordinary income

- defined, for hybrid mismatch arrangement rules, 18.4(1), 18.4(8)

Foreign plan (pension plan)

- contributions made to, Reg. 6804(4)–(6)
- defined, Reg. 6804(1), 8308.1(1)
- electing employer with respect to, Reg. 6804(2), (3)
- PSPA of, Reg. 8308.1(5), (6)
 - information return, Reg. 8402(2)
- pension adjustment, prescribed amount, Reg. 8308.2
- pension credit of, Reg. 8308.1(2)–(4)

Foreign policy loan

- defined [repealed], Reg. 2400(1)

Foreign policy pool

- defined, for FAPI on insurance swaps, 95(2)(a.21)

Foreign property, *see also* Foreign reporting requirements

- investments in, annual information return, 233.3
- sale of, expropriation assets for, 80.1

Foreign reporting requirements, 233.1–233.7

- foreign affiliates, 233.4
- foreign property, 233.3
 - reassessment deadline extended if return not filed accurately, 152(4)(b.2)
- foreign trusts
 - distributions from, 233.5
 - indebtedness to, 233.5
 - transfer of property to, 233.3
- transactions with related non-residents, 233.1

Foreign resource expenses

- defined, 66.21(1)
- reduction of, on change of control, 66.7(13)

- specified amount of, for successor rules, 66.7(13.2)
- successor of, 66.7(2.3), (13.1)

Foreign resource income

- defined, 66.21(1)

Foreign resource loss

- defined, 66.21(1)

Foreign resource pool expense

- deduction against taxable income earned in Canada, 115(4.1)
- defined, 248(1)

Foreign resource property

- acquisition of, rules, 66.7(8)
- amount designated re
 - “outlay” or “expense”, 66(15)
- defined, 66(15), 248(1)
- disposal of, effect on successor rules, 66.7(15)
- disposition of, 59(1)
 - by partnership, 59(1.1)
 - no capital gain, 39(1)(a)(ii.1)
 - no capital loss, 39(1)(b)(ii)
- “eligible property” for transfer to corporation by shareholder, 85(1.1)(d)
- eligibility for section 85 rollover, 85(1.11)(a)
- in respect of a country, defined, 248(1)
- non-successor acquisitions, 66.7(16)
- original owner, defined, 66(15)
- predecessor owner, defined, 66(15)
- proceeds of disposition, 59(1)
- production from, defined, 66(15)“production”
- reserve amount, defined, 66(15)
- rules for trusts, 104(5.2)
- seizure of, exception to creditor rules, 79.1(2.1)
- successor rules, 66.7(15)

Foreign retirement arrangement

- amount credited to, exempt, 81(1)(r)
- benefit to trust, flow-through to beneficiary, 104(27)
- defined, 248(1), Reg. 6803
- eligible amount, 60.01
- emigration of retiree, no deemed disposition, 128.1(10)“excluded right or interest”(a)(x)
- excluded from annual interest accrual rules, 12(11)“investment contract”(d)
- excluded from reporting requirements, 233.2(1)“exempt trust”(a), 233.3(1)“specified foreign property”(n), 233.5(2)(a)
- excluded from various trust rules, 108(1)“trust”(a)
- income earned in account, exempt, 81(1)(r)
- Individual Retirement Account (U.S.), Reg. 6803
- lump-sum transfer, 60(j)(ii), 60.01
- payment out of
 - eligible for transfer to RRSP, 60(j)(ii), 60.01
 - included in income, 56(1)(a)(i)(C.1)
- prescribed plan or arrangement, Reg. 6803

Foreign service

- for registered pension plan
 - determination of provisional PSPA, Reg. 8303(10)
 - eligibility, 8503(3)(a)(vii)

Foreign share

- rollover on exchange for foreign share, 85.1(5), (6)

Foreign spin-off, 86.1

- foreign accrual property income, 95(2)(g.2)
- prescribed distribution, Reg. 5600

Foreign stock exchange index units

- prescribed distribution, Reg. 5600
- qualified for deferred income plans, Reg. 4900(1)(n.1)

Foreign stock exchanges, 262**Foreign tax credit**, 126

- addition to taxable income in respect of, 110.5
- change in, reassessment within 6 years, 152(4)(b)(iii)

Foreign tax credit (*cont'd*)

- deduction for specified capital gains, and, 126(5.1)
- deduction from income, 20(11), (12), (12.1), 91(4)
- deduction from tax, 126
 - calculated separately for each foreign country, 126(6)
 - definitions, 126(7)
 - emigrant, 126(2.21)
 - non-resident, re pre-Oct/96 disposition, 126(2.2)
 - trust with non-resident beneficiary, 126(2.22)
- deemed tax on income or profits, 126(5)
- definitions, 126(7)
- employees profit sharing plan, deduction, 144(8.1)
- foreign oil and gas levies, 126(5)
- former resident, 126(2.21)
- trust beneficiary, 126(2.22)
- minimum tax, 127.54
- no economic profit, 20(12.1), 126(4.1)
- non-business income tax, 20(12)
- not deductible by life insurer, 138(5.1), (8)
- overseas employment tax credit and, choice between, 126(1)(b)(i)
- payable, adjustment, 161(6.1)
- portion of foreign tax excluded, 126(4)
- profit not material, 20(12.1), 126(4.1)
- short-term securities acquisitions, 126(4.2), (4.3)
- special, for minimum tax purposes, 127.54
- tax deemed income or profits tax, 126(5)
- trust, deduction for, 104(22)–(22.4)
- U.S. estate taxes, Canada-U.S. Tax Treaty:Art. XXIX-B:6, (7)
- unused
 - carryover on amalgamation, 87(2)(z)
 - defined, 126(7)“unused foreign tax credit”
 - overpayment of tax as consequence of, 164(5), (5.1)
 - reassessment, 152(6)(c.1)
 - rules re, 126(2.3)

Foreign taxation year

- defined, for hybrid mismatch arrangement rules, 18.4(1)

Foreign taxes

- additional, or reimbursement of
 - reassessment within 6 years, 152(4)(b)(iv)
- credit for, *see* Foreign tax credit
- deduction for, 20(11), (12), (12.1)

Foreign trust, *see* Offshore trust; Trust (or estate): non-resident**Forest**

- access road, capital cost allowance, Reg. Sch. II:Cl. 10(p)
- management plan, prescribed, Reg. 7400

Forestry professional, recognized, Reg. 7400(2)**Forestry Revitalization Trust**

- remission of tax payable on, *British Columbia Forestry Revitalization Remission Order*

Forfeited amount

- defined, 147(1), Reg. 8500(1)

Forfeiture

- under deferred profit sharing plan, 201

Forgiven amount (re settlement of debt)

- deemed where amount designated following debt forgiveness, 80.03(7)(b)(ii)
- defined, 15(1.21), 80(1), 80.01(1), 80.03(1), 80.04(1)
- transfer of, under agreement, 80.04(4)

Forgiveness of debt, *see* Debt forgiveness**Form vs substance, for GAAR**, 245(4.1)**Form(s)**

- prescribed or authorized
 - defined, 248(1)“prescribed”
 - deviations acceptable, *Interpretation Act* s. 32
 - proof of, 244(16)
- waiver of requirement to file, 220(3.1)

Former Act (pre-1972), references to

- defined, ITAR 8

Former business property

- amalgamation, effect of, 87(2)(1.3)
- defined, 248(1)
- disposition of, 44(1), (6)

Former employee

- amount received from employer, whether taxable, 6(3)
- of predecessor employer, for pension plan rules, 147.2(8)
- stock option agreement, taxable benefit, 7(4)

Former limit

- defined, 147.1(1)

Former limited-recourse indebtedness (tax shelter investment)

- defined, 143.2(10)

Former property, *see also* Exchanges of property; Former business property

- defined, 13(4), 44(1)

Former resident, *see also* Ceasing to be resident in Canada

- credit for tax paid on emigration where stop-loss rule applies, 119
 - reassessment to permit credit, 152(6.3)
- foreign tax credit, 126(2.21), (2.22)
- returning to Canada, 128.1(6), (7)
- stop-loss credit, 119
 - reassessment to permit credit, 152(6.3)

Former spouse, defined, 252(3)**Formulas**

- negative amounts in, 257

Forward averaging, *see also* Averaging of income; Income-averaging annuity contract

- addition to tax, 120.1(2) [repealed]
- election, 110.4(2) [repealed]

Forward purchase or sale agreement

- deemed to be eligible derivative subject to mark-to-market election, 10.1(4)
- excluded from inventory writedown, 10(15), 18(1)(x)
- straddle transaction restrictions, 18(17)“position”(a)(vi), 18(9)

Forward rate agreement

- deemed to be eligible derivative subject to mark-to-market election, 10.1(4)
- excluded from inventory writedown, 10(15), 18(1)(x)
- straddle transaction restrictions, 18(17)“position”(a)(vi), 18(9)

Fossil fuel

- defined, 248(1), Reg. 1104(13)

Fossilized shellfish, *see* Ammonite gemstone**Foster child**

- payment relating to, exempt, 81(1)(h)

Foster's-Treasury Wine spinoff, Reg. 5600(e)**Foundation**, *see* Charitable foundation; Private foundation; Public foundation**Fourth project period**

- defined, for CCUS credit, 211.92(1)

Fourth recovery taxation year

- defined, for CCUS credit, 211.92(1)

Fractional share

- cash received for by trust, 107.4(2.1)
- is a share, 248(1)“share”

France, *see also* Foreign government

- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 3

Franchise

- capital cost allowance, Reg. 1100(1)(c), Reg. Sch. II:Cl. 14
- payment to U.S. resident on connection with, Canada-U.S. Tax Treaty:Art. XII:3(c)
- relationship not considered control, 256(5.1)
- representation expenses, 13(12), 20(1)(cc), 20(9)

Fraser Papers Inc.

- pension underfunding trust, Reg. 6802(h)(ii), 8502(b)(v.1)

Fraternal benefit society/order

- exemption, 149(1)(k)

Fraud, justification for reassessment, 152(4)(a)(i), 152(5)**Fraudulent conveyance**

- tax equivalent to provincial legislation, 160

Fredette case overruled, 34.2, 245(4)**Freedom of information, 241(1) (Notes)****Freight haulage trucks and tractors**

- capital cost allowance, Reg. Sch. II:Cl. 16(g)

Fresh-start date

- defined, for donation of flow-through shares, 54

Freshwater Fish Marketing Corporation, subject to tax, 27(2), Reg. 7100**Friesen case overruled, 10(1.01)****Frivolity penalty**

- where appeal filed to delay payment, 179.1

Frontier exploration

- allowances, Reg. 1207
- prescribed area, Reg. 1215

Frontier exploration base

- defined, Reg. 1207(2)
- expenses added to
- amounts receivable, portion included in income, 59(3.3)(e)

Fruit growing, constitutes farming, 248(1)“farming”**Fuel**

- production of, 66(15)“principal-business corporation”(h)

Fuel cell systems

- fixed-location, capital cost allowance, Reg. Sch. II:Cl. 43.1(a)(ii.1), Sch. II:Cl. 43.1(d)(xii)

Fuel LCA Model

- defined, for clean hydrogen tax credit, 127.48(1)

Fuel return specified

- for carbon tax refund to small business, defined, 127.421(1)

Fuel tax rebate (1992–1999)

- 10 × inclusion, 12(1)(x.1)
- abatement of prior years' losses, 111(10), (11)
- amalgamation, on, 87(2)(uu)
- interest on prior year's return not to be paid, 161(7)(a)(viii)
- windup, on, 88(1)(e.2)

Fuel upgrading equipment

- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(ix), Sch. II:Cl. 43.2(b)

Full-rate taxable income

- defined, 123.4(1)

Full-time student

- defined, for Lifelong Learning Plan, 146.02(1)

Fully collateralized arrangement

- defined, 248(1)

Fully exempt interest

- defined, 212(3)
- exempt from non-resident withholding tax, 212(1)(b)(i)

Functional currency

- defined, 261(1)
- election to use, 261(3), (5)
- electronic filing not required, Reg. 205.1(2)(c)
- rules, 261

Functional currency year

- defined, for functional currency rules, 261(1)

Fund value benefit

- under life insurance policy, defined, Reg. 310, 1401(3)

Fund value of a coverage

- under life insurance policy, defined, Reg. 310, 1401(3)

Fund value of a policy

- defined, Reg. 1401(3)

Funder

- defined, for back-to-back shareholder loan rules, 15(2.192)

Funding arrangement

- defined, for back-to-back shareholder loan rules, 15(2.192)

Funds

- defined, for electronic funds transfer reporting, 244.1

Funeral and burial expenses benefit

- paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(vii)(H)

Funeral or cemetery services, *see also* Eligible funeral arrangement

- defined, 148.1(1)
- provision of under eligible funeral arrangement, 148.1(2)(b)(i)

Funeral services, *see also* Eligible funeral arrangement

- defined, 148.1(1)
- provision of under eligible funeral arrangement, 148.1(2)(b)(i)

Fur farming, 248(1)“farming”**Furnace**

- electric or sealed combustion, medical expense credit, Reg. 5700(c.2)

Furniture

- antique, whether CCA allowed, Reg. 1102(1)(e)
- capital cost allowance, Reg. Sch. II:Cl. 8(i)

Future benefits to be provided

- under life insurance policy, defined, Reg. 1401(3)

Future net premiums or cost of insurance charges

- re life insurance policy coverage, defined, Reg. 1401(3)

Future premiums or cost of insurance charges

- re life insurance policy coverage, defined, Reg. 1401(3)

Future obligations, *see also* Reserve

- deduction for amount paid, 20(24)

Futures agreement

- deemed to be eligible derivative subject to mark-to-market election, 10.1(4)
- excluded from inventory writedown, 10(15), 18(1)(x)
- straddle transaction restrictions, 18(17)“position”(a)(vi), 18(9)

G**GAAP, *see* Generally accepted accounting principles****GAAR, *see* General anti-avoidance rule****GANBI, *see* Group adjusted net book income****GILTI, *see* United States: global intangible low-taxed income****GIS, *see* Guaranteed Income Supplement, included in income****GMTA, *see* Global Minimum Tax Act****GNIE, *see* Group net interest expense****GRE, *see* Graduated rate estate****GRIP, *see* General rate income pool****GSRA, *see* Government-sponsored retirement arrangement****GST, *see* Goods and services tax (GST)****GST/HST Credit, *see* Goods and services tax: refundable credit****Gagnon case overruled, 56(12)****Gains, *see also* Capital gain; Capital loss; Capital gains and losses**

- defined, for disposition of specified debt obligation, Reg. 9200

Gala presentation

- ineligible for Canadian film/video credit, Reg. 1106(1)“excluded production”(b)(v)
- ineligible for film/video production services credit, Reg. 9300(2)(e)

Gallantry Awards Order Statute

- amount received under, exempt, 81(1)(d)

Gallium, *see* Critical mineral**Gambling losses, Canada-U.S. Tax Treaty:Art. XXII:3**

Index

Game show

- ineligible for Canadian film/video credit, Reg. 1106(1)“excluded production”(b)(iii)
- ineligible for film/video production services credit, Reg. 9300(2)(c)

Garnishment for taxes unpaid, 224

- binding on federal and provincial governments, 224(1.4)
- enhanced, 224(1.2)
- failure to comply with order, 224(4), (4.1)
- prevented while objection or appeal underway, 225.1
- salary or wages, 224(1)
- “super” garnishment priority over secured creditors, 224(1.2)

Garry Bowl Ltd. case overruled, 152(1.1)

Gas, natural, *see* Petroleum/natural gas

Gas manufacturing/distributing equipment

- capital cost allowance, Reg. Sch. II:Cl. 1(n), Sch. II:Cl. 2(d)

Gas or oil well equipment, Reg. 1104(2), Reg. Sch. II:Cl. 10(j)

Gaseous biofuel

- defined, Reg. 1104(13)
- • for clean technology credit, 127.45(1), Reg. 1104(13)

Gasoline expense

- automobile, *see* Automobile: operating costs

Gaspé Peninsula

- defined, 127(9)
- prescribed area, for electrical energy or steam processing, 127(9)“qualified property”(c.1)
- prescribed designated region, 127(9)“specified percentage”(a)(vi), Reg. 4607
- qualified property acquired for use in, 127(9)“specified percentage”(a), (e)

Gay couples, *see* Common-law partner

Gemstones, *see also* Listed personal property

- ammonite, *see* Ammonite gemstone

General amending provision

- of insurance policy, defined [repealed], Reg. 1408(1)

General anti-avoidance rule, 245

- application of rule, 245(2), (4)
- • application to tax treaties, 245(4)(a)(iv), *Income Tax Conventions Interpretation Act* s. 4.1
- avoidance transaction, defined, 245(3)
- determination of amounts following assessment, 152(1.11), (1.12)
- determination of tax consequences, 245(5)
- economic substance test, 245(4.1), (4.2)
- penalty when GAAR applies, 245(5.1)
- • exception — reliance on CRA or Court case, 245(5.2)
- preamble stating purpose of GAAR, 245(0.1)
- reassessment deadline extended 3 years, 152(4)(b)(viii)
- tax benefit, defined, 245(1)
- tax consequences, defined, 245(1)
- transfer pricing GAAR test, 247(2)(b)(ii)

General corporate income tax rate

- defined, for provincial SIFT tax rate, Reg. 414(1)

General Motors of Canada Limited

- payments to, exception to employee life and health trust rules, Reg. 9500

General procedure appeals, 175

General provisions

- defined, Reg. 8006

General-purpose electronic data processing equipment

- capital cost allowance, Reg. Sch. II:Cl. 50
- defined, Reg. 1104(2)

General rate factor

- defined, for GRIP calculation, 89(1)

General rate income pool

- after amalgamation, 87(2)(vv), 89(5)
- after windup, 89(6), 88(1)(e.2)

- defined, 89(1), 248(1)
- • addition for 2006, 89(7)
- • addition on amalgamation, 89(5), 87(2)(vv)
- • addition on becoming CCPC, 89(4)
- • addition on windup, 89(6), 88(1)(e.2)(ix), 87(2)(vv)
- dividend paid from, 89(1)“eligible dividend”, “excessive eligible dividend designation”

General rate reduction percentage

- defined, 123.4(1)
- • application to manufacturing & processing credit, 125.1(1), (2)

Generally accepted accounting principles

- in computing income from business or property, 9(1)
- in determining adjusted equity, 20.2(2)
- modified for foreign bank branches, 20.2(1)“branch financial statements”

Generating electrical energy

- manufacturing and processing credit, 125.1(2)

Generating equipment

- capital cost allowance, Reg. 1100(1)(t), (ta), Reg. Sch. II:Cl. 1(k), Sch. II:Cl. 1(m), Sch. II:Cl. 2(a), Sch. II:Cl. 2(c), Sch. II:Cl. 8(f), Sch. II:Cl. 8(g), Sch. II:Cl. 9(a), Sch. II:Cl. 9(e), Sch. II:Cl. 9(f), Sch. II:Cl. 17(a.1), Sch. II:Cl. 29

Genstar trusts

- anti-avoidance rule, 104(7.1)

Geothermal energy projects

- Canadian renewable and conservation expense, Reg. 1219(1)(f)(ii), 1219(1)(h)
- clean-energy CCA, Reg. Sch. II:Cl. 43.1(d)(viii)
- compliance required with environmental law, Reg. 1104(17), 1219(5)

Germany, *see also* Foreign government

- compensation paid by, exempt, 81(1)(g)
- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 11

Gift

- attribution of income from gifted property, 74.1, 74.2
- by employer to employee, taxable, 6(1)(a), 6(3)
- by person with tax debt, recipient liable, 160
- capital gain on property given, 69(1)(b)(ii)
- charitable, *see* Gifts and donations (charitable)
- deemed disposition at fair market value, 69(1)(b)(ii)
- employer to employee, whether taxable, 6(1)(a) Notes
- political party or candidate, *see* Political contribution

Gifting arrangement

- collection of half of tax in dispute, 164(1.1)(d)(iii)(B), 225.1(7)
- constitutes tax shelter, 237.1(1)“tax shelter”
- defined, 237.1(1)

Gifts and donations (charitable)

- art created by the donor, 118.1(7), (7.1)
- art flips
- • donation valued at cost of art, 248(35)–(38)
- • no minimum \$1,000 cost, 46(5)
- • subject to tax shelter rules, 237.1(1)“gifting arrangement”, “tax shelter”
- capital dividend account, effect on, 89(1)“capital dividend account”(a)(i)(A)
- capital property, of, election for lower proceeds, 110.1(3), 118.1(6)
- carryback from year of death, 118.1(4)
- carryforward
- • credit, 118.1(1)“total charitable gifts”
- • deduction to corporation, 110.1(1)(a)
- charitable, *see also* Charity; Qualified donee
- • after donation of real estate or private company shares, 38(a.4), 38.3, 38.4 (abandoned)
- • by corporation, 110.1(1)(a)
- • by individual, 118.1(1)“total charitable gifts”, 118.1(3)
- • • minimum tax, 127.531(c)

Gifts and donations (charitable) (*cont'd*)

- collection of half of tax in dispute, 164(1.1)(d)(ii)(B), 225.1(7)
- commuter's, 118.1(9)
- corporate, deduction for, 110.1(1)(a)
- gifts of property, limitation on fair market value, 248(35)–(38)
- listed securities, no capital gain, 38(a.1)
- partnership interests exchangeable for, 38(a.3)
- total, 118.1(1)
- corporation, by
 - amalgamation, effect of, 87(2)(v)
 - capital property, election for lower proceeds, 110.1(2.1), (3)
 - deduction for, 110.1(1)
 - partnership, made by, 110.1(4)
 - proof of, 110.1(2)
 - winding-up, claim by parent, 88(1)(e.6)
- Crown, to, 118.1(1)“total charitable gifts”(a), 149.1(1)“qualified donee”(d)
- cultural, 110.1(1)(c), 118.1(1)
- deadline for 2024 extended to Feb. 28, 2025, 110.1(18), 118.1(29)
- deduction from tax, 118.1(3)
- deemed disposition at fair market value, 69(1)(b)(ii)
- ecologically sensitive land, 110.1(1)(d), 118.1(1)“total ecological gifts”
- easement, servitude or covenant, value of, 110.1(5), 118.1(12)
 - valuation applies for capital gains purposes, 43(2)
- first-time donor super credit, 118.1(3.1)
- flow-through shares, deemed capital gain, 40(12)
- capital dividend account impact, 89(1)“capital dividend account”(a)(i)(A), (B.1)
- subsequent rollover, 38.1
- gratuities, taxable as employment income, 5(1)
- institutions, to, 110.1(1)(c)
- insurance proceeds, direct designation, 118.1(5.2)(a)
- member of religious order vowing perpetual poverty, 110(2)
- municipality, to, 149.1(1)“qualified donee”(a)(ii)
- non-qualifying security, credit disallowed, 118.1(13)–(13.3)
- ordering of claims for donations
 - credits, 118.1(2.1)
 - deductions (corporation), 110.1(1.1)(b)
 - partnership, made by, 110.1(4), 118.1(8)
 - proof of, required, 118.1(2)
 - property, of, 69(1)(b), (c)
 - valued at cost, 248(35)–(38)
- RRSP or RRIF, direct designation, 118.1(5.2)(b)
- reassessment, 152(6)(c)
- receipts for, Reg. 3501
- returned to donor, donation denied
 - corporate donor, 110.1(14)–(17)
 - individual donor, 118.1(25)–(28)
 - information return details, Reg. 3501.1
- shares, publicly traded, 38(a.1)
 - partnership interests exchangeable for, 38(a.3)
- TFSA, direct designation, 118.1(5.2)(b)
- tax shelter, 237.1(1)“gifting arrangement”, “tax shelter”
 - collection of half of tax in dispute, 164(1.1)(d)(ii)(B), 225.1(7)
- total, 118.1(1)
- United States charities, 118.1(9); Canada-U.S. Tax Treaty:Art. XXI:7
- will, by, 118.1(5) [before 2016], 118.1(5.1) [after 2016]
- publicly traded securities, reduced capital gain, 38(a.1)(ii)
- windup, on, 88(1)(e.6)

Gladwin Realty case para. 47 overruled, 245(1)“tax benefit”(c)

Glasses, as medical expense, 118.2(2)(j)

Glazier

- apprenticeship job creation credit, 127(9)“investment tax credit”

Global foreign expenses

- defined, for resource expenses of limited partner, 66.8(1)(a)(i)(D)

Global foreign resource limit

- defined, 66.21(1)

Global Minimum Tax Act, 95 [Proposed Amendments — Action 1]

Gluten-free food costs, medical expense credit, 118.2(2)(r)

Goats, 80.3(1)“breeding animals”

Gold, *see* Precious metals

Golf course

- expense not allowed, 18(1)(l)
- no COVID extended tourism relief, Reg. 8901.1(2)(b)(ix)(B)

Goods, *see also* Property

- defined, for digital platform operator reporting rules, 282(1)
- to be delivered
 - amounts received for, income, 12(1)(a)(i)
 - repayment of, deductible, 20(1)(m.2)
 - undelivered, reserve for, 20(1)(m)

Goods and services tax (GST), *see also* Excise Tax Act

- change of use, timing rule for GST liability, 248(15)
- credit, *see* refundable credit (*below*)
- defined, 248(1)
- employee benefits
 - GST included in taxable benefit, 6(7)
 - rebate included in income, 6(8)
- home purchase, excluded from moving expenses, 62(3)(f)
- input tax credit
 - deemed to be assistance, 248(16), *see also* Assistance/government assistance
 - repaid, deemed to be reduction in assistance, 248(18)
- interest on arrears, non-deductible, 18(1)(t)
- interest on refunds, taxable, 12(1)(c)
- penalty
 - gross-negligence penalty non-deductible, 67.6
 - ordinary penalty deductible, Reg. 7309
- rebate for employees and partners, *Excise Tax Act* s. 253
 - deemed not to be reimbursement, 8(11)
 - deemed to be assistance, 248(16), *see also* Assistance/government assistance
 - included in income, 6(8), 12(1)(x)
 - reduces capital cost of property, 6(8), 13(7.1)
- rebate, not paid until all income tax returns filed, *Excise Tax Act* s. 263.02
- refund, not paid until all income tax returns filed, *Excise Tax Act* s. 229(2)
- refundable credit, 122.5
 - “adjusted income” defined, 122.5(1)
 - advance payment, 122.5(3.1), (3.2)
 - amount of credit, 122.5(3)
 - applied to tax liability, timing, 164(2.1)
 - determination by Minister, 152(1)(b)
 - “eligible individual” defined, 122.5(1)
 - limit to one per family, 122.5(5)
 - overpayment not to require interest, 160.1(1)(b)
 - penalty for false statement, 163(2)(c.1)
 - prisoners ineligible, 122.5(2)(b)
 - “qualified relation”
 - defined, 122.5(1)
 - jointly liable for repayment of excess, 160.1(1.1)
 - repayment where excess credit paid, 160.1(1.1)
 - restrictions, 122.5(2), (5)
 - returns to be filed before income tax refund paid, 164(2.01)
- shareholder benefits
 - GST included in taxable benefit, 15(1.3)

Index

Goods and services tax (GST) (*cont'd*)

- transfer of income tax instalments or payments to GST account, 221.2(2)

Goodwill

- 2016 and earlier (eligible capital property), 14 [repealed]; 20(1)(b) Notes
- 2017 and later
 - acquisition of, 13(34)(b), 13(35)
 - CCA class, Reg. Sch. II:Cl. 14.1
 - capital cost allowance, Reg. 1100(1)(a)(xii.1), 1100(1)(c.1)
 - disposition of, 13(34)(c), (d), 13(37), (39)
 - included in “property”, 248(1)“property”(e)
 - pre-2017, Reg. Sch. II:Cl. 14.1
 - rules for, 13(34)–(42)
 - transitional rules from eligible capital property, 13(38)–(41)
 - exempt gains balance from 1994 capital gains exemption, 40(15), (16)
 - pre-1988 ECP, 40(13), (14)

Goodwill amount

- defined, for restrictive-covenant rules, 56.4(1)

Governing plan

- defined, Reg. 4901(2)

Government, *see also* Crown; Crown corporation

- administration of income tax, *see* Minister (of National Revenue); Canada Revenue Agency
- agreements
 - for tax transfer payments (federal-provincial), 154
 - with other countries, *see* Tax treaty
- assistance, *see* Assistance/government assistance
- bonds (and similar obligations)
 - Canada Savings Bonds, cash bonus, 12.1
- “investment property” for deposit insurance corporation, 137.1(5)“investment property”(a)
- issued at a discount, 16(3)
- no non-resident withholding tax, 212(1)(b)(ii)(C)
- bound
 - by deemed trust for tax withheld, 227(4.3)
 - by garnishment orders, 224(1.4)
 - by regulations requiring information returns, 221(3)
 - by withholding tax requirements, 227(11)
- communication of confidential information to, 241(4)
- contract payments, information return, Reg. 237
- donation to, 149.1(1)“qualified donee”(d)
 - by corporation, deduction, 110.1(1)(a)
 - by individual, tax credit, 118.1(1)“total charitable gifts”
- employees abroad, deemed resident, 250(1)(b)–(f)
- foreign, *see* Foreign government
- gifts to, *see* donation to (above)
- grant, *see also* Assistance/government assistance
 - acquisition of depreciable property, towards, 13(7.1), (7.2)
 - cost base of property acquired, 53(2)(k)
 - energy conversion, 12(1)(u), 56(1)(s), *see also* Energy: conversion grant
 - home insulation, 12(1)(u), 56(1)(s), *see also* Home insulation grant
 - prescribed programs, under, 56(1)(s)
- Her Majesty, defined, *Interpretation Act* 35(1)
- international development assistance program, *see* Canadian International Development Agency
- lobbying, *see* Representation expenses
- obligation issued at discount by, 16(2), (3)
- officials, bribery of, no deduction, 67.5
- privatization of assets, debt qualifies for deferred income plans, Reg. 4900(1)(q)
- provincial, *see* Province
- public body performing function of, exempt, 149(1)(c)
- reporting of contract payments, Reg. 237
- representation, *see* Representation expenses
- rights from before 1972, transitional rules, ITAR 21

- -sponsored retirement arrangement, Reg. 8308.4
- excluded from registered pension plan eligibility, Reg. 8502(m)
- information return, Reg. 8402.1
- support payments for farmers, information slips, Reg. 234–236
- volunteer emergency worker’s allowance paid by
- exemption for, 81(4)

Government assistance, *see also* Assistance/government assistance

- defined
- for EV supply chain investment tax credit, 127.492(1)

Government entity

- defined, re disclosure of taxpayer information, 241(10)

Government of a country other than Canada

- defined, for foreign tax credit, 126(6)

Government payer

- defined, Reg. 234(1)

Government-sponsored retirement arrangement

- defined, Reg. 8308.4(1)
- information return, Reg. 8402.1
- prescribed reduction in RRSP limit, Reg. 8308.4(2)

Government verification service

- defined, for digital platform operator reporting rules, 282(1)

Governmental entity

- defined, for Common Reporting Standard, 270(1)

Governor General in Council

- defined, *Interpretation Act* 35(1)

Governor General (of Canada)

- defined, *Interpretation Act* 35(1)
- salary taxable, 81(1)(n)

Grace period to pay balance, no additional interest, 161.2

Graduated rate estate

- alternative minimum tax \$40,000 deduction available, 127.51:C
- defined, 248(1)
- exempt from Part XII.2 tax, 210(2)(a)
- graduated tax brackets apply, 117(2), 122(1)
- instalments not required, 156.1(2)(c)
- investment tax credits available to beneficiaries, 127(7)
- late assessment allowed to reduce tax, 152(4.2), 164(1.5)
- objection deadline extended during first year after filing, 165(1)(a)
- taxation year may be non-calendar year, 249(1)(b)
- treated as personal trust, 248(1)“personal trust”(a), 249(4.1)

Grain

- defined, 76(5)
- delivered, amount due deemed not income debt, 76(4)

Grain elevator operators

- taxable income earned in a province, Reg. 408

Grain storage facilities

- capital cost allowance, additional, Reg. 1100(1)(sb)

Grandchild

- dependent, 118(6)(a)
- financially dependent, *see* Child: financially dependent
- treated as child, *see* Child: extended meaning of

Grandfathered plan (registered pension plan)

- complying before March 1996 budget, Reg. 8509(13)
- defined, Reg. 8500(1)

Grandfathered share

- defined, 248(1)
- dividend on, where deemed to be interest, 258(3)(b)(i)
- excluded from definition of “short-term preferred share”, 248(1)
- excluded from definition of “taxable preferred share”, 248(1)
- excluded from restriction on dividend deductibility, 112(2.21)(b)
- may be a taxable RFI share, 248(1)“taxable RFI share”

Grandfathered share (*cont'd*)

- Part VI.1 tax, excluded from, 191(2)(b)(iii), 191.1(2)(b), 191.1(4)(b)
- share exchanged for, excluded from Part IV.1 tax, 187.3(2)

Grandfathering, *see also* Grandfathered share; Transitional rules

- Canadian newspaper, 19(7)
- passive partnership interest acquired before Feb. 22/94, 40(3.1), (3.15)–(3.18)
- RESP investments, 146.1(1)“qualified investment”(d)
- RRSP, RRIF, RESP and RDSP prohibited investments, 207.01(1)“transitional prohibited investment benefit”, 207.01(7)
- taxable Canadian property only since April 26/95, prorating of gain, 40(9)
- trust established before June 18/71, low tax rates, 122(2)

Grandparent

- care by, social assistance for, *see* Kinship care, social assistance for
- dependent, 118(6)(b)
- includes in-law or in common-law, 252(2)(d)

Grant, *see also* Government: grant

- apprentice, *see* Apprenticeship Incentive Grant or Apprenticeship Completion Grant
- Canada Oil Substitution Program, *see* Energy: conversion grant
- Canadian Home Insulation Program, *see* Home insulation grant
- exploration and development, 20(1)(kk)
- “non-government assistance” defined, 127(9)
- research
 - income from, 56(1)(o)
 - leaving Canada to pursue research under, 115(2)(b.1)

Grantee organization

- defined, for transfer by registered charity, 149.1(1)

Graphite, *see* Critical mineral**Grass roots exploration**, *see* Pre-production mining expenditure**Gratuities**, *see* Tips**Grazing ungulates**, 80.3(1)“breeding animals”**Great-aunt/great-uncle**

- defined, 252(2)(f)

Great Britain, *see* United Kingdom**Green card holder**

- whether resident in U.S. for treaty purposes, Canada-U.S. Tax Treaty:Art. IV:1

Green case overruled, 96(2.01), (2.1)(f), 96(2.11)**Green incentives**

- CRCE, *see* Canadian renewable and conservation expense
- Canada Carbon Rebate, 122.8
- electric vehicles, *see* Zero-emission vehicle
- environmental trust, *see* Qualifying environmental trust
- hydrogen vehicles, *see* Zero-emission vehicle
- investment tax credits, 127.44–127.492
- manufacturing and processing equipment, Reg. Sch. II:Cl. 43
- public transit passes, credit for, 118.02 [pre-2018]
- renewable power generating equipment, Reg. Sch. II:Cl. 43.1, Sch. II:Cl. 43.2
- research and development, 37(1), 127(9)“SR&ED qualified expenditure pool”

Greenhouse

- capital cost allowance for, Reg. Sch. II:Cl. 6(d), Sch. II:Cl. 8(m)

Greenhouse Gas Pollution Pricing Act

- offsetting credit (Canada Carbon Rebate), 122.8(4)
- offsetting refund to farmers, 127.42
- offsetting refund to small business, 127.421

Grocery rebate (extra GST Credit for Jan. 2023), 122.5(3.003)**Gross Canadian life investment income**

- defined, Reg. 2400(1)

Gross compensation

- defined, 163.2(1), (12)(c)

Gross cost

- defined, Reg. 5202, 5204

Gross entitlements

- defined
 - for tax-debt avoidance penalty, 160.01(1)
 - for third-party penalty, 163.2(1)

Gross investment revenue

- insurer's, defined, 138(12)“gross investment revenue”

Gross negligence

- effect on adjustment to related person's tax, Canada-U.S. Tax Treaty:Art. IX:5
- failure to report exempt capital gain, exemption lost, 110.6(6)
- penalty for failure to remit tax withheld, 227(9)(b), 227(9.1)
- penalty for failure to withhold tax, 227(8)(b)
- penalty for false statements of omissions, 163(2)
 - re flow-through share or joint exploration corporation, 163(2.2), (2.3)

Gross REIT revenue

- defined, for SIFT rules, 122.1(1)

Gross resource profits

- defined, Reg. 1204(1)

Gross revenue

- defined, 248(1)
 - for international shipping rules, 250(6.01)
 - for interprovincial allocation of corporate income, Reg. 402(4)–(6)
 - limitation re non-profit R&D corporation, 149(9)
 - special rules re transfer pricing, 247(5), (9)
- from a mine, defined, Reg. 1104(5.1), (5.2)

Gross revenue insurance program

- payments to farmers under, income, 12(1)(p)
- premiums in respect of, deductible, 20(1)(ff)

Gross tax attributes (debt forgiveness rules)

- defined, 80(14.1)
- inclusion in residual balance, 80(14)(a)

Gross-up

- dividends, 82(1)(b)

Ground source heat pump system

- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(i), Sch. II:Cl. 43.2(b)

Group

- defined
 - for associated corporations, 256(1.2)(a)
 - for surplus stripping rules, 84.1(2.2), 212.1(3)(d)(i)
- of taxpayers with same issue, Tax Court appeal binding on all, 174
- related, defined, 251(4)“related group”
- unrelated, defined, 251(4)“unrelated group”

Group adjusted net book income

- defined, for alternative interest-deduction restrictions, 18.21(1), (4)

Group annuity contract

- defined, for Common Reporting Standard, 270(1)

Group cash value insurance contract

- defined, for Common Reporting Standard, 270(1)

Group disability benefits

- top-up payments by employer on insolvency of insurer, 6(17), (18)
 - reimbursement to employer, 8(1)(n.1)

Group home care

- medical expense credit, 118.2(2)(b.2)

Group insurance plan

- employer's contributions to
 - top-up payments on insolvency of insurer, *see* Group disability benefits

Group insurance plan (*cont'd*)

- whether included in employee's income, 6(1)(a)(i), 6(1)(f)

Group net interest expense

- defined, for alternative interest-deduction restrictions, 18.21(1)

Group of insurance contracts

- defined
- for determining insurer's capital, 138(12), 181(2), Reg. 8600
- for insurers' IFRS transition rules, 138(12), Reg. 2400(1)
- for insurers' policy reserves, Reg. 1408(1)

Group of life insurance contracts

- defined
- for insurers' IFRS transition rules, 138(12), Reg. 2400(1)
- for insurers' policy reserves, Reg. 1408(1)

Group of life insurance contracts in Canada

- defined
- for insurers' IFRS transition rules, 138(12), Reg. 2400(1)
- for insurers' policy reserves, Reg. 1408(1)

Group of reinsurance contracts

- defined
- for determining insurer's capital, 138(12), 181(2), Reg. 8600
- for insurers' IFRS transition rules, 138(12), Reg. 2400(1)

Group of segregated fund policies

- defined
- for insurers' IFRS transition rules, 138(12), Reg. 2400(1)

Group plan amount [formerly "group RRSP amount"]

- defined, 204.2(1.3)

Group ratio

- defined, for alternative interest-deduction restrictions, 18.21(1)

Group sickness or accident insurance, *see* Sickness and accident insurance**Group term insurance policy**

- definition, re insurer, 138(15)
- demutualization of insurance corporation, effect on insured, 139.1(15)

Group term life insurance policy

- defined, 248(1)
- employee contributions to employee life and health trust deemed to be premiums if identified as such, 144.1(10)
- limitation on deduction of premiums, 18(9.01)
- taxable benefit from premiums, 6(4), Reg. 2700–2704

Grubstaker, 35

- receipt of shares by
- deduction from amount, 110(1)(d.2)

Guarantee

- acquired from insurer or moneylender in amalgamation, 87(2)(h)(iii)
- for controlled foreign affiliate, excluded from transfer pricing rules, 247(7.1)
- loan to spouse or minor, of, 74.5(7)
- of shares, *see* Guaranteed shares
- payment under
- debt forgiveness rules, 80(2)(l)
- when treated as debt, 39(12)
- reserve for, 12(1)(d.1), 20(1)(l.1)
- no deduction, 20(7)

Guarantee agreement

- defined, 112(2.2)(a)
- no deduction for dividend, 112(2.2)–(2.22)

Guarantee fee

- deductible, 20(1)(e), (e.1)
- no withholding tax, Canada-U.S. Tax Treaty:Art. XXII:4
- non-resident, 214(15)

Guarantee fund

- deduction for payment by insurance corporation to, Reg. 1400(3)G

Guaranteed Income Supplement, included in income, 56(1)(a)(i)(A)

- offsetting deduction, 110(1)(f) opening words

Guaranteed shares, *see also* Taxable preferred share; Term preferred share

- deemed dividend on reduction of paid-up capital, 84(4.3)
- restriction on dividend deductibility, 112(2.2)–(2.22), 258(3)

Guardian, return by, 150(1)(d), (e)**Guide dog expenses**

- disability supports deduction, 64(a)A(ii)(Y)
- medical expense credit, 118.2(2)(l)

Guilt, *see* Offences**Gulf Canada case overruled re resource allowance**, Reg. 1204(1)**Gypsum**

- extraction of, 248(1)“mineral resource”(d)(ii)

H**HBP**, *see* Home Buyers' Plan**HBP balance**

- defined, for Home Buyers' Plan, 146.01(1)

HBTC, *see* Home Buyer's Tax Credit**HMA**, *see* Hybrid mismatch arrangement**HRDC**, *see* Human Resources Development Canada**HRTC**, *see* Home renovation tax credit**HWT**, *see* Health and welfare trust**Habitation, right of (Quebec)**

- deemed to be trust, 248(3)

Haida Gwaii

- prescribed intermediate zone for northern residents' deduction, Reg. 7303.1(2)

Hairstylist

- apprenticeship job creation credit, 127(9)“investment tax credit”

Haiti

- Canadian Forces personnel and police serving in, no tax on income, 110(1)(f), Reg. 7500(b) [repealed]

Half-year rule, depreciable property, Reg. 1100(2)–(2.4)**Halifax disaster pension, exempt**, 81(1)(f)**Halite**

- extraction of, 248(1)“mineral resource”(d)(ii)

Hamilton case overruled, 118.4(1)(e)**Handicapped persons**, *see* Mental or physical impairment**Hangar, capital cost allowance**, Reg. Sch. II:Cl. 6(h)**Hardest-hit business recovery program (COVID-19)**

- wage and rent subsidies, 125.7(1)“base percentage”(l)(ii), (m)(ii)

Hardship, *see* Undue hardship**Hardwood flooring**

- disallowed as medical expense, 118.2(2)(l.2)(i), (ii), 118.2(2)(l.21)(i), (ii)

Harness

- capital cost allowance, Reg. Sch. II:Cl. 10(c)

Headings in legislation

- relevance of, *Interpretation Act* s. 14

Head lease, defined, 209(1)

- “term” defined, 209(1)

Health and welfare trust

- transfer of property to employee life and health trust, 144.1(16)–(17)
- treated as employee life and health trust, 144.1(14)–(15)

Health Canada

- Special Access Programme, *see* Special Access Programme

Health care plan, *see* Private health services plan**Health counselling**, *see* Counselling services

Health promotion surtax, 182, 183

Health services plan

- employer's contribution to
- not includable in employee's income, 6(1)(a)(i)
- private, premiums to, 118.2(2)(q)

Hearing aid, medical expense, 118.2(2)(i)

Hearing impairment, *see also* Deaf person

- devices to assist person with
- business expense, 20(1)(rr)
- medical expense credit, Reg. 5700(q.1)
- real-time captioning services for, *see* Captioning services
- sign language interpretation services for, *see* Sign language

Hearing officer

- powers of, 231.4(3), (4)

Hearse

- excluded from definition of automobile, 248(1)“automobile”(c)

Heart pacemaker/monitor

- medical expense, Reg. 5700(d)

Heat production/distribution equipment

- capital cost allowance, Reg. Sch. II:Cl. 1(p), Sch. II:Cl. 2(f)

Heat pump system, *see* Ground source heat pump system

Heat recovery equipment

- capital cost allowance, Reg. Sch. II:Cl. 43.1

Heating expenses

- relief from, payments non-taxable, 81(1)(g.4), (g.5)

Heavy duty equipment technician

- apprenticeship job creation credit, 127(9)“investment tax credit”

Heavy water

- capital cost allowance for, Reg. Sch. II:Cl. 26

Hedge

- gain on, stop-loss rule on foreign affiliate share disposition, 93(2)–(2.31)
- straddle transactions, rules preventing income deferral, 18(17)–(23)

Heir, *see also* Legal representative

- acquisition of property on death, cost base, 70(5)(b)
- resource property or land inventory, 70(5.2)
- deemed to be legal representative, 248(1)“legal representative”
- obligations of, 159
- return required by, 150(3)

Henson trust

- rollover of RRSP to, 60.011

Hepatitis C trust

- income of, non-taxable, 81(1)(g.3)

Her Majesty, *see* Crown; Government

Herbert Family Trust case overruled, 214(3)(f)(i)(C)

Herd, *see* Basic herd

High school, *see* Secondary school

High value account

- defined, for Common Reporting Standard, 270(1)

Highest individual percentage

- defined, 248(1)

Hiring subsidy, 125.7(2.2)

History preservation rules, *see* Debt forgiveness: history preservation rules

Ho case overruled, 152(4)(b)(iii)(B)

Hockey players or referees, *see* Athlete

Hoefele case overruled, 6(23)

Hogs, *see* Swine

Hold

- meaning of, 139.1(1)“mutual holding corporation” (Notes)

Holder

- of first home savings account (FHSA)

- defined, 146.6(1)
- of registered disability savings plan (RDSP)
- change in, notification required, 146.4(13)(a)
- defined, 146.4(1)
- liable for non-compliance by RDSP, 160.21
- of tax-free savings account (TFSA)
- defined, 146.2(1)

Holding corporation (insurance demutualization)

- deemed not to be taxable Canadian property, 141(4)
- deemed to be public corporation, 141(3)
- defined, 139.1(1)
- dividend received by, no tax, 112(1)

Holiday

- deadline expiring on, *Interpretation Act* s. 26
- defined, *Interpretation Act* s. 35(1)
- includes Sunday, *Interpretation Act* s. 35(1)“holiday”

Holocaust survivor's compensation, exempt, 81(1)(g)

Home, *see also* Principal residence; *Underused Housing Tax Act*

- Buyer's Plan, *see* Home Buyers' Plan
- construction costs, medical expense credit, 118.2(2)(1.21)
- cost of maintaining after move, deduction, 62(3)(g)
- defined, for Home Buyers' Plan withholding exemption, Reg. 104(4)
- driveway alterations, medical expense credit, 118.2(2)(1.6)
- insulation grant, *see* Home insulation grant
- loan to purchase, *see* Home purchase loan
- loss in value of, reimbursement, *see* Housing loss
- maintenance of after moving away, deduction, 62(3)(g)
- modifications to, for physically impaired person
- accessibility credit, *see* Home accessibility tax credit
- medical expense credit, 118.2(2)(1.2)
- mortgage, *see* Mortgage
- office expenses, *see* Work space in home
- principal, *see* Principal residence
- RRSP withdrawal to fund, *see* Home Buyers' Plan
- relocation loan, *see* Home relocation loan
- renovation of, *see* Home renovations
- sale of, *see* Principal residence
- search warrant of, 231.3
- sold within 1 year, deemed inventory, 12(12), (13)
- warrant for entry into, for audit purposes, 231.1(1)(c), 231.1(3)

Home accessibility tax credit

- bankruptcy, effect of, 118.041(6), (7)
- calculation of, 118.041(3)
- apportionment among multiple claimants, 118.041(5)
- death, effect of, 118.041(7)(a)
- may double up with medical expense credit, 118.041(4)

Home assistance benefit

- paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(vii)(D)

Home Buyers' Plan, 146.01

- death of taxpayer, 146.01(6), (7)
- definitions, 146.01(1)
- first-time owner requirement, 146.01(1)“regular eligible amount”(e), (f)
- repayment of funds borrowed from RRSP, 146.01(3)
- withdrawal of funds from RRSP, Reg. 104(3)
- within 90 days of contribution, deduction disallowed, 146(5)(a)(iv.1), 146(5.1)(a)(iv)
- withholding tax exemption, Reg. 104(3)–(4)

Home Buyer's Tax Credit, 118.05

Home construction costs

- medical expense, 118.2(2)(1.21)

Home insulation grant

- included in income, 12(1)(u), 56(1)(s)
- information return re, Reg. 224
- non-resident taxable on, 212(1)(s)

Home insulation grant (*cont'd*)

- prescribed program, Reg. 5500

Home modifications benefit

- paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(vii)(A)

Home modifications move benefit

- paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(vii)(B)

Home mortgage, *see* Mortgage

Home office expenses, *see* Work space in home

Home purchase loan

- balance outstanding after 5 years deemed new loan, 80.4(6)
- defined, 80.4(7)
- employee or spouse, to, 15(2.4)(b)
- interest on, 80.4(4), (5)

Home relocation loan

- balance outstanding after 5 years deemed new loan, 80.4(6)
- deduction for, before 2018, 110(1)(j)
- defined, 248(1)
- interest on, 80.4(4), (5)

Home renovation tax credit

- 2009 only, 118.04
- multigenerational, for family member to live in home, 122.92

Home renovations

- credit for accessibility, 118.041
- credit for family member to live in home, 122.92
- medical expense, 118.2(2)(1.2), Reg. 5700
- driveway alterations, 118.2(2)(1.6)

Homer case overruled, 248(1)“trust”

Homosexual relationships, *see* Common-law partner

Hong Kong, *see also* Foreign government

- film or video under treaty co-production, Reg. 1106(3)(b)
- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 19

Horse

- basic herd maintained since 1971, deduction, 29
- breeding, 80.3(1)“breeding animals”
- inventory, valuation of, 28(1.2)
- maintaining for racing, constitutes farming, 248(1)“farming”

Horseback riding

- eligible for children’s fitness credit, Reg. 9400(5)

Hospital bed

- medical expense, Reg. 5700(h)

Hot tub

- disallowed as medical expense, 118.2(2)(1.2)(i), (ii), 118.2(2)(1.21)(i), (ii)

Hot-air balloon rides relief (COVID), Reg. 8901.1(2)(b)(vi), *see also* Qualifying tourism or hospitality entity

Hotels and motels relief (COVID), Reg. 8901.1(2)(b)(i), *see also* Qualifying tourism or hospitality entity

House

- insulation, *see* Home insulation grant
- sale of, *see* Principal residence

House of Commons

- election of members, contributions for, 127(3)–(4.2)

Housing, *see* Home

Housing company

- limited-dividend
- exemption, 149(1)(n)

Housing corporation

- donation to, 149.1(1)“qualified donee”(a)(i)
- by corporation, deduction, 110.1(1)(a)
- by individual, tax credit, 118.1(1)“total charitable gifts”
- exempt from tax, 149(1)(i)

Housing loan, *see* Home purchase loan

Housing loss

- defined, 6(21)
- eligible
- defined, 6(22)
- taxable benefit from, 6(1)(a), 6(20)
- taxable benefit from, 6(1)(a), 6(19), (20)

Housing subsidy

- taxable benefit, 6(23)

Housing tax, *see Underused Housing Tax Act*

Housing unit, *see also* Principal residence

- sold within 1 year, deemed inventory, 12(12), (13)

Human Resources Development Canada

- advice re mental or physical impairment, 118.3(4)
- certification of educational institution, 118.5(1)(a)(ii), 118.6(1)“designated educational institution”(a)(ii)
- disclosure of information to, 241(4)(d)(vii.1), (x)
- eligible individuals for Canada Child Benefit, 122.62, 165(3.1), (3.2), Reg. 6301
- Social Insurance Number application, 237(1); Reg. 3800

Hungary, *see also* Foreign government

- universities, gifts to, Reg. Sch. VIII, s. 23

Hunting camps relief (COVID), Reg. 8901.1(2)(b)(xii), *see also* Qualifying tourism or hospitality entity

Husband and wife, *see* Spouse

Hutterite colonies, taxation, 143, *see also* Communal organization

Hybrid car, *see* Zero-emission vehicle

Hybrid deficit (of foreign affiliate)

- defined, Reg. 5907(1)

Hybrid entity, *see also* Limited liability company; Nova Scotia: unlimited liability company

- treaty benefit denial, Canada-U.S. Tax Treaty:Art. IV:7

Hybrid financial instrument arrangement

- defined, 18.4(10)
- effect of, 18.4(11)

Hybrid financial instrument mismatch

- defined, 18.4(11)

Hybrid mismatch amount

- defined, 18.4(1)

Hybrid mismatch arrangement

- anti-avoidance rules, 12.7, 18.4, 20(1)(yy), 113(5)
- deduction denied, 18.4(4)
- defined, 18.4(1)
- dividend deduction denied, 113(5)
- income inclusion, 12.7(3)
- tax consequences determined, 18.4(20)

Hybrid surplus (of foreign affiliate)

- deduction for, 113(1)(a.1)
- defined, 113(1)(a.1)(i), Reg. 5901(1)(a.1), 5907(1), (1.01)
- election to come after taxable surplus, Reg. 5901(1.1)
- portion of dividend deemed paid out of, Reg. 5900(1)(a.1)

Hybrid transfer arrangement

- defined, 18.4(12)
- effect of, 18.4(13)

Hybrid transfer mismatch

- defined, 18.4(13)

Hybrid underlying tax

- defined, Reg. 5907(1)

Hybrid underlying tax applicable

- defined, Reg. 5907(1)

Hydrocarbons

- determination of viscosity and density, Reg. 1107

Hydrogen

- investment tax credit, *see* Clean hydrogen tax credit (investment tax credit)
- vehicle, *see* Zero-emission vehicle

Hypothec, *see* Mortgage

I

IAAC, *see* Income-averaging annuity contract

IATA, *see* International Air Transport Association

IBC, *see* International banking centre until 2013

ICS, *see* Interest coupon stripping

IEP, *see* Immediate expensing property

IFE, *see* Interest and financing expenses

IFR, *see* Interest and financing revenues

IFRS, *see* International Financial Reporting Standards

IPP, *see* Individual pension plan

IPP minimum amount

- defined, for Individual Pension Plan, Reg. 8500(1)

IRA, *see* Individual Retirement Account

IRS, *see* Internal Revenue Service (U.S.)

ISC Register, *see* Individuals with Significant Control (of corporations)

ISIP, *see* Indexed security investment plan

ITAR (Income Tax Application Rules), *see after text of ITA*

ITC, *see* Investment tax credit

Ice storm

- extended deadlines
- LSVCC investments, 127.4(5.1)
- RRSP contributions, 146(22)
- non-taxable employee reimbursements, *Ice Storm Employment Benefits Remission Order*

Identical properties

- deemed, for superficial loss and pregnant loss rules
- capital property, 40(3.5)
- inventory, 18(16)
- right to acquire property, 54“superficial loss”(i)
- share of SIFT wind-up corporation, 54“superficial loss”(j)
- defined, 248(12)
- for matchable expenditure rules, 18.1(12)
- gain or loss from, 47
- life insurance corporation, of, 138(11.1)
- non-qualifying real property, 110.6(18)
- property owned since before 1972, ITAR 26(8)–(8.5)

Identification number, *see* Social insurance number; Tax shelter: identification number

Identified individual

- defined, for annuity contracts, Reg. 301(1)(c)

Ileostomy pads, as medical expense, 118.2(2)(i)

Illegal payments

- when not deductible, 67.5

Immediate expensing limit (for CCA)

- defined, Reg. 1104(3.2)

Immediate expensing property (for CCA)

- deduction for, 20(1)(a), Reg. 1100(0.1)
- defined, Reg. 1104(3.1)

Immigrant trust, *see* Immigration trust

Immigration, *see* Becoming resident in Canada

Immigration Act

- refugee under, *see* Refugee

Immigration trust

- five-year non-taxability until 2014, 94(1)“connected contributor”(a), 94(1)“resident contributor”(a)

Immovable property, *see also* Real property

- defined
- for digital platform operator reporting rules, 282(1)
- *Income Tax Conventions Interpretation Act*, s. 5
- *Quebec Civil Code*, art. 900–907

Immune system deficiency

- air or water purifier for, medical expense credit, Reg. 5700(c.1), (c.2)

Immunovaccine Technologies case overruled, 12(1)(x)(ix), 12(11)“excluded loan”, 13(7.1)(b.2), 127(9)“government assistance”

Impaired loans

- reserve for, 20(1)(l)(ii)
- no deduction when property seized by creditor, 79.1(8)
- no interest income inclusion, 12(4.1)

Impairment, *see* Mental or physical impairment

Imposition of tax, *see also* Liability for tax; Rates of tax

- Part VI.2 (for 2022), 191.5(2)

Imprisonment, *see* Offences

Imputation, *see* Attribution rules

In camera proceedings

- discipline etc., of authorized individual, to protect taxpayer information, 241(4.1)
- in Federal Court, 179
- review of jeopardy assessment, 225.2(10)
- review of solicitor-client privilege claim, 232(5)

“In trust for” accounts, 104(1) (Notes)

Inadequate consideration, 69

- exceptions to fair market value deeming provision, ITAR 32
- property acquired by gift or inheritance, 69(1)(c)
- property distributed to shareholder, 69(4), (5)
- purchase price in excess of fair market value, 69(1)(a)
- sale price below fair market value, 69(1)(b)

Incentive claimant

- defined, for labour requirements for ITCs, 127.46(1)

Incentive program

- for employees, taxable benefit, 6(1)(a)
- for RRSP, RRIF, TFSA, RESP or RDSP, 207.01(1)“advantage”(a)(v)

Includes

- meaning of (in a definition), 118.1(5) (Notes)

Income

- accumulating in a trust, 104(14), Reg. 2800
- active business, defined, 125(7)“income of the corporation for the year from an active business”
- alimony, 56(1)(b)
- allocation, *see* Income allocation
- annuity, 56(1)(d), (d.2)
- capital element, deductible, 60(a)
- assistance, *see* Older Worker Adjustment, Program for; Social assistance payment
- automobile standby charge, 6(1)(e)
- car salesperson/lessor, 6(2.1)
- reasonable amount, 6(2)
- automotive pact, transitional assistance, 56(1)(a)(v)
- averaging, *see* Averaging of income; Income-averaging annuity contract
- beneficiary of trust, 104(13), (14), (15)
- blocked currency, in, 161(6)
- bond, *see also* Bond
- bursary, 56(1)(n)
- business or property, from, *see* Business or property income
- Canada Pension Plan benefits, 56(1)(a)(i)
- capital and, combined, 16(1), (4), (5)
- paid to non-resident, 214(2)
- cash method of reporting (farming or fishing), 28(1)–(3)
- chief source of, 31
- cod fisherman, *see* Fishing: compensation programs
- computation of, *see* Computation of income
- death benefit, 56(1)(a)(iii)
- debenture, *see* Bond
- deferred profit sharing plan, receipts from, 56(1)(i)

Index

Income (*cont'd*)

- destruction of livestock, from, *see also* Livestock
- determination of, by Minister, 152(1.11), (1.12)
- dividends, 82(1)
- non-resident corporation, from, 90
- “earned” for RRSP purposes, defined, 146(1)“earned income”
- “earned in the year in a province” defined, 120(4)
- earned in the year in a province by an individual, defined, Reg. Part XXVI
- earned or realized by any corporation after 1971, 55(2), (5)(b), (c)
- employee benefits plan
 - benefits, 6(1)(g)
- employment benefits, 6(1)
- employment insurance benefits, 6(1)(f), 56(1)(a)(iv)
- exclusions from, *see* Exemptions
- exempt, *see* Exemptions
- exploration and development expenses, recovery of, 59(3.2)
- “for the year” defined, 56(9)
- foreign resource property disposed of, 59(1)
- from active business, defined, 95(1), 125(7)
- from property, for dividend refund, 129(4)“income” or “loss”
- gaining or producing, purpose, 18(1)(a), Reg. 1102(1)(c)
- grants under certain government programs, 56(1)(s)
- indirect payments, 56(2)
- “investment income” defined, 110.6(1)
- *Labour Adjustment Benefits Act*, benefits under, 56(1)(a)(vi), Reg. 5502(a)
- legal costs recovered, 56(1)(l), (1.1)
- life insurance policy
 - proceeds of disposition of interest in, 56(1)(j)
- logging operations, from, defined, 127(2)“income for the year from logging operations in the province”
- maintenance payments, 56(1)(b), (c), (c.2)
- non-resident, of, 250.1(b)
- none, equivalent to zero income, 3(f)
- office or employment, from, 5(1), 6(1)
- old age security, 56(1)(a)(i)
- other sources of, 56–59.1
- pension, 56(1)(a)(i), 57
- place, from sources in, 4
- policyholder’s, 148(1), (1.1)
- prize for achievement, 56(1)(n)
- professional business, from, WIP deferral until 2017, 34
- Program for Older Worker Adjustment, income assistance, 56(1)(a)(vi), Reg. 5502(b)
- property transferred to minor, from
 - imputed to transferor, 75(2)
- property transferred to spouse, from, 212(12)
- property transferred to spouse or minor, 74.1
- Quebec Parental Insurance Plan benefits, 56(1)(a)(vii)
- refund of payments, deductible, 60(q)
- registered education savings plan, amounts received, 56(1)(q)
- registered retirement income fund, amounts received, 56(1)(t)
- registered retirement savings plan, amounts received from, 56(1)(h)
- repeated failures to report, penalty for, 163(1)
- research grant, 56(1)(o)
- resource property disposed of
 - prior reserve for uncollected amount, 59(2)
- retirement compensation arrangement
 - benefits under, 56(1)(x), (z)
 - disposition of interest in, 56(1)(y)
- retiring allowance, 56(1)(a)(ii)
- rights to, transferred, 56(4)
- non-resident tax not applicable, 212(12)
- salary deferral arrangement, benefit under, 56(1)(w)
- Saskatchewan Pension Plan benefits, 56(1)(a)(i)(C)
- scholarship, 56(1)(n)

- refund of, 56(1)(p)
 - social assistance payments, 56(1)(u)
 - source, from, 4
 - splitting, *see* Income splitting
 - superannuation benefits, 56(1)(a)(i), 57
 - supplementary unemployment benefits, 56(1)(g)
 - support payments, 56(1)(b), (c), (c.2)
 - tax on, *see also* Tax
 - non-deductible, 18(1)(t)
 - taxable, *see* Taxable income
 - taxation year, for, 3
 - transitional assistance under auto pact, 56(1)(a)(v)
 - trust, of
 - accumulating, *see* Accumulating income (of trust)
 - defined, 108(3)
 - workers’ compensation benefits, 56(1)(v)
- Income attribution**, *see* Attribution rules
- Income averaging**, *see* Averaging of income
- Income-averaging annuity contract**
- defined, 61(4), 248(1)
 - payment under
 - non-resident, to, 212(1)(n)
 - withholding tax, 153(1)(k)
- Income bond or income debenture**
- defined, 248(1)
 - excluded from annual interest accrual rules, 12(11)“investment contract”(e)
 - interest paid on, not deductible, 18(1)(g)
 - payment on deemed to be a dividend, 15(3), (4)
- Income from a mine**
- defined, Reg. 1104(5), (6)
- Income from a non-qualifying business**
- defined, for FAPI rules, 95(1)
- Income from an active business**, *see* Active business: income from
- Income from property**, *see* Property: income from
- Income interest in trust**, *see also* Trust (or estate)
- cost of, 106(1.1)
 - defined, 108(1), 248(1)
 - disposition of, 106(2)
 - income inclusion, 106(1)
 - property distributed in satisfaction of, 106(3)
- Income maintenance insurance plan**
- employer’s contribution, whether a taxable benefit, 6(1)(a)(i)
 - payment to employee under, taxable, 6(1)(f); ITAR 19
- Income replacement benefits, taxable**, 56(1)(r)
- Income setoff adjustment**, *see* Transfer pricing income setoff adjustment
- Income shortfall adjustment**
- defined (for corporate inclusion of partnership income), 34.2(1)
- Income splitting**, *see also* Attribution rules
- Family Tax Cut (2014-15), 119.1
 - partnership income, 103
 - pension income, *see* Pension: income: splitting with spouse
 - spouses or common-law partners, approved (2014-15), 119.1
 - tax on children at high rate, 120.4, *see also* Split income: tax on
 - testamentary trusts, 104(2)
- Income-splitting tax**, 120.4
- death, consequence of, 120.4(1)“excluded amount”(a), (c); 120.4(1.1)(b), (c)(ii)
 - spouse of person over 65, 120.4(1.1)(c)(i)
- Income tax**, *see* everywhere
- Income Tax Application Rules**, *see after text of ITA*
- Income Tax Conventions Interpretation Act**, *see* Table of Contents

Income trust, *see* SIFT trust

Incontinent person, *see also* Mental or physical impairment

- products for use by, medical expense credit, 118.2(2)(i)

Incorporated employee, *see* Personal services business

Incorporated in Canada

- defined, 248(1)“corporation”, “corporation incorporated in Canada”

Incorporation expenses

- deductible up to \$3,000, 20(1)(b)
- excess included in goodwill, Reg. Sch. II:Cl. 14.1

Incorporeal property, *see* Corporeal property

Indebtedness, *see also* Debt; Loan

- defined, for deemed settlement of debt on amalgamation, 80(3)
- income of foreign affiliate from, 95(2)(a.3), 95(2.4), (2.5)“indebtedness”
- to non-resident trust, reporting requirement, 233.5(1)

Indemnity

- in agreement to sell business, does not trigger mandatory reporting rules, 237.3(1)“contractual protection”(a)(ii)(B)
- payment, provincial, excluded from income, 81(1)(q)
- reserve for, not deductible, 20(7)

Independent engineer or geoscientist

- defined, for CTM investment tax credit, 127.49(1)

Independent personal services, Canada-U.S. Tax Treaty:Art. V:9, VII

Indexed debt obligation

- adjusted cost base of, 53(1)(g.1), 53(2)(l.1)
- amount deemed paid and received as interest, 16(6), Reg. 7001
- deduction from income, 20(1)(c), 16(6)
- defined, 248(1)
- excluded from annual interest accrual rules, 12(3), 12(11)“investment contract”(k)
- interest included in income, 12(1)(c), 16(6)
- prescribed amount, Reg. 7001

Indexed payment

- defined, re indexed debt obligation, Reg. 7001(7)

Indexed security investment plan

- transition for 1986, 47.1(28)

Indexing (for inflation)

- Child Tax Benefit before July 2016 and starting July 2020, 122.61(5)
- tax brackets, credits and dollar thresholds, 117.1(1), (1.1)
- tax-free savings account contribution limit, 207.01(1)“TFSA dollar limit”(d)

India, *see also* Foreign government

- trust resident in, 93.3
- universities, gifts to, Reg. Sch. VIII, s. 24

Indian

- credit for First Nations Tax payable, 120(2.2)
- exemption from tax, 81(1)(a)
- • exempt income eligible for contribution to pooled registered pension plan, 147.5(1)“exempt earned income”, 147.5(31)–(34)
- resident in Canada without permanent resident status
- • entitled to Canada Child Benefit, 122.6“eligible individual”(e)(v)
- • entitled to GST Credit, 122.5(2)(c)
- residential school settlement, *see* Indian Residential Schools Settlement trust
- tax evasion offences, 239(5)

Indian Residential Schools Settlement trust

- income of, non-taxable, 81(1)(g.3)(i)(C)

Indicator re foreign trust, *see* Non-arm’s length indicator

Indirect assistance

- taxable, 12(1)(x)(i)(C)

Indirect payments

- corporation, by

- • person paid through intermediary as proceeds of disposition of property, 183.1(5)
- deemed income, 56(2)
- distribution of corporate surplus, tax on, 183.1(5)

Indirectly

- meaning of, 17.1(1) (Notes)

Individual

- bankrupt, 128(2)
- computation of tax, 117–122.91
- computation of taxable income, order of application, 111.1(1)
- credits, 118–118.95
- defined, 248(1)
- • excludes trust for purpose of home accessibility tax credit, 118.041(1)
- • excludes trust for purpose of Multigenerational Home Renovation Tax Credit, 122.92(1)
- fiscal period of, 249.1(1)(b)(i)
- gifts, deduction from tax, 118.1(3)
- income earned in the year in a province, Reg. Part XXVI
- “income for the year” defined, 120(3)
- instalment base, Reg. 5300
- instalment payments, 155, 156
- • “instalment base” defined, 161(9)(a)
- insufficient instalment payments
- • interest limitation, 161(4)
- mentally or physically impaired, *see* Mental or physical impairment
- over 65, deduction, 118(2)
- • unused, transfer to spouse, 118.8
- payment of tax, 155, 156
- • instalment base, 155(2), 156(3)
- • remainder, 158
- rates of tax, 117(2)
- • abatement re provincial schooling allowance, 120(2)
- • addition to tax for income not earned in province, 120(1)
- • annual adjustment, 117.1
- resident for part of year, 114
- returns, 150(1)(d), (e)
- surtax, 180.1 [repealed]
- tax credits, 118
- • ordering of, 118.92
- taxation year of, 249(1)(b)

Individual pension plan

- defined, Reg. 8300(1)
- • Minister may waive definition, Reg. 8300(1.1)
- minimum amount, Reg. 8500(1)“IPP minimum amount”
- minimum withdrawal, Reg. 8503(26)
- permissible distribution, Reg. 8502(d)(x)
- provisional PSPA in relation to, Reg. 8304(10)
- special rules for designated plans, Reg. 8515

Individual Retirement Account, *see also* Foreign retirement arrangement

- exempt from Canadian withholding tax, Canada-U.S. Tax Treaty:Art. XXI:2
- prescribed as foreign retirement arrangement, Reg. 6803

Individuals with Significant Control (of corporations)

- disclosure of to CRA and the public, 150(1)(a) Notes
- provision of information by CRA to confirm CBCA compliance, 241(4)(u)

Inducement payments

- cancellation of lease, *see* Lease cancellation payment
- election re adjusted cost base, 53(2)(s), 53(2.1)
- election to offset against outlay or expense, 12(2.2)
- included in income, 12(1)(x)
- prescribed amount, Reg. 7300
- received by beneficiary of trust, or partner, 12(2.1)
- repayment of, 20(1)(hh)

Industrial electrician

- apprenticeship job creation credit, 127(9)“investment tax credit”

Industrial instrument mechanic

- apprenticeship job creation credit, 127(9)“investment tax credit”

Industrial mechanic (millwright)

- apprenticeship job creation credit, 127(9)“investment tax credit”

Industrial mineral mines

- capital cost allowance, Reg. 1100(1)(g), 1104(3), Reg. Sch. V

Industrial minerals

- producing, excluded from M&P credit, 125.1(3)“manufacturing or processing”(g)

Ineligible individual

- defined, 149.1(1)
- managing or controlling charity
 - CRA can refuse to register charity, 149.1(25)
 - CRA can revoke registration of charity, 149.1(4.1)(e)
 - CRA can suspend registration, 188.2(2)
- managing or controlling Canadian amateur athletic association
 - CRA can refuse to register RCAA, 149.1(25)
 - CRA can revoke registration of RCAA, 149.1(4.2)(c)

Ineligible property

- defined, for cost base bump on windup, 88(1)(c)(iii)–(vi)

Ineligible use

- for captured carbon, defined, 127.44(1)
- for clean electricity tax credit
 - conversion to, credit recaptured, 127.491(17)–(19)
 - *de minimis* exception, 127.491(23)
 - defined, 127.491(1)
- for clean hydrogen tax credit [to be repealed]
 - deemed not captured, 127.49(6)(c)
 - defined, 127.44(1), 127.48(1)

Infant

- prone to sudden infant death syndrome
 - alarm, medical expense, Reg. 5700(r)

Infirm beneficiary

- defined, 94(1)“exempt foreign trust”(a)(i)(A)

Infirm dependant, see also Mental or physical impairment

- credit for, 118(1)B(d), (e)
- preferred beneficiary election, 108(1)“preferred beneficiary”(a)(ii)(A)
- training courses to care for, medical expense, 118.2(2)(1.8)

Inflation adjustment period

- defined, re indexed debt obligations, Reg. 7001(7)

Inflation indexing, see Indexing (for inflation)**Influence over a corporation**

- whether constitutes *de facto* control, 256(5.1), (5.11)

Informal procedure appeals, 170**Informant payments (for leads on international tax evasion)**

- disclosure of information by CRA to informer, 241(4)(r)
- payment to province only after collected by CRA, 152(10)(b)
- payments included in income, 56(1)(z.4)
 - deduction for repayment, 60(z.1)
 - non-resident withholding tax, 212(1)(x)
 - information return, Reg. 202(2)(m)
 - withholding of tax at source, 153(1)(s), Reg. 103(9)

Information

- communication of, 241
- demand for, 231.2(1)(a)
- exchange of between tax authorities, Canada-U.S. Tax Treaty:Art. XXVII
- failure to provide, in return, penalty for, 162(5)
- foreign-based, 231.6
- laid, *see* Information or complaint
- outside Canada
 - foreign-based information or document, 231.6
 - tax shelter investment information, 143.2(13), (14)
 - requirement to provide, 231.2(1)(a)
 - return, *see* Information return

- foreign-based information or document, 231.6
- tax shelter investment information, 143.2(13), (14)
- requirement to provide, 231.2(1)(a)
- return, *see* Information return

Information exchange agreement, see Tax information exchange agreement**Information or complaint**

- laid or made, 244(1)
- limitation on prosecutions, 244(4)
- territorial jurisdiction, 244(3)
- two or more offences in one, 244(2)

Information return, Reg. 200–238

- actor (non-resident), payment to, Reg. 202(1.1)
- apprenticeship grant, Reg. 200(2)(b.1)
- avoidance transactions, 237.3(2)
- bond interest, accrued, Reg. 211
- Canada Savings Bonds, cash bonus, Reg. 220
- Canadian Wheat Board Farmers’ Trust, 135.2(15)
- ceasing to be resident in Canada, value of assets, 128.1(9)
- certified films, Reg. 225
- charitable donation returned to donor, 110.1(16), 118.1(27), Reg. 3501.1
- charity, 149.1(14)
- construction contracts, Reg. 238
- contract payments
 - construction, Reg. 238
 - federal government, Reg. 237
- corporation
 - transactions with non-resident, non-arm’s length persons, 233.1
- country-by-country reporting, multinational groups, 233.8
- demand for, 233
- distribution of taxpayer’s portion of, Reg. 209
- educational status, Reg. 203
- electric, gas or steam corporations, Reg. 213
- electronic filing required, Reg. 205.1
 - penalty, 162(7.02)
- electronic funds transfers, 244.2(1), 244.6
- electronic mail of, Reg. 209(3)–(5)
- eligible funeral arrangement, Reg. 201(1)(f)
- email of, Reg. 209(3)–(5)
- emigration, value of assets, 128.1(9)
- employees stock option deferral, Reg. 200(5)
- employees profit sharing plan, Reg. 212
- energy conversion program, Reg. 224
- farm support payments, Reg. 234–236
- federal government contract, Reg. 237
- first home savings account, Reg. 219
- foreign affiliate, 233.4
- foreign plan PSPA, Reg. 8402(2)
- foreign property, investment in, 233.3
- foreign trust
 - distributions from, 233.5
 - indebtedness to, 233.5
 - transfers to, 233.2(4)
- government contract, Reg. 237
- government-sponsored retirement arrangement, Reg. 8402.1
- home insulation program, Reg. 224
- interest expense denied, transferred to other group member, 18.2(5)
- international electronic funds transfers, 244.2(1), 244.6
- journalism organization, 149.1(14.1)
- labour organization or labour trust, 149.01 [repealed]
- legal representative, Reg. 206
- life insurer, Reg. 217
- making of regulations re, 221(1)(d)
- NISA Fund No. 2, Reg. 201(1)(e)
- non-profit organization, 149(12), 150(1)(a)

Information return (*cont'd*)

- non-profit R&D corporation, 149(7)
- non-qualified investment acquired by RRIF, Reg. 215(3)
- non-qualified investment acquired by RRSP, Reg. 214(2)
- non-qualified investment acquired by TFSA, Reg. 223(3)
- non-resident claiming treaty protection, 150(1)(a)(ii)
- non-resident transactions, 233.1–233.7
- oil substitution program, Reg. 224
- Part IV.1 tax, 187.5
- Part VI.1 tax, 191.4(1)
- partnership, Reg. 229, 229.1
- past service pension adjustment, Reg. 8402
- patronage payments, Reg. 218
- penalty for failure to file electronically, 162(7.02)
- penalty for failure to make, 162(7)(a)
- pension adjustment, Reg. 8401
- pension adjustment correction, Reg. 8402(4), 8402.01(4.1)
- pension adjustment reversal, Reg. 8402.01
- political contributions, 230.1(2), Reg. 2001
- pooled registered pension plan, Reg. 213
- public
 - registered charity, 149.1(14)
 - public partnership, Reg. 229.1
 - public trust, Reg. 204.1
- qualified investments, Reg. 221
- RRIF loss carryback to deceased's return, Reg. 215(6)
- RRSP loss carryback to deceased's return, Reg. 214(6)
- registered Canadian amateur athletic association, 149.1(14)
- registered education savings plan, 146.1(13.1), (15)
- registered journalism organization, 149.1(14.1)
- registered pension plan, Reg. 8409
- registered retirement income funds, Reg. 215
- registered retirement savings plan, Reg. 214, 214.1
- reportable transactions, 237.3(2)
- resource flow-through shares, Reg. 228
- SR&ED corporation, 149(7)
- security transactions, Reg. 230
- social assistance payment, Reg. 233
- Social Insurance Number, use of, 237(2)
- specified retirement arrangement PSPA, Reg. 8402(3)
- stock option deferral, Reg. 200(5)
- students, Reg. 203
- TFSA, Reg. 223
- tax shelter
 - participant, 237.1(6), 237.3(2)
 - promoter, 237.1(7), 237.3(2)
- transactions with non-residents, 233.1–233.7
- trust, Reg. 204, 204.1
- trust or corporation re Part XI tax, Reg. 207
- tuition fees, Reg. 203
- union, 149.01 [repealed]
- Universal Child Care Benefit, Reg. 200(6)
- video tapes, Reg. 225
- withholding of tax, Reg. 210
- workers' compensation payment, Reg. 232

Inheritance, *see also* Death of taxpayer

- debt forgiveness rules do not apply, 80(2)(a)

In-home care of relative

- before 2017, tax credit, 118(1)B(c.1)

Initial amounts

- defined, for transfer pricing rules, 247(2.02)

Initial deadline

- defined, for insurance demutualization, 139.1(1)

Initial non-qualified investment

- defined, 204

Initial transportation charges

- defined (for pre-1966 cars), Reg. 1102(11)

Injection substances

- deduction for, 20(1)(mm)

Injury, personal, property acquired as award for income from, exempt, 81(1)(g.1), (g.2)**In-laws, dependent**, 118(6)(b)**Innovative regulatory capital**, *see* Regulated innovative capital**Input carbon intensity**

- defined, for clean hydrogen tax credit, 127.48(1)

Input device

- disability supports deduction, 64(a)A(ii)(U)

Input tax credit, *see* Goods and services tax (GST): input tax credit**Inquiry**

- authorized by Minister, 231.4
- compliance required, 231.51
- rights of person subjected to, 231.4(6)
- rights of witness at, 231.4(5)
- seizure of documents
 - copies of, 232(13)

Insider of a corporation

- defined, Reg. 4803(1)

Insolvency, *see also* Bankruptcy; Financial difficulty (taxpayer in)

- insurance corporation, group disability insurance top-up payments, 6(17), (18)

Inspection, *see* Audit**Inspector**

- defined, for surveys under *Canada Shipping Act*, Reg. 3600(2)

Installation project

- more than 12 months, constitutes permanent establishment, Canada-U.S. Tax Treaty: Art. V(3)

Installation taxation year

- defined, for labour requirements for ITCs, 127.46(1)

Instalment base

- defined
 - corporations, 157(4), Reg. 5301
 - individuals, farming or fishing business, 155(2), Reg. 5300
 - other individuals, 156(3), 161(9), Reg. 5300

Instalment payments (Instalments)

- capital and income combined, 16(1)
- ceasing to be resident in Canada, 128.1(5)
- dependent on use, 12(1)(g)
- Part VI.2 tax paid over 5 years, 191.5(9)
- sale of property, *see* Reserve
- tax, of
 - amounts deemed to be, 161(8)
 - annual, deceased taxpayer's, Reg. 1001
 - contra interest, 161(2.2)
 - corporations, 157
 - *de minimis* rule, 156.1(1), 157(2.1)
 - death of taxpayer, not required after, 156.1(3)
 - deficient
 - interest offset method, 161(2.2)
 - interest payable, 161(2)
 - limitation re corporations, 161(4.1)
 - penalty, 163.1
 - when certain tax credits deemed paid, 161(10)
 - estate, whether exempt, 156.1(2)(c)
 - farming or fishing income (individuals), 155, 156.1(2)
 - individuals, 156, 156.1
 - instalment base, defined, 161(9)(a), Reg. Part LIII
 - late, penalty for, 163.1
 - mutual fund trust, 156(2), 157(2)
 - offset interest, 161(2.2)
 - Part XII.3 tax, 211.3
 - SIFT trust, 157(2)
 - small corporation, 157(1.1)–(1.5)

Index

Instalment payments (Installments) (*cont'd*)

- transfers between accounts, 221.2
- trust distributing property to non-resident, 107(5.1)

Instalment sale

- reserve for capital gain, 40(1)(a)(iii)

Instalment threshold

- defined, 156.1

Institution

- costs of care in, as medical expense, 118.2(2)(e)
- gifts to
 - by corporation, deduction for, 110.1(1)(c)
 - by individual, credit for, 118.1(1)“total cultural gifts”

Instrument, *see* Musical instrument

Insulation grant, *see* Home insulation grant

Insulator (heat and frost)

- apprenticeship job creation credit, 127(9)“investment tax credit”

Insulin, medical expense, 118.2(2)(k)

Insurance

- accidental death, not included in group life insurance benefit, Reg. 2700(2)
- corporation, *see* Insurance corporation
- defined to include reinsurance, 138(12)
- group plans
 - employer's contributions not includable in employee's income, 6(1)(a)(i)
 - life insurance, portion of premium taxable, 6(4)
- paid-up, deduction for, 18(9.01)
- policy, *see* Insurance policy
- premiums, *see* Premium
- proceeds
 - in respect of depreciable property, taxable, 12(1)(f)
- risks in Canada, by foreign affiliate, 95(2)(a.2)
- sickness, accident, etc., benefits taxable, 6(1)(f); ITAR 19

Insurance agent or broker

- reserve for unearned commissions, 32

Insurance contract

- defined, for Common Reporting Standard, 270(1)

Insurance corporation, *see also* Financial institution; Life insurance corporation

- amalgamation, 87(2.2)
- amortized cost, where meaning varied, 138(13)
- bad debts
 - deduction for, 20(1)(p)(ii)
- inclusion in income, 12.4
- cash flow adjustment, Reg. 2412
- computation of income, 138(1), (6), 138(9), 140
- deduction for amounts paid or credited to policyholders, 140(1)
- deductions not allowed, 138(5)–(5.2), (8)
- deemed not to be private corporation, 141.1
- defined, 248(1)
- definitions, 138(12)
- demutualization, 139.1
- deposit, *see* Deposit insurance corporation
- disposition of Canadian securities, 39(5)(e)
- dividend received by, whether deductible, 112(2.03)
- earthquake reserves, Reg. 1400(3)L
- electronic filing not required, Reg. 205.1(2)(a)
- exempt under Part IV, 186.1(b)
- farmers and fishermen, of
 - exemption for, 149(1)(t) [repealed], 149(4.2) [repealed]
 - limitation, 149(4.1)
- foreign affiliate, *see* Foreign affiliate: insurer
- gross investment revenue, defined, 138(12)
- guarantee fund, deduction for payment to, Reg. 1400(3)G
- guarantees etc.
 - acquired from, in amalgamation, 87(2)(h)(iii)

- reserve for, 20(1)(l.1)
- IFRS 17 changes (2023), transitional rules, 138(16)–(25), 142.51
- inclusion in computing income for 1988 taxation year, 140(2)
- insolvent, group disability insurance top-up payments, 6(17), (18)
- liabilities of, determination for debt forgiveness reserve, 61.3(1)(b)C(ii)(B), (C)
- life, *see* Life insurance corporation
- loan/lending asset
 - acquired from, in amalgamation, 87(2)(h)(ii)
 - reduction in value of
 - limitation on deduction re, 18(1)(s)
- loans etc. acquired in ordinary course of business, 20(27)
- mark-to-market rules apply, 138(10)
- mutualization proposal, 139
- negative reserves, 12(1)(e.1), 20(22), Reg. 1400(2)
- non-resident, Reg. 219(4)–(8), 800–805.1, 2401
 - branch tax elections, Reg. 2403
 - change in use rules, 138(11.3)–(11.41), (11.6)
 - computation of income, 138(11.91)
 - domestication of branch operation, 138(11.5)
 - eligible property for transfer to corporation by shareholder, 85(1.1)(b)
 - excluded property, Reg. 810
 - qualified related corporation, 138(12)
 - registered, *see* Registered non-resident insurer
 - transfer of insurance business, 138(11.5)
 - anti-avoidance provisions, 138(11.7)
 - computation of income, 138(11.92)
 - contributed surplus, computation of, 138(11.9)
 - depreciable property, rules re, 138(11.8)
 - paid-up capital, computation of, 138(11.7)
- non-segregated property, 138(12)
- participating life insurance policy, defined, 138(12)
- policy loan, defined, 138(12), 148(9)
- policy reserves, Reg. 1400–1408
 - life insurance, 138(3)(a)(i)
 - negative, 20(1)(e.1), 20(22), Reg. 1400(2)
 - non-life insurance, 20(7)(c), Reg. 1400
 - regulations, Reg. 1400–1408
- property acquired on default in payment, 138(11.93)
- “property used by it in the year in, or held by it in the year in the course of”, 138(12)
- defined, Reg. 2400
- registered, *see* Registered non-resident insurer
- regulations, Reg. Part XXIV
- reserve for unpaid claims, *see also* policy reserves; unpaid claims reserve adjustment
 - life insurance, 138(3)(a)(ii)
 - limitation, 18(1)(e.1)
 - negative, 12(1)(e.1), 20(22), Reg. 1400(2)
- security used or held by
 - “eligible property” for transfer to corporation by shareholder, 85(1.1)(g)
- segregated funds of, 138.1, Reg. Part LXI
- subsidiary, wound up, 88(1)(g)
- surplus funds derived from operations, 138(12)
- taxable capital gains, 138(2)(b), 142
- taxable income earned in a province, Reg. 403
- transfer of insurance business
 - by non-resident insurer, 138(11.5)
 - by resident insurer, 138(11.94)
- transitional rules for accounting rule changes (2023), 138(16)–(25), 142.51
- unpaid claims reserve adjustment, *see also* reserve for unpaid claims
 - claims incurred but not reported, Reg. 1400(3)D, E
 - deduction, 20(7), Reg. 1400(3)D, E
 - variation in tax basis and amortized cost, 138(13)

Insurance holding corporation

- defined, for interest deduction restrictions, 18.2(1)

Insurance policy

- acquisition costs
- not deductible to insurer, 18(9.02)
- disposition of, 148
- no capital gain, 39(1)(a)(iii)
- no capital loss, 39(1)(b)(ii)
- life, *see* Life insurance policy
- loan, *see* Policy loan (life insurance)
- reserves (insurer), *see* Insurance corporation: policy reserves; Insurance corporation: reserve for unpaid claims
- rider, *see* Rider

Insurance proceeds

- constitute proceeds of disposition, 13(21)“proceeds of disposition”(c), 54“proceeds of disposition”(c)
- rollover where property replaced, 13(4), (4.1), 44

Insurance swaps

- application of FAPI, 95(2)(a.21), (a.22)

Insured annuity

- leveraged, *see* LIA policy

Insurer, *see also* Insurance corporation

- defined, re life annuity contracts, 148(10)(a), Reg. 217(1)

Intangible property, *see also* Goodwill

- patents, Reg. Sch. II:Cl. 14, Sch. II:Cl. 44
- relating to road, bridge, townsite, etc., capital cost, 13(7.5)(c)

Integration

- capital dividend flow-through, 83(2), 89(1)“capital dividend account”(b)
- corporate and personal tax, 82(1)(b), 121
- intercorporate dividend flow-through, 82(1)(a), (a.1), 112(1)
- Part IV tax flow-through, 186(1)(b)

Intellectual property, *see* Copyright; Patent; Trade mark, representation expenses**Intention of legislation, *see* Purpose provisions****Inter vivos trust, *see also* Trust (or estate)**

- defined, 108(1)

Interac Corp.

- prescribed payment card corporation share, Reg. 9002.1(a)(i), (ii)

Inter-American Development Bank

- bonds of, qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(l)(ii))

Intercorporate dividends generally tax-free, 112, 113**Interest (in property, etc.)**

- beneficial, in trust, meaning of, 248(25)
- capital, in trust, *see also* Trust (or estate)
- family farm partnership, in, 110.6(1)
- family fishing partnership, in, 110.6(1)
- income, in trust, *see also* Trust (or estate)
- life, in real property, *see* Life estate in real property
- partnership, *see* Partnership interest
- policy loan, re, defined, 138(12), Reg. 1408(1)
- qualifying, *see* Qualifying interest (in respect of foreign affiliate)
- real property, in, defined, 248(4)
- taxable Canadian property, in, 248(1)“taxable Canadian property”(l)
- trust, *see* Trust (or estate): interest in

Interest (money)

- accrued
- corporations, partnerships, trusts, 12(3)
- deduction on disposition of debt obligation, 20(21)
- deemed, 12(9)
- inclusion in income, 12(3), (4), (9)
- individuals, 12(4)
- on amalgamation, 87(2)(j.4)

- prescribed debt obligation, on, 12(9), Reg. 7000
- to date of death, 70(1)(a)
- allowable refund of N.R.O., on, 133(7.01), (7.02)
- annual reporting, *see* accrued (*above*)
- benefit from loan, deemed to be, 80.5
- bond
- accrued, to date of transfer, 20(14)
- information returns, Reg. 211
- purchased at discount, 16(3)
- borrowed money used to acquire land, on
- defined, 18(3)“interest on debt relating to the acquisition of land”
- not deductible, 18(2), (2.1)
- partner, by, 18(2.1)
- borrowed money used to acquire property no longer owned, 20.1(1)
- borrowed money used to invest in deferred income plan, 18(11)
- borrowed money used to invest in shares, 20(1)(c)
- capital and, combined, 16(1)
- on expropriation assets, 80.1(3)
- capital gains refund, on
- mutual fund corporation, 131(3.1), (3.2)
- mutual fund trust, 132(2.1), (2.2)
- capitalization into cost of property, 21
- compounded daily, 248(11)
- coupons to be identified as to taxable and non-taxable obligations, 240(2)
- debt obligation, on, 20(14.1)
- mark-to-market property of financial institution, 142.5(3)
- debt relating to the acquisition of land, on
- defined, 18(3)“interest on debt relating to the acquisition of land”
- deductible, *see also* borrowed money used ... (*above*)
- general rule, 20(1)(c)
- limited to 30% of EBITDA, *see* Excessive interest and financing expenses limitation (EIFEL)
- paid under *Income Tax Act*, not deductible, 18(1)(t)
- thin capitalization restrictions, 18(4)–(8)
- deduction by certain corporations, limitation on, 18(4)–(6)
- deduction restrictions, *see* deductible: limited to 30% (*above*)
- deemed
- amount paid by credit union re member’s share, 137(4.1)
- benefit from loan, 80.5
- certain shares, on, 258(5)
- non-resident tax, 214(6), (14)
- preferred shares, on, 258(3)
- deemed received by corporation on loan to non-resident, 17
- defined, *Income Tax Conventions Interpretation Act* s. 6
- dividend refund, on, 129(2.1), (2.2)
- escalating interest GICs, Reg. 7000(2)(c.1)
- expense
- amount deductible, 20(1)(c), (d)
- compound, 20(1)(d)
- election to capitalize, 21(1)
- employee’s automobile or aircraft, 8(1)(j)(i)
- limitation on deduction by certain corporations, 18(4)–(6)
- minimum tax, 127.52(1)(b), (c), (c.2), (e.1), (k)
- policy loans, on, 20(2.1), 138(12)“interest”, Reg. 4001
- expropriation assets, on
- election re, 80.1(2)
- forgiven, 80(2)(b)
- fully exempt, *see* Fully exempt interest
- income bond, on, deemed dividend, 15(3)
- non-resident corporation, 15(4)
- income from business or property, 12(1)(c)
- whether specified investment business, 125(7)“specified investment business”
- increasing rates, income accrual, Reg. 7000(2)(c.1)

Index

Interest (money) (*cont'd*)

- instalments of tax, late or insufficient, 161(2)
- • additional 3% payable, 161(3)
- • limitation, 161(4), (4.1)
- • not deductible, 18(1)(t)
- • offset, 161(2.2)
- • scientific research tax credit, when deemed paid, 161(10)
- • share-purchase tax credit, when deemed paid, 161(10)
- • where not payable, 161(2.1)
- interest repaid, on, 164(4)
- loss carryback, effect of, 161(7)
- loss of source of income, 20.1(1)
- obligation issued at a discount, 16(3)
- offset
 - • arrears interest against refund interest, 161.1
 - • early instalments against late instalments, 161(2.2)
- paid on death duties, deduction, 60(d)
- • paid or payable, deduction for, *see* deductible (*above*)
- paid to non-resident, withholding tax, 212(1)(b)
- • by wholly-owned subsidiary, 218
- • to U.S. resident, Canada-U.S. Tax Treaty:Art. XI
- participating debt, *see* Participating debt interest
- payable
 - • carryback re minimum tax, no effect, 161(7)
- penalty, on, 161(11)
- penalty or bonus, treated as interest expense, 18(9.1)
- prepaid, deduction for, 18(9), (9.2)–(9.8)
- prescribed rate, Reg. 4301
- property transferred from spouse, 74.1
- rate of, Reg. 4301
- rate reduction payments, treated as interest expense, 18(9.1)
- refunds and repayments, on, 164(3)–(4)
- repayment of, deduction for, 20(1)(II)
- spouse, property transferred to, 74.1, *see also* Attribution rules
- stapled security, on, 18.3(3)
- student loan, paid, credit for, 118.62
- tax withheld but not remitted, on, 227(9.3)
- unclaimed at year-end
 - • withholding tax, 153(4)
 - • • effect of remittance, 153(5)
- unpaid tax, on, 161(1), 227(9.3)
 - • adjustment of foreign tax, 161(6.1)
 - • grace period to pay balance, 161.2
 - • income in blocked currency, 161(6)
 - • loss carryback, effect of, 164(5), (5.1)
 - • none, re participation certificate, 161(5)
 - • not deductible, 18(1)(t)
 - • offset
 - • • arrears interest against refund interest, 161.1
 - • • early instalments against late instalments, 161(2.2)
 - • Part III, 185(2)
 - • Part III.1, 185.2(2)
 - • Part IV, 187(2)
 - • Part V, 189(7)
 - • Part X, 202(5)
 - • Part XII.3, 211.5
 - • Part XII.4 tax, 211.6(5)
 - • Part XII.5 tax, 211.82
 - • retroactive to application date of provision, 221.1
 - • up to \$25, may be cancelled, 161.3
 - • waiver of, 220(3.1)
- withholding tax, 212(1)(b)

Interest and financing expenses

- defined, for interest deduction restrictions, 18.2(1), (13), 248(1)
- interest deduction limited to 30% of EBITDA, 18.2(2)

Interest and financing revenues

- defined, for interest deduction restrictions, 18.2(1), (12), (14), 248(1)

- reduces limitation on interest expense, 18.2(2)A

Interest coupon holder

- defined, 212(21)(a)

Interest coupon stripping

- anti-avoidance rules, 212(1)(b)(i)(B), 212(21)–(23)

Interest-free loan, *see* Loan: interest-free

Interest gross-up period

- defined, for non-resident trust rules, 94(15)(c)(ii)C

Interest in a family farm or fishing partnership

- defined, 70(10)
- rollover, 70(9)–(9.31), 73(3)–(4.1)

Interest rate hedging

- allowable for unit trust definition, 108(2.1)

Interference with remittances of tax withheld, 227(5.2)–(5.4) (1995 draft, abandoned)

Intergenerational transfer

- attribution of income or loss, 74.1(2)
- business transfer, 84.1(2)(e), 84.1(2.3)–(2.32)
 - • capital gains reserve, 10 years, 40(1.2)
 - • gradual, 84.1(2.32)
 - • immediate, 84.1(2.31)
 - • joint liability of persons electing, 160(1.5)
 - • reassessment deadline extended, 152(4)(b.9)
- farm or fishing property
 - • *inter vivos*, 73(3)–(4.1)
 - • on death, 70(9)–(9.31)

Interim receiver

- withholding tax, liability for, 227(5), (5.1)(d)

Internal Revenue Service (U.S.), *see also* United States

- collection of Canadian tax, Canada-U.S. Tax Treaty:Art. XXVI A
- competent authority procedures, Canada-U.S. Tax Treaty:Art. XXVI
- exchange of information with CRA, Canada-U.S. Tax Treaty:Art. XXVII

Internal waters

- defined, *Interpretation Act* 35(1)

International agencies, prescribed, Reg. 806.1

International Air Transport Association

- employment income of non-Canadians, deduction for, 110(1)(f)(iv)

International Bank for Reconstruction and Development

- bonds of, qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(l)(i))

International banking centre until 2013, 33.1

International development assistance programs

- person working on deemed resident in Canada, 250(1)(d)
- prescribed, Reg. 3400

International Finance Corporation

- bonds of, qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(l)(i.1))

International Financial Reporting Standards

- effect of, 9(1) (Notes)
- IFRS 17 changes for insurers (2023), 138(16)–(25)
- insurers, application to, 138(17.1)
 - • liabilities and reserves to be computed gross of reinsurance, Reg. 2400(1)“Canadian reserve liabilities”
- transition year, 138(12)“transition year”(b)
- meaning of, 138(12.2)
- transitional changes for insurers (2023), 138(16)–(25)

International organization

- defined, for Common Reporting Standard, 270(1)
- employment income from
 - • deduction, 110(1)(f)(iii)
 - • tax credit, 126(3)
- interest paid to, withholding tax exemption, Reg. 806

International shipping

- aircraft used in
 - lease payments exempt from withholding tax, 212(1)(d)(xi)
- corporation, residence of, 250(6)
- defined, 248(1)
- income of non-resident from, exempt, 81(1)(c)
- income of resident corporation from, exempt, 81(1)(c.1)
- non-resident's income from, exempt, 81(1)(c)
- residence of shipping corporation, 250(6)–(6.04)
- resident corporation's income from, exempt, 81(1)(c.1)
- service provider deemed to have international shipping as principal business, 250(6.02), (6.03)

International sport federation, eligibility requirements of, see Amateur athlete trust**International tax**

- advisory panel, *see* Advisory Panel on International Taxation
- conventions, *see* Tax treaty
- dividends received from foreign corporations, 90, 113
- foreign accrual property income, 91, 95
- foreign tax credit, 126, *see also* Foreign tax credit
- treaties, *see* Tax treaty
- United States, rules re, *see* United States
- withholding tax, 212, *see also* Withholding

International traffic, see also International shipping

- aircraft operated by non-resident in
 - capital gains on, 248(1)“taxable Canadian property”(b)(ii)
 - income of non-resident exempt, 81(1)(c)
 - residence of corporation, 250(6)
- capital tax on ships and aircraft, Canada-U.S. Tax Treaty:Art. XXIII:3
- defined, Canada-U.S. Tax Treaty:Art. III:1(h); Canada-U.K. Tax Treaty:Art. 3.1(i)
- employee employed in, Canada, Canada-U.S. Tax Treaty:Art. XV:3
- profits from, Canada-U.S. Tax Treaty:Art. VIII

Interpolation time

- re life insurance policy coverage, defined, Reg. 1401(3)

Interpretation, 248–260

- definitions, 248(1)
- *Income Tax Conventions Interpretation Act*, *see* Table of Contents
- *Interpretation Act*, *see* Table of Contents

Interpretation services

- sign language
- disability supports deduction, 64(a)A(ii)(A)
- medical expense credit, 118.2(2)(1.4)

Inventory

- adding property to, non-resident, 10(12), (14)
- adjustment
 - amalgamation, on, 87(2)(j.1)
 - deduction from income, 20(1)(ii)
 - inclusion in income, 12(1)(r)
- adventure in the nature of trade, 10(1.01)
 - superficial loss rule, 18(14)–(16)
- allowance, repealed [was 20(1)(gg)]
- amalgamation, on, 87(2)(b)
- artistic endeavour, of, 10(6)–(8)
- ceasing to use in business, non-resident, 10(12), (14)
- cost of
 - non-deductible expenses included in, 10(1.1)
- defined, 12(12)(b), 248(1)
- flipped property (residential) deemed to be, 248(1)
- specified debt obligation and mark-to-market property excluded, 142.6(3)
- “eligible property” for transfer to corporation by shareholder, 85(1.1)(f)
- examination of property in, 231.1
- exploration and development shares, 66.3(1)

- farming business, of, *see* Farming: inventory
- financial institutions, *see* Mark-to-market property
- manner of keeping, Reg. 1800
- mark-to-market rules, *see* Mark-to-market property
- non-resident, 10(12)–(14)
- removing property from, non-resident, 10(12), (14)
- reserve on sale of, 20(1)(n), 20(8)
 - where property repossessed by creditor, 79.1(4)
- sale of
 - after ceasing to carry on business, 23(1)
 - included in income, 9(1)
 - repossession by vendor in same taxation year, 79.1(5)
- share held as, stop-loss rules on disposition, 112(4)–(4.2)
- transfer to corporation, 85(1)(c.1), (e.3)
- valuation of, 10, Reg. 1801
 - adventure in the nature of trade, 10(1.01), (9)
 - change in control of corporation, 10(10)
 - consistency required, 10(2.1)
 - farming business, 28(1.2), (1.3), Reg. 1802
 - incorrect, 10(3)
 - shares, 112(4.1)
 - writedown, 10(1)
 - adventure in the nature of trade, 10(1.01), (9)
 - change in control of corporation, 10(10)
 - derivatives excluded, 10(15)
 - of loan, denied, 18(1)(s)
 - superficial loss rule, 18(14)–(16)

Investigation

- covert investigation warrant, 231.31
- search warrant, 231.3, 231.31

Investing in a Diversified Alberta Economy Act

- prescribed labour-sponsored venture capital corporation, Reg. 6700(h)
- share registered under, qualified investment for RRSP etc., Reg. 4900(1)(i.14)

Investment

- allowance, *see* Investment allowance
- business, *see* Investment business
- corporation, *see* Investment corporation
- counselling, *see* Investment counselling fees
- defined
 - for foreign affiliate dumping, 212.3(10)
 - for SIFT trust and partnership distributions, 122.1(1)
- income, *see* Investment income
- offshore, *see* Offshore investment fund
- prohibited, *see* Prohibited investment
- property, *see* Investment property
- qualified, *see* Qualified investment
- registered, tax re, 204.4–204.7
- tax credit, *see* Investment tax credit
- tax shelter, *see* Tax shelter: investment
- time, *see* Investment time

Investment advice, see Investment counselling fees**Investment allowance**

- defined
 - for large corporations tax, 181.2(4), 181.3(4)
 - for Part XIV branch tax, 219(1)(j), Reg. 808

Investment business, see also Specified investment business

- of foreign affiliate
 - defined, 95(1)
 - excluded from active business, 95(1)“active business”(a)
 - start-up rule, 95(2)(k)(i)

Investment club

- tax treatment, Information Circular 73-13 (no ITA provision)

Investment contract, see also Debt obligation

- anniversary day
- accrued interest, 12(4)

Index

Investment contract (*cont'd*)

- defined, 12(11)
- defined, 12(11)

Investment contract corporation, prescribed, Reg. 6703

- exempt from Part IV tax, 186.1(b)

Investment corporation, 130

- deduction from tax, 130(1)
- defined, 130(3)(a), 248(1)
- election not to be restricted financial institution, 131(10)
- election re capital gains dividend, Reg. 2104
- information return where share claimed to be qualified investment, Reg. 221
- mortgage, *see* Mortgage investment corporation
- not subject to mark-to-market rules, 142.2(1)“financial institution”(c)(i)
- special tax rate, 130
- taxed capital gains, 130(3)(a)
- that is not mutual fund corporation, 130(2)

Investment counselling fees

- deductible, 20(1)(bb)
- for FHSA, RRSP, RRIF or TFSA, non-deductible, 18(1)(u)

Investment dealer, *see also* Financial institution; Registered securities dealer

- defined, 142.2(1)
- subject to mark-to-market rules, 142.2(1)“financial institution”

Investment entity

- defined, for Common Reporting Standard, 270(1)

Investment expense, defined, 110.6(1)

Investment fund

- defined, for loss restriction event rules for trusts, 251.2(1)

Investment-grade debt

- qualified investment for RRSP etc., 204“qualified investment”(c.1) (formerly Reg. 4900(1)(f)(i.3), (o)); Reg. 4900(1)(j.2)

Investment income, *see also* Property: income from

- aggregate, *see* Aggregate investment income
- associated corporation, from, 129(6)
- Canadian, defined, 129(4)
- defined, 110.6(1)
- foreign, defined, 129(4)
- information returns, Reg. 201
- life insurer's, tax on, 211–211.5
- refundable tax on, 123.3

Investment interest

- in a business, ITAR 23(5)“investment interest”, “1971 receivables”

Investment loss

- business, *see* Business investment loss

Investment manager

- defined, 44.1(1)“eligible pooling arrangement”

Investment property

- defined
- for deposit insurance corporation, 137.1(5)
- foreign affiliate, 95(1)
- insurer, Reg. 2400(1)

Investment shortfall

- for labour-sponsored venture capital corporation, 204.82(2.1), (2.2)

Investment tax credit, 127(5)–(36)

- addition to, 127(10.1)
- amalgamation, on, 87(2)(j.6)
- annual limit, defined, 127(9)
- apprenticeship expenditures, 127(9)“investment tax credit”(a.4)
- assistance or government assistance, effect of, 127(18)–(21)
- continuation of predecessors, 87(2)(qq)
- associated corporations, 127(10.3)
- failure to file agreement, 127(10.4)
- Atlantic provinces, 127(9)“investment tax credit”(a), 127(9)“specified percentage”(a)(iii)(D), (a.1)
- available-for-use rule, 127(11.2), 248(19)
- CCUS, *see* CCUS tax credit
- carbon capture, *see* CCUS tax credit
- carryforward, 127(9)“investment tax credit”(c)–(h)
- transitional rules for change to 20 years, 127(9.01), (9.02), (36)
- certified property
- ascertainment of, 127(10)(a), (b)
- prescribed areas, Reg. 4602
- child care space creation, 127(9)“investment tax credit”(a.5)
- recapture if not kept for 5 years, 127(27.1)–(27.12)
- clean hydrogen, 127.48, *see also* Clean hydrogen tax credit (investment tax credit)
- clean technology manufacturing, 127.49, *see also* CTM investment tax credit (Clean technology manufacturing investment tax credit)
- conversion of property to commercial use, 127(9)
- cooperative corporation, 127(6)
- critical minerals, 127(9)“investment tax credit”(a.21)
- defined, 127(9), (11.1), (12)–(12.2)
- definitions, 127(9)
- depreciable property acquired before change of control, 13(24), (25)
- expenditure limit, determination of, 127(10.2), (10.6)
- filing deadline, 37(11), 127(9)“investment tax credit”(m)
- flow-through critical mineral mining expenditure, 127(9)“investment tax credit”(a.21)
- flow-through mining expenditure, 127(9)“investment tax credit”(a.2)
- hydrogen, 127.48, *see also* Clean hydrogen tax credit (investment tax credit)
- included in income, 12(1)(t)
- year of death, 70(1)(b)
- limited partner, of, 127(8.1)
- non-arm's length transactions, 127(11.6)–(11.8), (24)
- overpayment of tax as consequence of, 164(5), (5.1)
- parent's, after subsidiary wound up, 88(1)(e.3)
- partnership, allocation to partners, 127(8)–(8.5)
- carbon capture (CCUS) credit, 127.44(11)
- non-limited partners, 127(8.3)
- recapture of, 127(28)
- pre-production mining expenditures, 127(9)“investment tax credit”(a.3)
- qualified property, Reg. 4600
- defined, 127(9), (11)
- R&D, *see* scientific research (*below*)
- reassessment, 152(6)(d)
- recapture of, 127(27)–(36)
- deduction in later year, 37(1)(c.2)
- refundable, 127.1
- defined, 127.1(2)
- depreciable property acquired before change of control, 13(24), (25)
- renunciation of, by general partner, 127(8.4)
- repayment of assistance, 127(9)“investment tax credit”(e.1), 127(10.7)
- scientific research
- basic 20% credit, 127(9)“investment tax credit”(a.1)
- extra 15% credit, 127(10.1)
- small business, 127(9)“qualified small-business property” [repealed], 127(9)“specified percentage”(i)
- specified percentage, 127(9)
- super-R&D allowance by province, federal bonus, 127(9)“super-allowance benefit amount”, 127(10.1)(b)
- trusts, allocation to beneficiaries, 127(7)
- reduces cumulative Canadian exploration expense, 127(12.3)
- unpaid amounts, 127(26)
- where control of corporation acquired, 127(9.1), (9.2)

Investment tax credit (*cont'd*)

- windup of corporation, flow-through to parent, 88(1)(e.3)

Investment time

- defined
- for foreign affiliate dumping, 212.3(1)

Investment trust, *see* Mutual fund trust

Investor

- defined, for intercorporate dividends, 112(2.6)

Involuntary dispositions

- resource property, 59.1

Ireland, *see also* Foreign government

- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 10

Iron

- processing ore, whether manufacturing or processing, 125.1(3)“manufacturing or processing” Reg. 5203

Iron lung, as medical expense, 118.2(2)(i)

Ironworker

- apprenticeship job creation credit, 127(9)“investment tax credit”

Irrigation pipe

- construction costs deductible by farmer, 20(1)(ee)

Israel, *see also* Foreign government

- bonds of, *see* Israel Bonds
- Canadian Forces personnel and police serving in, no tax on income, 110(1)(f), Reg. 7500(c)–(e) [repealed]
- debt of, *see* Israel Bonds
- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 8

Israel Bonds

- eligible for RRSs and RRIFs, 204“qualified investment”(c.1) (formerly Reg. 4900(1)(o))

Issue estoppel, 169(2)

Issuer

- FHSA, defined, 146.6(1)
- RDSP, defined, 146.4(1)“disability savings plan”(a)(i)
- RRSP, defined, 146(1), Reg. 214(7)
- TFSA, defined, 146.2(1)

Italy, *see also* Foreign government

- stock exchange recognized, 262

J

JEC, *see* Joint exploration corporation

JJ Herbert Family Trust case overruled, 214(3)(f)(i)(C)

Jail, *see* Offences

Jamaica, *see also* Foreign government

- universities, gifts to, Reg. Sch. VIII, s. 15

Japan, *see also* Foreign government

- currency of, use as functional currency, 261(1)“qualifying currency”(c.1)
- film or video under treaty co-production, Reg. 1106(3)(c)
- stock exchange recognized, 262

Jeopardy assessment or jeopardy order

- re collection restrictions, 225.2(2)
- refund not to be paid, 164(1.2)

Jesuit

- income of, not taxed, 110(2)

Jetty, capital cost allowance for, Reg. Sch. II:Cl. 1(e), Sch. II:Cl. 3

Jewellery, *see* Listed personal property

Jig, capital cost allowance, Reg. Sch. II:Cl. 12(d)

Job coaching services

- disability supports deduction, 64(a)A(ii)(K)

Job retraining

- employment insurance benefit, not included in income, 56(1)(a)(iv)

- reimbursed tuition fees, no credit unless included in income, 118.5(1)(a)(iii)

Joint and several liability, *see* Liability for tax: joint and several

Joint contributor (to non-resident trust)

- attribution of trust's income to electing contributors, 94(16)(a)A(ii)
- defined, 94(1)
- liability for joint contribution to trust, 94(17)

Joint election, *see also* Election(s)

- defined, for pension income splitting, 60.03(1)

Joint exploration corporation

- agreed portion, defined, 66(15)
- defined, 66(15)
- share, adjusted cost base, 53(2)(f.1)
- shareholder corporation, defined, 66(15)

Joint liability, *see* Liability for tax: joint and several

Joint partner trust, *see* Joint spousal or common-law partner trust

Joint spousal or common-law partner trust, *see also* Post-1971 spousal or common-law partner trust; Trust (or estate): spouse, for

- deduction from income, 104(6)(b)B(i)
- defined, 104(4)(a)(iv)(B), (C), 248(1)
- distribution of property to person other than taxpayer or spouse, 107(4)(a)(iii)
- preferred beneficiary election by, 104(15)(a)
- principal residence exemption, 54“principal residence”(c.1)(iii.1)(A)
- transfer by, to another trust, 104(5.8)
- transfer to, rollover, 73(1.01)(c)(iii)

Journalism, *see also* Qualified Canadian journalism organization; Qualifying journalism organization; Registered journalism organization

- digital news subscription credit, 118.02
- donations to, 149.1(1)“qualified donee”(b.1)
- online news subscription credit, 118.02
- refundable labour tax credit, 125.6

Judge, *see also* Court

- application to, re seized documents, 232(4), (8)
- bribery of, non-deductible, 67.5
- defined
- for jeopardy assessment and collection, 225.2(1)
- for search and seizure, 231
- income from professional practice, 24.1 [repealed]
- issue of search warrant, 231.3(1)–(4), 231.31
- pension plan, Reg. 8309
- powers in jeopardy proceedings, 223(11), (12)
- review of requirement to provide foreign-based information, 231.6(5)
- RRSP contribution room, Reg. 8309(2)

Judicial notice

- regulations, etc., 244(12)

Jurisdiction

- territorial, 244(3)

Juror's fees

- taxable, 3 (*per* IT-377R)

Jury duty, *see* Juror's fees

K

KST, *see* Knowledge sharing taxpayer

Kaolin

- extraction of, 248(1)“mineral resource”(d)(ii)
- included in definition of “mineral”, 248(1)

Key employee

- defined, for employee life and health trust (ELHT), 144.1(1)
- ELHT must not be operated primarily for, 144.1(3)(b)
- ELHT must not give more rights to, 144.1(2)(e), (f)

Kickbacks, *see* Illegal payments

Kiddie tax, *see* Income-splitting tax

Kidney machine, medical expense, 118.2(2)(i)

Kilns

- capital cost allowance for, Reg. Sch. II:Cl. 8

Kilometres driven, allowance for, Reg. 7306

Kinder Morgan pipeline corp taxable, Reg. 7100(k)

Kinship care, social assistance for

- payments do not increase net income, 81(1)(h.1)
- payments do not prevent Canada Workers Benefit single-parent status, 122.7(1.2)
- payments do not reduce Canada Child Benefit, 81(1)(h.1)

Kitchen utensils

- capital cost allowance for, Reg. Sch. II:Cl. 12(c)

Kiwi loans, *see* Weak currency debt

Know your customer procedures, *see* Anti-money laundering and know your customer procedures

Knowledge sharing CCUS project

- defined, for CCUS knowledge sharing, 211.92(1)
- requirement to file knowledge-sharing report, 211.93(1)(a)

Knowledge sharing report

- defined, for CCUS credit, 211.92(1)
- required, 211.93(1)(a)
- penalty for failure to publish, 211.93(4)

Knowledge sharing taxpayer

- defined, for CCUS knowledge sharing, 211.92(1)
- requirement to file knowledge-sharing report, 211.93(1)(a)

Koller case overruled, 81(1)(g)

Korea, *see also* Foreign government

- film or video under treaty co-production, Reg. 1106(3)(d)

Kruger Inc. case overruled, 10.1(7)

Krull case overruled, 6(23)

Kuwait

- Canadian Forces personnel and police serving in, no tax on income, 110(1)(f), Reg. 7500(f) [repealed]

L

LCGE (Lifetime capital gains exemption), *see* Capital gains deduction

LCT, *see* Large corporations tax (Part I.3)

LIA policy

- annual accrual taxation, Reg. 306(1)
- defined, 248(1)
- FMV of property disposed of on death, 70(5.31)
- no deduction for premiums paid, 20(1)(e.2)
- no increase in CDA for death benefit, 89(1)“capital dividend account”(d)(ii)

LIF, *see* Life income fund

LIRA, *see* Locked-in retirement account

LLC, *see* Limited liability company (U.S.)

LLP, *see* Lifelong Learning Plan; Limited liability partnership

LLP balance

- defined, 146.02(1)

LNG, *see* Liquefied natural gas

LPP, *see* Listed personal property

LRE, *see* Loss restriction event

LRIP, *see* Low rate income pool

LSVCC, *see* Labour-sponsored venture capital corporation (LSVCC)

La Survivance case overruled, 256(9)

Laboratory services, as medical expense, 118.2(2)(o)

Labour Adjustment Benefits Act

- benefits under
 - income, 56(1)(a)(vi), Reg. 5502(a)
 - withholding of tax at source, 153(1)(m), Reg. 5502(a)
- repayment of overpayment under, deduction for, 60(n)(v)

Labour credit

- journalism, 125.6

Labour expenditure (re Canadian film/video tax credit)

- defined, 125.4(1)
- qualified, *see* Qualified labour expenditure (re Canadian film/video tax credit)

Labour mobility deduction, 8(1)(t)

Labour organization

- exemption, 149(1)(k)

Labour requirements for CCUS and clean technology credits, 127.46

Labour-sponsored funds tax credit

- acquisition of share by RRSP, 127.4(1)“qualifying trust”, 127.4(3) [repealed]
- computation of, 127.4(3), (4)
- cooling-off period, three years, 127.4(3)
- deduction of, 127.4(2)
- defined, 127.4(1), (6), 204.8(1), 211.7(1)
- eliminated by 2017, 127.4(5), (6)
- provincial, does not reduce ACB of investment, 53(2)(k)(i)(C)
- RRSP, 127.4(1)“qualifying trust”, 127.4(6)(a)
- recovery of
 - disposition of share, 211.8
 - national LSVCC, Reg. 6706
 - provincial LSVCC, 211.7

Labour-sponsored venture capital corporation (LSVCC), *see also* Labour-sponsored funds tax credit

- amalgamation or merger of, 127.4(1.1), 204.85
- deemed to be mutual fund corporation, 131(8)
- discontinuance of venture capital business, 204.8(2), 204.841
- dissolution of, 204.85
- no new applications accepted (federally) since March 21/13, 204.81(1)
- prescribed, Reg. 6701
- deemed not a public corporation unless listed, 89(1)“public corporation”(b), (c)
 - disposition of shares, capital loss, 40(2)(i)
 - exempt from Part IV tax, 186.1(b)
 - income eligible for dividend refund, 125(7)“specified investment business”
 - prescribed assistance, Reg. 6702
 - shares of
 - prescribed assistance, deduction from cost base, 53(2)(k)(i)(C)
- province discontinuing LSVCC credit program, 204.81(8.3), (8.4)
- provincial, tax on, 204.82(5)
- registered, 204.8–204.87
- deemed to be prescribed LSVCC, Reg. 6701(c)
 - defined, 248(1)
 - disposition of, clawback, 211.8
 - eligible investment, 204.8(1)
 - refund of tax where no monthly deficiency, 204.83
 - registration conditions, 204.81(1)
 - return and payment of tax, 204.86
 - revocation of registration, 204.81(6)–(9)
 - shares of
 - acquisition by RRSP, 127.4(1)“qualifying trust”, 127.4(3)
 - adjusted cost base not reduced by credit, 53(2)(k)(i)(C)
 - credit for purchase, 127.4
 - redemption restrictions, 204.81(1)(c)(vii)
 - transfer restrictions, 204.81(1)(c)(vii)
 - tax where insufficient eligible investments, 204.82
 - rules re, 131(11)
 - voluntary de-registration, 204.81(8.1)

Labour union, *see* Union

Labrador

- deduction for individuals residing in, Reg. 7303.1(1)(f)

Land

- adjusted cost base, additions to, 53(1)(h), (i)
- allocation of proceeds of disposition between land and buildings, 13(21.1), 70(5)(d)
- clearing, levelling, draining, 30
- costs relating to ownership of
 - limitation on deductibility, 18(3.1)–(3.7)
- defined
 - for restrictions on deductible expenses, 18(3)
 - generally, 70(5.2) (Notes)
- donation of, *see* Ecological gifts
- drainage system, deduction, 30
- ecological, *see* Ecological gifts
- interest on debt relating to acquisition of
 - defined, 18(3)
 - limitation on deductibility, 18(2)
- inventory
 - cost to include non-deductible expenses, 10(1.1)
 - deceased taxpayer's, 70(5.2)
- meaning of, *see* "defined" (above)
- not depreciable, Reg. 1102(2)
- rent paid before acquisition, deemed depreciable property, 13(5.2)(c)
- tillage of soil, 248(1) "farming"
- unproductive
 - limitation on deductibility of expenses, 18(2)
- used in farming business, *see also* Farm land
 - disposition of
 - loss, added to cost base, 111(6)
 - transferred to child on death, 70(9)
 - used in farming business of partnership
 - disposition of, 101

Land drainage system, deduction, 30**Land registry**

- lien on property for various debts owing, 223(5)–(11)

Landfill gas

- defined, Reg. 1104(13)
- included in eligible waste fuel, Reg. 1104(13) "eligible waste fuel"

Landscaping grounds

- deductible expense, 20(1)(aa)

Lapse-supported policy

- defined, Reg. 1408(1)

Large corporation

- appeal by, only on grounds raised in objection, 169(2.1)
- capital tax on, *see* Large corporations tax (Part I.3)
- defined, 225.1(8)
- notice of objection, requirements, 165(1.11)–(1.14)
- R&D investment tax credits limited, 127(10.2)
- required to remit 1/2 of taxes in dispute, 164(1.1)(d)(ii), 225.1(7)
- required to remit source withholdings through financial institution, 153(1), Reg. 110
 - exception, 153(1.4)
- small business deduction limited, 125(5.1)(a)

Large corporations tax (Part I.3), 181–181.71 (before 2006)**Large employer**

- required to remit source withholdings through financial institution, 153(1), Reg. 110
 - exception, 153(1.4)

Large print-on-screen device, for use by blind person

- disability supports deduction, 64(a)A(ii)(C)
- medical expense credit, Reg. 5700(o)

Laryngeal speaking aid, as medical expense, 118.2(2)(i)**Laser-disk, *see* Digital video disk (DVD)****Last, capital cost allowance, Reg. Sch. II:Cl. 12(d)****Late-filed elections or documents**

- detail on notice of objection, 165(1.12)
- generally, 220(3.2), Reg. 600
- resource taxation, 66(12.74)–(12.75)
- s. 85 rollover, 85(7)–(8)
- to trigger capital gain before corporation goes public, 48.1(3)

Late-filed return

- penalty, 162(1), 235

Lather (interior systems mechanic)

- apprenticeship job creation credit, 127(9) "investment tax credit"

Lavrinenko case overruled, 122.6 "shared-custody parent" (b)**Law Society**

- bar admission examination fees, tuition credit, 118.5(1)(d)
- membership fees, deductible to employee, 8(1)(i)(i)

Lawyer

- appointed a judge, deferral of income, 24.1 [repealed]
- books and records required to be kept, 230(2.1)
- defined, 232(1), 248(1)
- examination fees to qualify as, tuition credit, 118.5(1)(d)
- incorporated, *see* Professional corporation
- income of, *see* Professional practice
- misrepresentation by, penalty, 163.2
- partnership, *see* Professional partnership
- solicitor-client privilege, 232
- trust account of, excepted from rule that trust paying no tax must file T3, 150(1.2)(c), 150(1.4)

Lead performer (for Canadian film/video tax credit)

- defined, Reg. 1106(8)(a)

Lead voice (for Canadian film/video tax credit)

- defined, Reg. 1106(8)(b)

Leads (given to CRA), *see* Informant payments (for leads on international tax evasion)**Leaf tobacco**

- processing, exempt from tobacco manufacturers' surtax, 182(2) "exempt activity" (b)

Learning disability

- tutoring for
 - disability supports deduction, 64(a)A(ii)(H)
 - medical expense credit, 118.2(2)(1.91)

Lease

- financing, *see* Direct financing lease
- option to purchase, *see* Option

Lease cancellation payment, 13(5.5), 20(1)(z), (z.1)

- amalgamation, on, 87(2)(j.5)
- limitation on deductibility, 18(1)(q)

Lease financing amount

- defined, for interest deduction restrictions, 18.2(1)
- subject to deduction restrictions, 18.2(1) "interest and financing expenses" A(f)

Lease inducement payments

- taxable as income, 12(1)(x)

Lease-leaseback arrangement

- rental payments included in cost for CCA, 13(5.4)

Lease obligation

- defined, for FAPI rules, 95(1)
- income of foreign affiliate from, 95(2)(a.3)

Leasehold interest, *see also* Interest (in property, etc.)

- capital cost allowance, Reg. 1100(1)(b), 1102(4)–(6), Reg. Sch. II:Cl. 13, Reg. Sch. III
- deemed disposition of, 13(5.1)
- property acquired, rules, 13(5.1)
- separate classes, Reg. 1101(5h)

Leasing costs

- non-resident withholding tax, 212(1)(d)
- passenger vehicle

Leasing costs (*cont'd*)

- • limitation on deductibility, 67.3
- • • where more than one lessor, 67.4

Leasing properties

- amalgamations, 16.1(4)
- assignments, 16.1(2), (3)
- capital cost allowance, Reg. 1100(15)–(20), 1101(5c)
- defined, Reg. 1100(17)–(20)
- • non-arm's length exception, Reg. 1102(20)
- minimum tax, 127.52(1)(b), (c.2)(ii), 127.52(3)“rental or leasing property”
- replacement property, 16.1(5)–(7)
- rules re, 16.1
- rules where election filed, 16.1(1)–(4)
- subleases, 16.1(2), (3)
- windings-up, 16.1(4)

Leave of absence, *see* Sabbatical arrangement**Leaving Canada**, *see* Ceasing to be resident in Canada**Lebanon**, *see also* Foreign government

- universities, gifts to, Reg. Sch. VIII, s. 9

Legal costs, *see also* Court: costs

- collecting or establishing right to pension benefit
- • deduction for, 60(o.1)
- • reimbursement of, taxable, 56(1)(l.1)
- collecting or establishing right to retiring allowance or severance pay
- • deduction for, 60(o.1)
- • reimbursement of, taxable, 56(1)(l.1)
- collecting or establishing right to wages
- • deduction for, 8(1)(b)
- • reimbursement of, taxable, 6(1)(j)
- conducting appeal, of, 60(o)
- deductible, 8(1)(b), 20(1)(e), 20(1)(cc), 60(o), (o.1), 62(3)(f), 118.2(2)(l.1)(i)
- financing, 20(1)(e)
- income when awarded or reimbursed, 6(1)(j), 56(1)(l), (l.1)
- lobbying, 20(1)(cc)
- moving expenses, 62(3)(f)
- objecting to assessment, 60(o)
- objecting to determination, 152(1.2)
- purchase of new home, 62(3)(f)
- relating to organ or bone marrow transplant, 118.2(2)(l.1)(i)
- representation expenses, 20(1)(cc)
- seizure of chattels, 225(2), (4)

Legal documents

- cost of revising for change of address, deduction, 62(3)(f)

Legal owner (bare trustee)

- defined, 150(1.31)(a)(i)

Legal representative

- appropriation of property by, 159(3.1)
- clearance certificate, 159(2)
- defined, 248(1)
- liability for taxpayer's obligations, 159(1), (3)
- obligations of, 159(1)

Legal representative of deceased taxpayer

- application to Minister re vesting of properties, 70(5.2), (6), (9), (9.2)
- election re amounts receivable, 70(2)
- • revocation of, 70(4)
- election re losses, 164(6)
- • reassessment, 152(6)
- election re payment of tax in instalments, 159(5)–(7)
- election re reserves, 72(2)
- information return, Reg. 206
- return of income, when due, 70(7)

Legislation

- amendment of, *see* Amendment

- citation of, *Interpretation Act* s. 40
- deemed remedial, *Interpretation Act* s. 12
- definitions, effect of, *Interpretation Act* s. 15
- headings or titles, *Interpretation Act* s. 14
- in-force date, *see* Amendments: when in force
- interpretation of, *Interpretation Act*
- marginal notes, *Interpretation Act* s. 14
- repeal of, *Interpretation Act* s. 43–45
- titles of sections, *see* Marginal notes

Legislative assembly (or Legislature)

- defined, *Interpretation Act* s. 35(1)
- member of, expense allowance exempt, 81(2) [before 2019]

Lehigh Cement case overruled, 212(1)(b)(i)(B)**Lending asset**, *see also* Specified debt obligation

- cost amount of, 248(1)“cost amount”(d.1)
- defined, 248(1)
- • for FAPI purposes, 95(1)“lending of money” closing words

Lending of money, *see also* Loan

- defined, for FAPI rules, 95(1)

Lesbian couples, *see* Common-law partner**Level-yield method (for allocation return from specified debt obligation)**

- defined, Reg. 9102(2)

Leveraged insured annuity, *see* LIA policy**Leveraged leasing, CCA restrictions**, Reg. 1100(15)–(20)**Lewin case overruled**, 214(3)(f)(i)(C)**Liabilities**

- determination of, for debt forgiveness reserve, 61.3(1)(b)C(ii)

Liability for incurred claims

- defined, 138(12), Reg. 1408(1), Reg. 2400(1)

Liability for remaining coverage

- defined, 138(12), Reg. 1408(1), Reg. 2400(1)

Liability for tax

- alternative minimum tax, 127.5
- failure to withhold tax on payment to non-resident, 215(6)
- general, 2
- income from property transferred at non-arm's length, on, 160(1)–(3)
- income-splitting tax, 120.4(2)
- income trusts distributions tax, 122(1)(b)
- joint and several
- • assessment of, 160.1(3)
- • charitable organization and charitable foundation, 188(4)
- • charity making gift to second charity to delay expenditures, 188.1(11)
- • charity revocation tax, 188(2)
- • debt forgiveness reserve, asset transfer, 160.4
- • debtor and transferee following transfer of forgiven amount, 80.04(11)
- • directors and corporation, source withholdings and other amount, 227.1
- • excessive election re capital dividend or capital gains dividend, 185(4), (6)
- • excessive eligible dividend designation, 185.2(3), (5)
- • GST credit overpayment, 160.1(1.1)
- • income-splitting tax, 160(1.2)
- • intergenerational business transfers, 160(1.5)
- • legal representative and taxpayer, 159(1)
- • non-resident trust, Canadian beneficiary and contributor, 94(3)(d)(i)
- • Part III tax, 185(4), (6)
- • Part III.1 tax, 185.2(3), (5)
- • payor and non-resident, withholding tax, 227(8.1)
- • person responsible for withholding taxes, 227(5)
- • property transferred not at arm's length, 160(1)
- • property transferred to use other taxpayer's benefit, 160(1.1)
- • RCA benefits received by another, 160.3

Liability for tax (*cont'd*)

- RRIF, amounts received under, 160.2(2)
- RRSP, amounts received under, 160.2(1)
- reportable avoidance transactions penalty, 237.3(9), (10)
- secured creditor, for remittances, 227(5.2)–(5.4) (1995 draft, abandoned)
- transferred Part VI.1 tax, 191.3(1)(e)
- trustee and person whose property is being managed, withholding, 227(5), (5.1)
- trustee in bankruptcy and bankrupt corporation, 128(1)(e)
- UI premium tax credit, 160.1(2.2)
- minimum tax, 127.5
- non-resident corporation
- carrying on business in Canada, 219
- not affected by incorrect assessment, 152(3)
- Part I, 2
- Part I.2, 180.2(2)
- Part II, 182(1)
- Part II.1, 183.1(2)
- Part II.2, 183.3(2)
- Part III, 184
- Part III.1, 185.2
- Part IV, 186(1)
- Part IV.1, 187.2, 187.3(1)
- Part V, 188
- Part VI, 190.1(1), (1.1), (1.2)
- Part VI.1, 191.1(1)
- Part VI.2 (for 2022), 191.5(2)
- Part IX, 196(1)
- Part IX.1, 197(2)
- Part X, 198(1), (3), 199(1), 201
- Part X.1, 204.1
- Part X.2, 204.6
- Part X.3, 204.82(1)–(3), (5), (6), 204.841
- Part X.4 tax, 204.91
- Part X.5 tax, 204.94(2)
- Part XI.01, 207.02, 207.021, 207.03, 207.04(1), (6), 207.05(1), (3)
- Part XI.1, 207.1
- Part XI.2, 207.3
- Part XI.3, 207.7(1)
- Part XI.4, 207.8(2)
- Part XI.5, 207.9(2)
- Part XII.1, 209(2)
- Part XII.2, 210.2(1), (2)
- Part XII.3, 211.1(1)
- Part XII.4, 211.6(2)
- Part XII.5, 211.8(1), 211.81
- Part XII.6, 211.91(1)
- Part XII.7, 211.92
- Part XIII, 212
- Part XIII.1, 218.2(1)
- Part XIII.2, 218.3(2)
- Part XIV, 219
- partnerships distributions tax, 197(2)
- transfer of property to spouse or minor, 160(1)
- trustee, etc., 159

Library books

- capital cost allowance, Reg. Sch. II:Cl. 12(a)

License

- capital cost allowance, Reg. 1100(1)(c), Reg. Sch. II:Cl. 14
- representation expense, 13(12), 20(1)(cc), 20(9)

Licensed annuities provider

- defined, 147(1), 248(1)
- RESP-eligible investments, 146.1(1)“qualified investment”(c)
- RRIF-eligible investments, 146.3(1)“qualified investment”(b.1), (b.2)

- RRSP-eligible investments, 146(1)“qualified investment”(c)–(c.2)

Licensing of property

- defined, for FAPI rules, 95(1)

Lieutenant governor

- defined, *Interpretation Act* 35(1)
- pension plan, Reg. 8309
- RRSP contribution room, Reg. 8309(1)

Life annuity

- for disabled person, rollover to RRSP, 60.011(2)(b)

Life estate in real property

- defined, 43.1(1)
- effect of retaining, 43.1(1)
- termination of, 43.1(2), 53(1)(o)

Life income fund, *see* Registered retirement income fund**Life insurance, *see also* Life insurance corporation; Life insurance policy**

- business, defined, 248(1)
- definitions, 148(9)
- group plan, whether premiums an employment benefit, 6(1)(a)(i), 6(4)
- net cost of pure insurance, Reg. 308
- policy, *see* Life insurance policy
- policy loan, *see* Policy loan (life insurance)
- policyholder
- “adjusted cost basis” of policy, 148(9)“adjusted cost basis”
- “child” of, 148(9)
- deemed dispositions, 148(2)
- disposition of interest at non-arm’s length, 148(7), (8)
- disposition of part of interest, 148(4)
- income from disposition of interest in policy, 148(1), (4)
- premiums, *see* Premium
- proceeds received as annuity, 148(6)
- “relevant authority” defined, 148(9)
- rules re certain policies, 148(3)

Life insurance capital dividend, *see also* Capital dividend account

- brought into capital dividend account, 89(1)“capital dividend account”(e)
- defined, 248(1)

Life insurance corporation, *see also* Insurance corporation

- accounting rule changes, transitional rules, 138(16)–(25)
- accumulated 1968 deficit, defined, 138(12)
- additional taxes on, 123.6 [annual], 191.5 [2022 only]
- building under construction etc., amount included in income re, 138(4.4)–(4.6), Reg. 2410
- capital gain on pre-1969 property, 138(11.2)
- capital tax, 190.1(1)
- change in use rules, 138(11.3), (11.4), (11.41), (11.6); ITAR 26(17.1)
- computation of income, 138(1)–(6)
- deductions, 138(3), Reg. 1401
- Part XII.3 tax, 138(3)(g)
- deemed a public corporation, 141(2)
- defined, 248(1)
- definitions, 138(12)
- demutualization, 139.1
- dividends from taxable corporations, 138(6)
- foreign taxes not deductible, 138(5.1), (8)
- identical properties of, 138(11.1)
- information returns, Reg. 217
- maximum tax actuarial reserve, 138(12)
- non-resident, 219(4)–(8), Reg. 2401
- branch tax elections, Reg. 2403
- provincial, conversion to mutual corporation, 139
- real property, vacant or under development, amount included in income re, 138(4.4)–(4.6) Reg. 2410
- “relevant authority” defined, 138(12)

Index

Life insurance corporation (*cont'd*)

- reserves, 138(3)(a), Reg. 1400–1408
- • unpaid claims, 138(3)(a)(ii) [repealed]
- rules applicable to, 138
- segregated funds of, 138.1, Reg. 6100
- surtaxes on, 123.6 [annual], 191.5 [2022 only]
- tax on investment income, 211–211.5
- • Canadian life investment income, 211.1(3)
- • interest on overdue tax, 211.5
- • payment of tax, 211.4, 211.5
- • rate of tax, 211.1(1)
- • return, 211.2
- • taxable Canadian life investment income, 211.1(2)
- taxable income of, 138(7)
- transitional rules for accounting rule changes, 138(16)–(25)
- Life insurance policy, *see also* Annuity contract**
 - accrued income, 12.2
 - • amounts included in income on anniversary, 12.2(1)
 - • anniversary day, defined, 12.2(11)
 - • deduction for over-accrual, 20(20)
 - acquisition costs of
 - • not deductible to insurer, 18(9.02)
 - “adjusted cost basis” of, to policyholder, 148(9)
 - anniversary day, defined, 12.2(11)
 - annuity, proceeds received as, 148(6)
 - charity designated as beneficiary, 118.1(5.2)(a)
 - corporation beneficiary under, where, 89(2)
 - deemed disposition of, 148(2)
 - defined, 12.2(10), 138(4.01), 138(12), 211(1), 248(1), Reg. 1408(1)
 - • in Canada, 138(12), 211(1), 248(1), Reg. 1408(1)
 - • registered, 211(1)
 - disposition by non-resident
 - • certificate, 116(5.2)
 - • presumption, 116(5.4)
 - • purchaser liable for tax, 116(5.3)
 - • rules, 116(5.1)
 - disposition of
 - • amount included in income, 148(1.1)
 - • deduction, 20(20)
 - • defined, 148(9)“disposition”, 248(1)“disposition”(b.1)
 - • no capital gain, 39(1)(a)(iii)
 - • no capital loss, 39(1)(b)(ii)
 - • non-arm’s length, 148(7), (8)
 - • policyholder’s income, 148(1), (4)
 - • proceeds of
 - • • defined, 148(9)“proceeds of the disposition”
 - • • income, 56(1)(j)
 - distribution of proceeds
 - • by corporation, 89(1)“capital dividend account”(d)(iii)
 - • by partnership, 53(1)(e)(iii)
 - dividends, 148(2)
 - enhanced capital gains deduction, effect on, 110.6(15)
 - exempt policy, Reg. 306
 - • defined, 12.2(11)
 - group term, defined, 248(1)
 - in Canada, defined, 138(12), 211(1), 248(1), Reg. 310, 1408(1)
 - income from, 148
 - interest in
 - • amount to be included, 12.2(1)
 - • owned under deferred profit sharing plan, 198(6)–(8)
 - • “value” defined, 148(9)“value”
 - life annuity contract, 148(10)
 - loan, *see* Policy loan (life insurance)
 - mortality gains and losses, Reg. 308
 - net cost of pure insurance, Reg. 308
 - participating, *see* Participating life insurance policy
 - premium, *see* Premium

- “prescribed increase” in benefit on death under, Reg. 309(2)
- prescribed premium, rules, Reg. 309
- proceeds of the disposition of, defined, 148(9)
- retirement compensation arrangement funded by, 207.6(2)
- riders, 12.2(10)
- rollover
 - • to child, 148(8)
 - • to spouse, 148(8.1), (8.2)
- segregated fund, 138.1, Reg. 6100
 - • defined, 138(12)
- “tax anniversary date” defined, 148(9)
- third anniversary amounts, defined, 12.2(11)“anniversary day”
- transfer not at arm’s length, 89(1)“capital dividend account”(d)(v), 148(7)
- transfer to child, 148(8)
- transfer to spouse
 - • breakdown of marriage, on, 148(8.1)
 - • death, on, 148(8.2)
- value of, for valuing shares etc. on death, emigration or immigration, 70(5.3)

Life insurance policy in Canada, *see* Life insurance policy: in Canada

Life insurer, *see also* Life insurance corporation

- defined, 248(1)

Life interest, *see* Life estate in real property

Life interest trust, *see* Alter ego trust

Lifelong Learning Plan, 146.02

- definitions, 146.01(1)
- income inclusions, 56(1)(h.2), 146.02(4)–(6)
- repayment of amount borrowed from RRSP, 146.02(3)
- withdrawal of funds from RRSP, 146(8), Reg. 104.1
 - • within 90 days of contribution, deduction disallowed, 146(5)(a)(iv.1), 146(5.1)(a)(iv)
- withholding exemption, Reg. 104.1

Lifetime benefit trust

- defined, 60.011(1)

Lifetime disability assistance payments

- defined, 146.4(1)

Lifetime retirement benefits

- defined, Reg. 8500(1)

Lift, power-operated (for wheelchair etc.)

- medical expense, Reg. 5700(m)

Lift truck, industrial

- capital cost allowance, Reg. Sch. II:Cl. 29

Limitation of benefits rule, Canada-U.S. Tax Treaty:Art. XXIX-A

Limitation periods, *see also* Filing deadlines; Reassessment; Statute-barred debt, deemed settled; Table O-6 at beginning of book

- collection of tax debt, 10 years, 222(4)
- prosecution for offences, 244(4)
- requesting adjustment to past return, 10 years, 152(4.2)
- requesting past Canada Child Benefit, 10 years, 122.62(2)
- requesting refund of past year, 10 years, 164(1.5)
- requesting waiver of interest or penalty, 10 years, 220(3.1)

Limited-dividend housing company

- defined, Reg. 3700
- exemption, 149(1)(n)

Limited liability company (U.S.)

- equity interests treated as shares, 93.2(2)
- look-through for treaty purposes, Canada-U.S. Tax Treaty:Art. IV:6
- treated as corporation, 248(1)“corporation”
- treated as foreign affiliate, Reg. 5907(11.2)(b)

Limited liability partnership

- at-risk rules inapplicable, 96(2.4)(a)
- capital gain not triggered by negative ACB, 40(3.14)(a)

Limited liability partnership (*cont'd*)

- United Kingdom, Canada-UK treaty Interpretative Protocol (2014)

Limited partner, *see also* Limited partnership; Specified member (of partnership)

- at-risk rules, 96(2.1)–(2.7)
- deemed capital gain on negative adjusted cost base, 40(3.1)(a)
- deemed not to carry on partnership's business, 253.1
- defined, 96(2.4)
 - for clean economy ITC allocation, 127.47(1)
 - for investment tax credit, 127(8.5)
 - for minimum tax purposes, 127.52(3)
 - for partnership interest negative ACB, 40(3.14)
 - for tax shelter investments, 143.2(1)
- investment tax credit, 127(8.1)
 - CCUS (carbon capture) credit, 127.44(11)
- limit on cost of investment, 143.2(1)“tax shelter investment”(b), 143.2(6)
- minimum tax, 127.52(1)(c.1)
- research and development losses, 96(1)(g)
- resource expenses, 66.8

Limited partnership, *see also* Limited partner; Partnership; Tax shelter: investment

- debt of, qualified investment for RRSP etc., Reg. 4900(1)(n.01)
- deemed not a business of the partner, 253.1
- losses, *see* Limited partnership losses
- mutual fund commissions financing, 18.1
- service of documents on, 244(20)(b)(ii)(A)
- unit
 - qualified investment for RRSP etc., Reg. 4900(1)(n)
 - small business investment, Reg. 5102

Limited partnership losses, *see also* Limited partnership

- adjusted cost base of partnership interest, reduction for, 53(2)(c)(i.1)
- amalgamation, on, 87(2.1)(a), (b)
- at-risk amount, 96(2.1)
 - artificial transactions to increase, 96(2.6), (2.7)
 - defined, 96(2.2)
- carryforward of, 111(1)(e)
- deductibility, 96(2.1)
 - limitation on, 111(3)(a)
- defined, 96(2.1), 248(1)
- determination of, by Minister, 152(1.1), (1.2), (1.3)
- minimum tax, 127.52(1)(c.1)
- order of deduction, 111(3)(b)
- partnership interest acquired by subsequent person, 96(2.3)
- winding-up, on, 88(1.1)

Limited partnership unit, *see* Limited partnership: unit**Limited-recourse amount**

- defined, for tax shelter investments, 143.2(1), (7)

Limited-recourse debt

- application to definition of tax shelter, 237.1(1)“gifting arrangement”(b)
- application to determination of advantage received, 248(32)(b)
- defined, 143.2(6.1)
- repayment of, 248(34)

Linefill

- in pipeline, no CCA, Reg. 1102(1)(k)

Linen

- capital cost allowance, Reg. Sch. II:Cl. 12(g)

Linked note

- sale of
 - deemed interest inclusion, 20(14.2)
 - information return, Reg. 201(1)(g)

Lipson (2012 TCC) case overruled, 248(1)“trust”**Liquefaction of natural gas**, *see also* Eligible liquefaction facility

- income from, determination of, Reg. 1104(18)

Liquefied natural gas

- facility for, *see* Eligible liquefaction facility

Liquid biofuel

- defined, Reg. 1104(13)
 - for clean technology credit, 127.45(1), Reg. 1104(13)

Liquidation entitlement

- defined
 - capital gains deduction, Reg. 6205(1)(a)(i)(B), 6205(4)(b)
 - flow-through shares, Reg. 6202.1(1)(a)(ii), 6202.1(1.1)(a), 6202.1(3)(b)
 - taxable preferred shares, 248(1)“taxable preferred share”(b)(ii)
 - taxable RFI shares, 248(1)“taxable RFI share”(b)

Liquidator, *see also* Legal representative

- certificate before distribution, 159(2)
- deemed to be legal representative, 248(1)“legal representative”
- obligations of, 159
- return required by, 150(3)
- withholding tax, liability for, 227(5), (5.1)

List of amounts, *see* Dollar amounts in legislation and regulations**List of taxes and tax rates**, *see* Rates of tax**Listed country**

- for foreign affiliate purposes, Reg. 5907(11)–(11.2)

Listed election

- defined, Reg. 5911(2)

Listed financial institution

- defined
 - for Canadian reporting of US persons' interests in accounts, 263(1)

Listed international agreement

- disclosure of information as permitted by, 241(4)(e)(xii)

Listed personal property, *see also* Art; Personal-use property

- defined, 54
- loss from
 - defined, 41(3)
 - reassessment, 152(6)(b)
 - usable only against LPP gains, 3(b)(ii), 41(2)
- net gain from disposition, 41(2)

Listed securities, *see* Publicly-traded securities**Listed terrorist entity**

- ceasing to be, 149.1(1.02)
- defined, 149.1(1)
- individual ineligible to be director of charity, 149.1(1)“ineligible individual”(e)–(h)
- revocation of charity, 168(3.1)
- deemed year-end on notice of revocation, 188(1)

Literary work, copyright royalties

- no withholding tax, 212(1)(b)(vi), 212(9)(b)

Lithium, *see* Critical mineral**Lithium from brine**

- included in mineral deposit, 248(1)“mineral resource”(d)(ii)
- included in minerals for CDE, 66(21), 66.2(5)“Canadian development expense”(c.2), (d)
- included in minerals for CEE, 66(15)“principal-business corporation”(f.1), (g), 66(21)
- well for extracting, deemed mine for CDE, CEE, 66(21)

Litigation, costs of, *see* Court: costs**Little Egypt bump**

- prevention of, 98(5)(d) [repealed]

Liver extract, as medical expense, 118.2(2)(k)**Livestock**

- destruction of

Index

Livestock (*cont'd*)

- deferral of income from, 80.3(2)
- exceptions, 80.3(6)
- inclusion of deferred amount, 80.3(3)
- amalgamation, on, 87(2)(tt)
- exhibiting and raising, 248(1)“farming”
- sales of, in prescribed drought or flood region, *see* Drought or flood region: prescribed

Living together, deemed spouses, *see* Common-law partner

Loan, *see also* Borrowed money; Debt; Interest (money)

- acquired in ordinary course of business of insurer or moneylender, 20(27)
- back-to-back, to spouse or minor, 74.5(6)
- charity, by, 118.1(16)
- corporation to, to reduce income, 74.4(2)
- outstanding amount, 74.4(3)
- cost amount of, 248(1)“cost amount”(d.1)
- employee, to, included in income, 6(9), 80.4(1)
- foreign affiliate’s income from, 95(2)(a.3)
- forgiveness of, *see* Debt forgiveness
- guarantee fee, deductible, 20(1)(e)
- home purchase, *see* Home purchase loan
- interest-free or low-interest
 - to child, 74.1(2)
 - to employee, 80.4(1)
 - to non-arm’s length person, 56(4.1)
 - to non-resident, 17
 - to shareholder, 15(2)–(2.6)
 - to spouse, 74.1(1)
- inventory write-down restricted, 18(1)(s)
- minor, to, 74.1(2), 74.5(6)–(11)
 - for value, 74.5, (2)
 - repayment of, 74.1(3)
- non-arm’s length person, to, 56(4.1)–(4.3)
 - used to repay existing indebtedness, 56(4.3)
- non-resident, to, by corporation, 17
- partnership interest, of, 96(1.8)
- personal services business, to
 - inclusion in income, 12(1)(w)
- policy, repayment of, 60(s)
- reduction in value of
 - limitation on deduction re, 18(1)(s)
 - related person, to, *see* non-arm’s length person (*above*)
- shareholder, to, by corporation, 15(2)–(2.6), 80.4(2)
 - back-to-back rules, 15(2.16)–(2.192)
 - capacity test, 15(2.4)(e)
 - deemed benefit, 15(9)
 - exception for “pertinent loan or indebtedness”, 15(2.11), 17.1
 - forgiveness of, 15(1.2)
 - from foreign affiliate, 90(6)–(15)
 - non-residents, 15(2.2), (8), 227(6.1)
 - persons connected with, 80.4(8)
 - repayment of, 20(1)(j)
- spouse, to, 74.1(1)
 - for value, 74.5(2)
 - repayment of, 74.1(3)
- value, for, to non-arm’s length person, 56(4.2)
- wholly-owned subsidiary, to, 17, 218

Loanbacks

- property or money donated to charity, 118.1(16)

Lobbying, *see* Representation expenses

Local

- of union, deemed same employer as union, 252.1

Local Lockdown Program (COVID-19)

- wage and rent subsidies, 125.7(1)“base percentage”(l)(i)(B)(II), (m)(i)(B)(II)

Lockdown support (COVID-19), 125.7(2.1)B

Locked-in annuity

- held by RRIF, 146.3(1)“qualified investment”(b.2)

Locked-in retirement account, 147.3(1) (Notes)

Locomotive, *see* Railway: locomotive

Lodge, expense of, not deductible, 18(1)(l)

Lodging, *see* Board and lodging

Logging equipment, Reg. Sch. II:Cl. 10(o)

Logging operations

- income from, in the province, defined, 127(2)“income for the year from logging operations in the province”

Logging property

- investment tax credit, 127(9)“qualified property”(c)(iii)

Logging tax

- deduction from income tax, 127(1), Reg. Part VII
- defined, 127(2)
- provincial legislation imposing, Reg. 700(3)
- rules applicable to, 127(1)

Long-haul truck

- defined, for meals percentages, 67.1(5)

Long-haul truck driver

- defined, 67.1(5)
- food and beverages, percentage allowed, 67.1(1.1)

“Long-term debt” defined, 181(1), 190(1)

Long-term resident

- defined, Canada-U.S. Tax Treaty:Fifth Protocol (2007), Annex B, para. 11

Look-back rule (for flow-through shares)

- interest charged as tax, 211.91(1)
- renunciation permitted, 66(12.66)(a.1)

Look-through rule (for partnerships), *see* Tiers of partnerships

Loss(es)

- amalgamation, on, 87(2.1)
- capital, *see* Capital loss
- carryback, *see* Carryback
- carryforward, *see* Carryforward
- carryover of, 111
 - corporation or trust, by, 111(5)–(5.5)
 - anti-avoidance provision, 111(5.5)(b)
 - change in control of corporation, 111(4)
 - farming business, from, 111(1)(c), (d), 111(6), (7)
 - restricted, for corporation becoming or ceasing to be exempt, 149(10)(c)
- defined, for disposition of specified debt obligation, Reg. 9200
- determination of, by Minister, 152(1.1), (1.2), (1.3)
- disposition of debt in exchange for replacement obligation, 40(2)(e.2)
- disposition of debt owing by related person, deemed nil, 40(2)(e.1)
- disposition of share of, foreign affiliate, on, 93(2)–(4)
- farm, defined, 111(8)
- farming, *see also* Farm loss
 - after land disposed of, 111(6)
 - carryover of, 111(1)(d)
 - deduction limited, 31
 - effect on cost base of land, 53(1)(i)
 - limitation on deductibility, 111(3), (6), (7)
 - partnership, of, 101, 111(7)
 - reduction on debt forgiveness, 80(3)(b), (c)
 - restricted farm loss, *see* Restricted farm loss
- fishing, 111(8)“farm loss”A(a)(i), *see also* Farm loss
- foreign affiliate, of
 - deductible, Reg. 5903
 - defined, Reg. 5907(1)
- foreign bank’s Canadian affiliate, 142.7(12)
- housing, *see* Housing loss
- insurer’s, 138(2)
- limitations on deductibility, 111(3), *see also* Stop-loss rules

Loss(es) (cont'd)

- net capital, *see* Net capital loss
- non-capital, *see* Non-capital loss
- office or employment, from, 5(2)
- order of reduction, on settlement of debt, 80(2)
- place, from sources in, 4
- post-emigration, 128.1(8)
- reduction of, on property previously owned by trust, 107(6)
- restrictions on deductibility, *see* Loss restriction event; Stop-loss rules
- share that is capital property, on, 112(3), (4)
- source, from, 4
- stop-loss rules, *see* Stop-loss rules
- superficial
 - business of lending money, 18(13), (15)
 - capital property, 40(2)(g)(i), 54
 - defined, 54
 - inventory held as adventure in nature of trade, 18(14)–(16)
- terminal
 - deduction for, 20(16)
 - no deduction re motor vehicle, 20(16.1)
- transfer of, *see* Suspension of losses; Transfer of losses
- windup, on, 88(1.1)

Loss of income source, deduction for interest expense, 20.1**Loss offset program, *see* Fuel tax rebate (1992–1999)****Loss restriction event, *see also* Control of corporation: change of**

- deemed acquisition of control of corporation, 256(7), (8)
- deemed year-end, 249(4)
- defined, 251.2
- loss carryovers restricted
 - bad debts, 111(5.3), (5.5)
 - business losses, 111(5)
 - capital losses, 40(3.4)(b)(iii), 53(2)(b.2), 111(4), (5.5), 111(8)“net capital loss”C(c), 111(12)
 - cumulative unused excess capacity (for interest deduction restrictions), 111(5.01)
 - debt forgiveness, 80(1)“relevant loss balance”(b), 80(1)“unrecognized loss”, 80(15)(c)(iv), 80.04(4)(h)
 - depreciable property, 13(21.2)(e)(iii)(D), 13(24), (25), 111(5.1), (5.5)
 - doubtful debts, 111(5.3)
 - farm losses, 111(5), (5.5)
 - foreign currency debt, 111(12)
 - interest deduction restrictions, 111(5), (5.01)
 - inventory, 10(10), (11)
 - investment tax credit, 127(9)“investment tax credit”(j), (k), 127(9.1), (9.2)
 - matchable expenditure rules, 18.1(1)(b)(ii)
 - net capital losses, *see* capital losses (above)
 - non-capital losses (business losses), 111(5)
 - resource expenditures, 66(11.4)–(11.6)
 - SR&ED expenditures, 37(1)(h), 37(6.1)
 - superficial loss, 54“superficial loss”(f)
 - undepreciated capital cost, 111(5.1)

Lottery

- capital gain or loss nil, 40(2)(f)
- cost of prize won is its fair market value, 52(4)
- prize winnings, not taxed (no taxing provision)

Low RTF amount

- defined, 89(1)“capital dividend account”(h)(ii)

Low rate income pool

- after amalgamation, 87(2)(ww), 89(9)
- after windup, 87(2)(ww), 88(1)(e.2)(ix), 89(10)
- defined, 89(1), 248(1)
- addition on amalgamation, 87(2)(ww), 89(9)
- addition on ceasing to be CCPC, 89(8)
- addition on windup, 87(2)(ww), 88(1)(e.2)(ix), 89(10)

- dividend paid from, 89(1)“eligible dividend”, “excessive eligible dividend designation”

Low threshold qualifying labour expenditure

- defined, 125.6(1)

Lower value account

- defined, for Common Reporting Standard, 270(1)

Lump-sum payment

- employment income
 - defined, Reg. 103(6)
 - withholding of tax, Reg. 103(4)
- retroactive spreading over past years
 - addition to tax for earlier years, 120.31
 - deduction in current year, 110.2

Lump-sum premium

- defined, Reg. 2700(1)

Luxembourg, *see also* Foreign government

- stock exchange recognized, 262

Luxury Items Tax, 18(1)(t) (Notes)

- interest paid under, not deductible, 18(1)(t)(iv)

Luxury vehicle, *see* Luxury Items Tax; Passenger vehicle: luxury**M****M&P, *see* Manufacturing or processing: credit****METC, *see* Medical expenses [tax credit]; Mineral Exploration Tax Credit****MFPP, *see* Member-funded pension plan****MHRTC, *see* Multigenerational Home Renovation Tax Credit****MIB, *see* Majority-interest beneficiary****MIC, *see* Mortgage investment corporation****MIGB, *see* Majority-interest group of beneficiaries****MLI [Multilateral Instrument], *see before* Canada-US Tax Treaty****MNE group, *see* Multinational enterprise group****MP, *see* Member: Parliament****MPP, *see* Maximum participation period; Money purchase provision****MURB, *see* Multiple-unit residential buildings****Machine part, cutting or shaping**

- capital cost allowance, Reg. Sch. II:Cl. 12(j)

Machinery and equipment

- capital cost allowance for, Reg. Sch. II:Cl. 8, Sch. II:Cl. 29

Machinist

- apprenticeship job creation credit, 127(9)“investment tax credit”

MacMillan Bloedel case overruled, 39(2) opening words**Magazine advertising**

- limitation, 19.01

Magdalen Islands

- prescribed intermediate zone for northern residents' deduction, Reg. 7303.1(2)

Magnesium, *see* Critical mineral**Mail**

- notice of objection, 165(2)
- presumption re mailing date, 244(14)
- proof of service by, 244(5)
- receipt of things mailed, 248(7)

Maintenance, *see* Support payments (spousal or child)**Maintenance costs**

- automobile, *see* Automobile: operating costs
- trust property, of, 105(2)

Majority-interest beneficiary

- defined, 251.1(3), 251.2(1)

Majority-interest group of beneficiaries

- defined, 251.1(3), 251.2(1)

Majority-interest group of partners

- defined, 251.1(3), 251.2(1)

Majority-interest partner

- acquisition of control of corporation that is, 13(24), 66(11.4)
- capital loss denied on disposition to partnership, 40(3.3), (3.4)
- defined, 248(1)

Malta, see also Foreign government

- film or video under treaty co-production, Reg. 1106(3)(e)

Management fee

- paid to non-resident, 212(1)(a)
- defined, 212(4)
- whether deductible, 67 (Notes)

Mandatory disclosure, 237.3, 237.4, 237.5, see also Notifiable transaction; Reportable transaction; Uncertain tax treatment**Manitoba, see also Province**

- labour-sponsored venture capital corporation of
 - prescribed, Reg. 6700(a)(iii), (xii)
 - recovery of LSVCC credit, 211.7
- *Mineral Exploration Incentive Program Act*, assistance under, Reg. 6202.1(5)“excluded obligation”(a)(i)
- northern, *see* Northern Canada
- prescribed stock savings plan, Reg. 6705(e)
- Rural Development Bonds, eligible for RRSP investment, Reg. 4900(1)(i.1)
- tax rates, *see* introductory pages

Manrell case overruled, 56.4**Manufacturing or processing**

- assets, capital cost allowance, Reg. Sch. II:Cl. 43
- building used for, additional CCA, Reg. 1100(1)(a.1)
- business
 - deemed capital cost of property acquired for, 13(10)
- credit, 125.1, Reg. Part LII
- defined
 - for Class 29 CCA, Reg. 1104(9)
 - for investment tax credit, 127(11)(a)
 - for M&P credit, 125.1(3)“manufacturing or processing”
 - for manufacturing and processing credit, 125.1(3)“manufacturing or processing”
- property used in, capital cost allowance, Reg. 1102(15), (16), (16.1), Reg. Sch. II:Cl. 29, Sch. II:Cl. 43
- separate class for each property if election made, Reg. 1101(5s)
- tobacco, surtax on, 182, 183

Marginal notes

- effect of, *Interpretation Act* s. 14
- relevance to legislation, *Interpretation Act* s. 14

Marihuana, see Marijuana**Marijuana**

- medical expense credit, 118.2(2)(u)

Marina relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(III), see also Qualifying tourism or hospitality entity**Marine railway**

- capital cost allowance, Reg. Sch. II:Cl. 7

Mark-to-market property, 142.5, see also Specified debt obligation

- amalgamation, effect of, 87(2)(e.4), (e.5)
- annual recognition of gain or loss, 142.5(2)
- cost amount of, 248(1)“cost amount”(c.1)
- debt obligation, interest on, 142.5(3)
- deemed disposition of, 142.5(2)
- defined, 142.2(1)
 - for stop-loss rules, 112(6)(c)
 - where election made re derivatives, 10.1(4)(a)
- disposition of
 - adjustment for dividends received, 112(5)–(5.2)
 - deemed
 - annual, 142.5(2)

- on windup, 88(1)(i)
- income treatment, 142.5(1)
- no capital gain, 39(1)(a)(ii.2)
- no capital loss, 39(1)(b)(ii)
- dividend deduction denied to financial institution, 112(2.01)–(2.03)
- mark-to-market treatment required, 142.5(2)
- rollover not permitted, 85(1.1)(g)(iii)
- stop-loss rules restricted, 112(5.6)
- superficial loss rule not applicable, 142.6(7)
- winding-up, effect of, 88(1)(a.3), (h), (i)

Mark-to-market treatment

- eligible derivative, by election, 10.1
- financial institution’s property, 142.5(2)

Markedly restricted

- defined, for disability credit, 118.3(1)

Marketing board

- patronage dividends where board used, 135(8)

Markevich case overruled, 222(3)–(10)**Marriage, see also Spouse; Common-law partner**

- breakdown of, *see* Divorce and separation
- meaning of, *Civil Marriage Act* s. 2
- notice to CRA required for Canada Child Benefit purposes, 122.62(7)(a)
- same-sex, *see* Same-sex marriage

Married status

- tax credit, 118(1)B(a)
- limitation, 118(4)

MasterCard

- prescribed payment card corporation share, Reg. 9002.1(a)(i), (ii)

Master trust (or Pooled fund trust)

- defined, Reg. 4802(1.1)
- excluded from various trust rules, 108(1)“trust”(a)
- exemption from Part I tax, 149(1)(o.4)
- exemption from Part XII.2 tax, 210(2)(c)
- minimum tax not payable by, 127.55(f)(iii)
- rollover to new trust, 248(1)“disposition”(f)(vi)

Matchable expenditure

- deemed to be a tax shelter investment, 18.1(13)
- defined, 18.1(1)
- deduction restricted, 18.1(2)–(4)
- film shelters shut down, 18.1(17)
- non-arm’s length disposition, 18.1(8)–(10)
- reinsurance commissions excluded, 18.1(15)
- rules apply only to tax shelters, 18.1(16)

Matching rule, 18(9), see also Matchable expenditure**Material interest**

- defined, 149.2(1)

Material transaction

- defined, for private foundations, 149.1(1), 149.2(2)

Maternity leave

- qualifying period for pension earnings, Reg. 8507(3)

Matrimonial regime, dissolution of, 248(22), (23)**Maturity**

- registered retirement savings plan, of, 146(1)“maturity”

Maximum benefit rule

- for registered pension plan, Reg. 8504

Maximum participation period

- defined, 146.6(1)
- no deduction after MPP ends, 146.6(1)“annual FHSA limit”(c)(i)
- no deduction before MPP starts, 146.6(1)“FHSA carryforward”(c)

“May”

- meaning of, *Interpretation Act* s. 11

- McCool case overruled**, 20(1)(c)(ii)
- McGillivray Restaurant case overruled**, 256(5.11)
- McNeilly case overruled**, 118.2(2.21)
- Meads v. Meads case**, 2(1) (Notes)
- Meals**, *see also* Entertainment expenses (and meals)
- employee's, deduction limited, 8(4)
- Mean Canadian investment fund**
- defined, insurers, Reg. 2412
- Mean Canadian outstanding premiums**
- defined [repealed], Reg. 2400(1)
- Mean Canadian reserve liabilities**
- defined, insurers, Reg. 2400(1)
- Mean maximum tax actuarial reserve**
- defined, insurers, Reg. 2400(1)
- Mean policy loans**
- defined [repealed], Reg. 2400(1)
- Mechanic**, *see* Apprentice: mechanic
- Media**, *see* Journalism
- Medical devices and equipment**
- prescribed, 118.2(2)(m), Reg. 5700
- Medical doctor**, *see also* Physician
- certification for disability credit, 118.3(1)(a.2)
 - defined, 118.4(2)
 - examination fees to qualify as, tuition credit, 118.5(1)(d)
 - fees of, medical expense credit, 118.2(2)(a)
 - income of, *see* Professional practice
- Medical expenses**, 64, 118.2
- air conditioner, Reg. 5700(c.3)
 - alarm for infant, Reg. 5700(r)
 - altered auditory feedback device, Reg. 5700(z.1)
 - ambulance, 118.2(2)(f)
 - animal trained to assist impaired person, 118.2(2)(l)
 - artificial eye, 118.2(2)(i)
 - attendant care, 64(a)A(ii)(J), 118.2(2)(b), (b.1), (c)
 - artificial limb, 118.2(2)(i)
 - balance disorder, pressure pulse therapy device for, Reg. 5700(z.4)
 - blind aids, *see* Blind person
 - bliss symbol board, 64(a)A(ii)(N), Reg. 5700(x)
 - blood sugar measuring device, Reg. 5700(s)
 - bone marrow transplant, 118.2(2)(l.1)
 - braille note-taker, 64(a)A(ii)(O), Reg. 5700(y)
 - captioning services, 64(a)A(ii)(A), 118.2(2)(l.4)
 - catheters and catheter trays, 118.2(2)(i.1)
 - celiac disease patients, gluten-free food costs, 118.2(2)(r)
 - closed-caption TV decoder, Reg. 5700(q)
 - colostomy pad, 118.2(2)(i)
 - cosmetic purposes, expenses disallowed, 118.2(2.1)
 - credit for
 - non-refundable, 118.2
 - refundable, 122.51
 - crutches, 118.2(2)(i)
 - deaf-blind intervening services, 118.2(2)(l.44)
 - deduction for, 64
 - deemed, 118.2(3)
 - deemed payment of, 118.2(4)
 - defined, 118.2(2)
 - denture costs, 118.2(2)(p)
 - devices and equipment, Reg. 5700
 - diapers for incontinence, 118.2(2)(i.1)
 - driveway alterations, 118.2(2)(l.6)
 - drugs, 118.2(2)(n), (s), Reg. 5701
 - elastic support hose, Reg. 5700(u)
 - electrotherapy device, Reg. 5700(z.2)
 - extremity pump, Reg. 5700(u)
 - eyeglasses, 118.2(2)(j)
 - fertility treatment, 118.2(2)(a), 118.2(2.2)
 - full-time attendant for physically or mentally impaired person, 118.2(2)(b), (c)
 - gluten-free food costs, 118.2(2)(r)
 - group home care, 118.2(2)(b.2)
 - guide dog, 64(a)A(ii)(Y), 118.2(2)(l)
 - hardwood flooring disallowed, 118.2(2)(l.2)(i), (ii), 118.2(2)(l.21)(i), (ii)
 - Health Canada Special Access Programme, 118.2(2)(s), (t)
 - hearing aid, 118.2(2)(i)
 - hearing loss, rehabilitative therapy, 118.2(2)(l.3)
 - home construction for disabled person, 118.2(2)(l.21)
 - home renovations, 118.2(2)(l.2)
 - duplicate claim of home accessibility tax credit permitted, 118.041(4)
 - hospital bed, Reg. 5700(h)
 - hot tub disallowed, 118.2(2)(l.2)(i), (ii), 118.2(2)(l.21)(i), (ii)
 - ileostomy pad, 118.2(2)(i)
 - *in vitro* treatment, 118.2(2)(a), 118.2(2.2)
 - incontinence-related products, 118.2(2)(i.1)
 - inductive coupling osteogenesis stimulator, Reg. 5700(v)
 - infusion pump, Reg. 5700(s)
 - insulin, 118.2(2)(k)
 - iron lung, 118.2(2)(i)
 - kidney machine, 118.2(2)(i)
 - laboratory procedures, 118.2(2)(o)
 - laryngeal speaking aid, 118.2(2)(i)
 - learning disability, tutoring, 64(a)A(ii)(H), 118.2(2)(l.91)
 - limb brace, 118.2(2)(i)
 - lip reading training, 118.2(2)(l.3)
 - liver extract, injectible, 118.2(2)(k)
 - marijuana, 118.2(2)(u)
 - medical equipment and devices, 118.2(2)(i), (k)
 - prescribed, 118.2(2)(m)
 - medical practitioners etc., references to, 118.4(2)
 - mental or physical impairment, 118.2(2)(b)–(e), 118.3
 - transfer of unused credit to spouse, 118.8
 - modifications to dwelling for physically impaired person, 118.2(2)(l.2)
 - moving expenses, 118.2(2)(l.5)
 - navigation device for low vision, Reg. 5700(z.5)
 - notch provision, 118.2(1)D
 - note-taking services, 64(a)A(ii)(F), 118.2(2)(l.41)
 - optical scanner, 64(a)A(ii)(D), (Q)
 - orthopaedic shoe, etc., Reg. 5700(e)
 - oxygen concentrator, 118.2(2)(i)
 - oxygen, oxygen tent and oxygen equipment, 118.2(2)(k)
 - pacemaker, Reg. 5700(d)
 - page turner, Reg. 5700(z), 64(a)A(ii)(P)
 - partial dependency, 118.3(3)
 - phototherapy equipment, 118.2(2)(i)
 - prescribed devices and equipment, 118.2(2)(m), Reg. 5700
 - pressure pulse therapy device, Reg. 5700(z.4)
 - print reader, 64(a)A(ii)(D), (Q)
 - private health services plan premiums, 118.2(2)(q)
 - employee contributions to employee life and health trust, 144.1(10)
 - reading services, 118.2(2)(l.43)
 - real-time captioning services, 64(a)A(ii)(A), 118.2(2)(l.4)
 - refundable credit, additional, 122.51
 - rehabilitative therapy for hearing/speech loss, 118.2(2)(l.3)
 - reimbursed, 118.2(3)
 - by employer, 118.2(3)(a)
 - rocking bed, 118.2(2)(i)
 - sign language interpretation services, 64(a)A(ii)(A), 118.2(2)(l.4)
 - sign language training, 118.2(2)(l.3)
 - Special Access Program devices or drugs, 118.2(2)(s), (t)
 - speech loss, rehabilitative therapy, 118.2(2)(l.3)

Index

Medical expenses (*cont'd*)

- speech synthesizer, 64(a)(ii)(E), Reg. 5700(p)
- spinal brace, 118.2(2)(i)
- standing therapy device, Reg. 5700(z.3)
- syringe, Reg. 5700(b)
- TDD, 64(a)(ii)(B), Reg. 5700(k)
- talking textbooks, 64(a)(ii)(I), Reg. 5700(w)
- therapy, 118.2(2)(l.9)
 - for hearing or speech loss, 118.2(2)(l.3)
- training courses to care for infirm dependant, 118.2(2)(l.8)
- transportation services, 118.2(2)(g)
 - where ambulance etc. not available, 118.2(4)
- travelling expenses, 118.2(2)(h)
- truss, hernia, 118.2(2)(i)
- tutoring services, 64(a)(ii)(H), 118.2(2)(l.91)
- van for use with wheelchair, 118.2(2)(l.7)
- vitamin B12, 118.2(2)(k)
- voice recognition software, 64(a)(ii)(G), 118.2(2)(l.42)
- walker, 118.2(2)(i), Reg. 5700(i)
- wheelchair, 118.2(2)(i)
- wheelchair lift, Reg. 5700(m)
- wig, Reg. 5700(a)

Medical instruments (small)

- capital cost allowance for, Reg. Sch. II:Cl. 12(e)

Medical practitioner

- defined, 118.4(2)

Medical Research Council

- payments to, as R&D expenditures, 37(1)(a)(ii)(B), 37(7)“approved”
- research grants, taxable, 56(1)(o)

Medicine

- charitable donation from inventory, additional deduction before 2017, 110.1(1)(a.1), (8)

Melford Developments case overruled, *Income Tax Conventions Interpretation Act* s. 3

Member

- credit union, defined, 137(6)“member”
- deferred profit sharing plan, defined, Reg. 8300(1)
- Parliament
 - allowance non-taxable, 6(1)(b)(i)(A)
 - election contributions
 - credit, 127(3)
 - records of, 230.1
 - income treated as employment income, 248(1)“office”
 - retirement compensation arrangement of, Reg. 6802.1
 - retiring allowances, 60(j.04)
- partnership, *see* Partner
- pension plan, defined, 147.1(1), Reg. 8300(1)
- pooled pension plan, defined, 147.5(1)

Member affiliate

- defined
 - for dividend from non-resident corporation, 90(15)“specified amount”B(b)
 - for FAPI partnership deeming rule, 93.1(4)(a)

Member-funded pension plan, Reg. 8510(9)

Member of Parliament, *see* Member: Parliament

Member of the taxpayer's household

- defined, Reg. 7304(1)

Membership dues

- employee, deduction, 8(1)(i)(i), (iv)–(vi)
- recreational club etc., not deductible, 18(1)(l)(ii)

Memorial Grant Program for First Responders

- killed in line of duty, tax-free benefit to families, 81(1)(j)

Memory or organizational aid

- disability supports deduction, 64(a)(ii)(X)

Mental or physical health

- counselling related to

- value not included in employee's income, 6(1)(a)(iv)

Mental or physical impairment, *see also* Blind person; Hearing impairment; Infirm dependant; Mobility impairment

- attendant care expenses, deduction from income, 64(a)(ii)(J)
- residents absent from Canada, 64.1
- certification by health care professional
 - for disability credit, 118.3(1)(a.2)
- credit for, 118.3
 - full-time attendant, 118.2(2)(b), (c)
 - partial dependant, 118.3(3)
 - unused, transfer to spouse, 118.8
- deduction for
 - various medical expenses, 64
- disability supports deduction, 64
- home purchase credit, *see* First-Time Home Buyer's Credit and Disability Home Purchase Credit
- Minister may obtain advice from Dept. of Human Resources Development re, 118.3(4)
- modifications to dwelling, tax credit for, 118.2(2)(l.2)
- nature of, 118.4(1)
- RESP age requirements, waiver, 146.1(2.2)
- RESP enrolment requirements, part-time allowed, 146.1(2)(g.1)(i)(B)
- specified disabled person
 - defined, for Home Buyers' Plan, 146.01(1)
 - loan from RRSP to acquire home for, 146.01(1)“supplemental eligible amount”
- student, 118.6(3)
- “totally and permanently disabled”
- meaning of, for pension plans, Reg. 8500(1)

Merchant navy veteran pension, exempt, 81(1)(d)

Merger, *see also* Amalgamation

- absorptive, of foreign corporations, 87(8.2)
- cross-border, 128.2
- deemed receipt of shares on, 87(1.1)
- foreign, *see* Foreign merger
- triangular, 87(9)

Metal fabricator (fitter)

- apprenticeship job creation credit, 127(9)“investment tax credit”

Methods of accounting prohibited, *see* Accounting

Metric scales, capital cost allowance, Reg. Sch. II:Cl. 12(p)

Mexico, *see also* Foreign government

- certain bonds of, *see* Brady bond
- escisión, treatment of shareholder, 15(1.5)
- *Mickleborough* case overruled, 66.1(1)“Canadian exploration expense”(k.2) [repealed]
- stock exchange recognized, 262

Middle East

- Canadian Forces personnel and police serving in, no tax on income, 110(1)(f), Reg. 7500(c)–(f) [repealed]

Migration, *see* Becoming resident in Canada; Ceasing to be resident in Canada

Mileage allowances, Reg. 7306

Millwright

- apprenticeship job creation credit, 127(9)“investment tax credit”

Mine

- buildings, Reg. Sch. II:Cl. 10(g), Sch. II:Cl. 41
- capital cost allowance, Reg. 1100(1)(w)–(ya.2), 1100A
- definitions, Reg. 1104(5)–(8)
- defined, Reg. 1104(6)(b), 1104(7)(a), 1206(1), 3900(1)
- depletion allowance, *see* Depletion allowances
- equipment etc., Reg. Sch. II:Cl. 10(k)–10(m), Sch. II:Cl. 41
- exempt income from, Reg. 1100A [Revoked], Part XIX [Revoked]
- exploration and development expenses, 66
- income from a, meaning of, Reg. 1104(5), (6)(a)

Mine (cont'd)

- industrial mineral, Reg. 1100(1)(g), Reg. Sch. V
- • separate class, Reg. 1101(4)
- new or expanded
- • separate capital cost allowance classes, Reg. 1101(4a)–(4d)
- property, Reg. Sch. II:Cl. 28, Sch. II:Cl. 41
- shafts etc., Reg. Sch. II:Cl. 12(f)
- townsite costs, *see* Townsite costs

Mineral

- defined, 248(1)
- • for capital cost allowances, Reg. 1104(3)

Mineral Exploration Tax Credit

- expenditures that qualify, 127(9)“flow-through mining expenditure”
- investment tax credit of 315%, 127(5)(a)(i), 127(9)“investment tax credit”(a.2)
- • carryforward or carryback, 127(9)“investment tax credit”(c)
- • reduction for assistance received, 127(11.1)(c.2)

Mineral ore

- defined, Reg. 3900(1)

Mineral resource

- defined, 248(1)

Mineral rights

- dealers in, limitation, 66(5)

Mini-golf relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(V), *see also* Qualifying tourism or hospitality entity**Minimum amount**

- defined
- • for minimum tax, 127.51
- • for registered pension plan, Reg. 8506(5), (7)
- • • special rule for 2008, Reg. 8506(7)(b)
- • for RRIF, 146.3(1)“minimum amount”, Reg. 7308(3), (4)
- • • for RRSP rollover for 2015, 60.022(5)(c), (d)
- • • special rule for 2008, 146.3(1.1), (1.2)
- • • special rule for 2020, 146.3(1.4), (1.5)
- requirement to withdraw from RRIF annually, 146.3(1)“retirement income fund”

Minimum tax, 127.5–127.55

- additional tax for income not earned in a province, and, 120(4)“tax otherwise payable under this Part”
- additional tax re
- • excluded from instalment estimates for farmers and fishermen, 155(1)(a)
- adjusted taxable income, 127.52
- basic exemption, 127.53
- basic minimum tax credit, 127.531
- carryback re
- • effect on interest payable to taxpayer, 164(5), (5.1)
- • no effect on interest payable, 161(7)
- carryover, 120.2
- • additional tax, determination of, 120.2(3)
- • where not applicable, 120.2(4)
- excluded from “tax payable” etc. under Part I, 117(1)
- foreign tax credit, 127.54
- partnership investing in residential property or Canadian film, 127.52(2)
- Quebec abatement and, 120(4)“tax otherwise payable under this Part”
- where not applicable, 127.55

Mining

- defined, Reg. 1104(3)
- exemption from non-resident withholding tax on dividends, 213

Mining expenditure

- flow-through, *see* Critical Mineral Exploration Tax Credit; Mineral Exploration Tax Credit

Mining exploration depletion base

- defined, Reg. 1203(2)

- expenses added to
- • amounts receivable, portion included in income, 59(3.3)(f)

Mining exploration expenses, “grass-roots”

- expenses in first 60 days of year, 66.1(8)
- partnership deemed not at arm’s length, 66(17)

Mining operations

- defined, for mining tax deduction, Reg. 3900(1)

Mining property, *see also* Canadian resource property

- capital cost allowance, Reg. Sch. II:Cl. 28, Sch. II:Cl. 41
- defined, 35(2)
- excluded from flow-through share renunciation, 66(12.62)(b.1)
- prospector’s exemption, 35

Mining reclamation trust [repealed], *see* Qualifying environmental trust**Mining taxes**

- credit, *see* Pre-production mining expenditure
- deduction, 20(1)(v), Reg. 3900

Minister of Canadian Heritage, *see also* Canadian Heritage, Department of

- certification of accredited film/video production, 125.5(1)“accredited film or video production certificate”
- • revocation of certificate, 125.5(6)
- certification of Canadian film/video production, 125.4(1)“Canadian film or video production certificate”
- • revocation of certificate, 125.4(6)

Minister of Finance

- appointed, *Financial Administration Act* s. 14

Minister of National Revenue, *see also* Canada Revenue Agency

- advice from Dept. of Human Resources Development re mental or physical impairment, 118.3(4)
- arbitrary assessment by, 152(7)
- authority re determination of charitable foundation’s “prescribed amount”, 149.1(1.2)
- authorized to accept security for payment of tax etc., 220(4)–(4.4)
- burden of proof in assessing penalty, 163(3)
- certificate of exemption, 212(1)(b)(iv), (14)
- certificate re proposed disposition of property by non-resident, 116(2)
- chief source of income, determination re, 31
- consent to change of fiscal period, 249.1(7)
- consent to sale of property bound by Court-registered certificate re amount payable, 223(9), (10)
- defined, 248(1)
- delegation of powers and duties, 220(2.01), Reg. Part IX; *Interpretation Act* s. 24(2)
- determination of amounts under s. 245, 152(1.11), (1.12)
- • binding effect, 152(1.3)
- determination of excessive refund, 160.1(1)
- determination of losses by, 152(1.1), (1.2)
- • binding effect, 152(1.3)
- direction re collection, 225.2
- discretion re transfer pricing adjustments, 247(10)
- duties of
- • administration and enforcement of Act, 220(1)
- • disposition of appeal, on, 164(4.1)
- • refunds, 164(4.1)
- • when objection filed, 165(3)
- inquiry authorized by, 231.4(1)
- investigatory powers re tax shelters, 237.1(8)
- not bound by return, 152(7)
- notice of, to provide information, 231.2
- permission to destroy records, 230(4), (8)
- powers
- • acquire and dispose of debtor’s tax property, to, 224.2
- • extension of filing date, 220(3)
- • seize moneys restorable to tax debtor, to, 224.3
- RPP, authority to impose conditions re, 147.1(5)

Index

Minister of National Revenue (*cont'd*)

- required to assess tax, 152(1)
- restrictions on collection, 225.1
- collection in jeopardy, 225.2
- revocation of registration of charity, 168
- tax shelter identification number, issuance of, 237.1(3)
- waiver of penalty or interest, 220(3.1)
- waiver of requirement to file form or document, 220(2.1)

Minister (of religion), *see* Clergy

Minister of the Environment

- certification of ecologically sensitive land, *see* Ecological gifts
- permission to dispose of ecologically sensitive land, 207.31

Minor, *see also* Age; Child

- amount payable by trust to, 104(18)
- transfers and loans to, 74.1(2)
- corporation, through, 74.5(6)–(11)
- deemed, 74.5(6)–(11)
- for value, 74.5(1), (2)
- joint liability for tax on, 160(1)–(3)
- repayment of, 74.1(3)
- trust, through, 74.3, 74.5(9), (10)
- trust for, 104(18)

Minor term annuity

- rollover to RRSP, 60.011(2)(b)

Misclassified property, 13(6)

Misrepresentation

- justification for late reassessment, 152(4)(a)(i), 152(5)
- of other person's tax affairs, penalty, 163.2
- of own tax affairs, penalty, 163(2)

Mission, operational, *see* Deployed operational mission

Mobile crane operator

- apprenticeship job creation credit, 127(9)“investment tax credit”

Mobility impairment, *see also* Disability; Impairment

- building modifications for, deductible, 20(1)(qq)
- device to permit person with, to drive vehicle
- medical expense, Reg. 5700(m)
- driveway alterations for person with, 118.2(2)(1.6)
- moving expenses for person with, 118.2(2)(1.5)
- transportation and parking for person with, not taxable benefit, 6(16)

Modern Times/Nordic Entertainment spinoff, Reg. 5600(1)

Modifications (to building)

- disability-related, deductible, 20(1)(qq)
- dwelling, for disabled person, medical expense credit, 118.2(2)(1.2)

Modified GAAP, *see* Generally accepted accounting principles

Modified net premium (re insurance policy)

- defined, Reg. 1408(1), (3)

Mohel

- payment to, medical expense credit, 118.2(2)(a)

Mold, capital cost allowance, Reg. Sch. II:Cl. 12(d)

Moldovan case reinstated, 31(1)

Mole, capital cost allowance, Reg. Sch. II:Cl. 1(f), Sch. II:Cl. 3

Monetary contribution

- for political contribution credit
- credit for, 127(3)
- defined, 127(4.1), *Canada Elections Act* s. 2(1)

Money

- borrowed, *see* Borrowed money
- business of lending, *see* Moneylender
- included in definition of property, 248(1)“property”

Money market fund

- ineligible for December 15 year-end election, Reg. 4801.01

Money purchase limit

- defined, 147.1(1), 248(1)
- limits pension contributions, 147.1(8), (9)
- limits RRSP contribution, 146(1)“RRSP dollar limit”

Money purchase provision, *see* Registered pension plan: money purchase provision

Money services business

- defined, for electronic funds transfer reporting, 244.1

Moneylender, *see also* Financial institution

- bad debts
- deduction for, 20(1)(p)(ii)
- inclusion in income, 12.4
- disposition of Canadian securities, 39(5)(f)
- guarantees etc.
- acquired from, in amalgamation, 87(2)(h)(iii)
- reserve for, 20(1)(1.1)
- loan/lending asset
- acquired from, in amalgamation, 87(2)(h)(ii)
- reduction in value of
- limitation on deduction, 18(1)(s)
- loans etc. acquired in ordinary course of business, 20(27)
- reserve for doubtful debts, 20(1)(l)
- security used or held by
- “eligible property” for transfer to corporation by shareholder, 85(1.1)(g)
- superficial loss not deductible, 18(13), (15)

Monitor

- crib death, medical expense, Reg. 5700(r)

Monk

- income of, not taxed, 110(2)

Month

- defined, *Interpretation Act* s. 35(1)

Monthly withholding amount

- defined, for new employers remitting quarterly, Reg. 108(1.21)

Montreal

- international banking centre until 2013, 33.1(3)
- stock exchange, designated, 262 (Notes), *see also* Bourse de Montréal Inc.

Morasse case overruled re shareholder benefit, 15(1)(a)

More than five full-time employees, *see* Six employees test

Morgan Stanley Capital Investment Index units

- qualified investments for deferred income plans, Reg. 4900(1)(n.1)

Morrissey case overruled, 122.6“shared-custody parent”(b)

Mortality gain

- defined, Reg. 308(2)

Mortality loss

- defined, Reg. 308(2)

Mortgage, *see also* Debt

- expropriation assets acquired for sale of foreign property, 80.1
- foreclosure, 79
- interest
- blended with principal in payments, 16(1), 214(2)
- deduction for, 20(1)(c), *see also* Work space in home
- investment corporation, *see* Mortgage investment corporation
- not a disposition, 248(1)“disposition”(j), (k)
- RRSP investment, Reg. 4900(1)(j)–(j.2)
- sale of, included in proceeds of disposition, 20(5), (5.1)
- subsidy by employer, taxable benefit, 6(23)

Mortgage-backed securities

- eligible for investment by RRSP, etc., Reg. 4900(1)(j)–(j.2)

Mortgage insurance

- defined, for insurers' policy reserves, Reg. 1408(1)

Mortgage Insurance Corporation of Canada

- payments to guarantee fund deductible, Reg. 1400(3)G

Mortgage investment corporation, 130.1

- deemed public corporation, 130.1(5)
- defined, 130.1(6), 248(1)
- election re capital gains dividend, 130.1(4), Reg. 2104.1
 - where not made, 130.1(4.1)
- non-qualifying taxed capital gains, 130.1(9)
- not subject to mark-to market rules, 142.2(1)“financial institution”(c)(ii)
- qualifying taxed capital gains, 130.1(9)
- shareholders, how counted, 130.1(7)

Mortgage subsidy

- taxable benefit, 6(23)

Motion picture film

- Canadian film or video production credit, 125.4
- capital cost allowance, Reg. Sch. II:Cl. 10(s), Sch. II:Cl. 12(m)
- certified production, *see* Certified production
- film or video production services credit, 125.5
- in-flight movies not treated as entertainment, 67.1(4)(a)
- partnership investing in
 - capital cost allowance limitation, 127.52(2)
- payment to non-resident for use of, 212(5)
- revenue guarantee, exemption from at-risk rules, 96(2.2)(d)(ii) [repealed]
- shelters prohibited, 18.1(17)

Motor vehicle

- accident claims, payments exempt, 81(1)(q), Reg. 6501
- capital cost allowance
 - of employee, 8(1)(j), Reg. 1100(6)
 - of person carrying on business, 20(1)(a), Reg. 1100(1)(a)(x)
- defined, 248(1)
- device to enable disabled person to drive, Reg. 5700(h)
- employee’s allowance for use of
 - not income, 6(1)(b)(vii.1)
 - where deemed not reasonable, 6(1)(b)(x), (xi)
- employment by U.S. resident on, Canada-U.S. Tax Treaty:Art. XV:3
- expenses
 - limitations on, *see* Passenger vehicle
 - of employee, when deductible, 8(1)(f), (h.1)
- loan to shareholder/employee to purchase, 15(2.4)(d)
- recapture of excess CCA, 13(2)
- terminal loss rules not applicable, 20(16.1)

Motor vehicle body repairer (metal and paint)

- apprenticeship job creation credit, 127(9)“investment tax credit”

Motor vehicle warranty, *see* Extended motor vehicle warranty**Motorcycle mechanic**

- apprenticeship job creation credit, 127(9)“investment tax credit”

Moufarrège case overruled, 20.1**Mould**

- capital cost allowance, Reg. Sch. II:Cl. 12(d)

Movable property

- defined
 - *Quebec Civil Code*, art. 900–907

Movie, *see* Motion picture film**Movie theatres relief (COVID), Reg. 8901.1(2)(b)(xiv), *see also* Qualifying tourism or hospitality entity****Moving expenses, *see also* Relocation**

- certain students, 62(2)
- deduction for, 62(1)
 - residents absent from Canada, 64.1
- defined, 62(3)
- medical expense credit, 118.2(2)(1.5)
- moving to United States, Canada-U.S. Tax Treaty:Art. XIII:6
- “new work location”, 62(1)
- residents absent from Canada

- deduction, 64.1

Multi-employer plan (RPP)

- anti-avoidance, 147.1(14)
- defined, 147.1(1), Reg. 8500(1)
- pension adjustment limits, 147.1(9)
- registration requirements, Reg. 8510(7)
- special rules, Reg. 8510(5)
- when revocable, 147.1(9)

Multigenerational Home Renovation Tax Credit, 122.92**Multilateral Instrument, *see before* Canada-US Tax Treaty****Multinational enterprise group**

- defined, for country-by-country reporting, 233.8(1)
- defined, for transfer pricing rules, 247(1)

Multi-tier alignment

- defined (for corporate inclusion of partnership income), 34.2(1)
- election, 249.1(9)
- no stub-period accrual for earlier years, 34.2(9)

Multi-tier alignment election

- for partnership, 249.1(9)

Multiple counting of deductions or credits, 248(28)**Multiple mine property**

- capital cost allowance, Reg. 1100(1)(ya.2)
- separate prescribed class, Reg. 1101(4h)

Multiple-unit residential buildings

- capital cost allowance, Reg. Sch. II
- separate classes, Reg. 1101(5b)

Municipal body performing function of government, *see* Public body: performing function of government**Municipal waste**

- defined, Reg. 1104(13)
- included in eligible waste fuel, Reg. 1104(13)“eligible waste fuel”
- used as fuel, Reg. Sch. II:Cl. 43(e)(i)(A), Sch. II:Cl. 43.1(d)(ix)

Municipality, *see also* Government

- assistance by, *see* Assistance/government assistance
- bonds of
 - constitute qualified securities for securities lending arrangement rules, 260(1)“qualified security”(c)
 - no non-resident withholding tax, 212(1)(b)(ii)(C)(III)
- corporation controlled by, excluded from refundable ITC, 127.1(2)“excluded corporation”(a)(ii)
- corporation owned by
 - bonds of, no non-resident withholding tax, 212(1)(b)(ii)(C)(IV)
 - deemed not private corporation for Part IV tax, 227(16)
 - election to remain taxable, 149(1.11)
 - exempt from tax, 149(1)(d.5)
 - donation to, 149.1(1)“qualified donee”(a)(ii)
 - by corporation, deduction, 110.1(1)(a)
 - by individual, tax credit, 118.1(1)“total charitable gifts”
- elected officer or school board trustee, expense allowance exempt, 81(3) [before 2019]
- exempt from tax, 149(1)(c)
- gifts to, *see* donation to (above)
- officials, bribery of, no deduction, 67.5
- property taxes
 - farmland
 - addition to adjusted cost base, 53(1)(i)(iii)(A)
 - deduction by partner where partnership disposes of land, 101(c)(i)
 - limitation on deduction, 18(2)(b)
 - representation to, expenses deductible, 20(1)(cc)
 - support payments for farmers by, information slips, Reg. 234–236
- townsites costs, *see* Townsite costs
- volunteer emergency worker
- exemption for, 81(4)

Index

Municipality (*cont'd*)

- welfare, *see* Social assistance payment

Museums relief (COVID), Reg. 8901.1(2)(b)(v), *see also* Qualifying tourism or hospitality entity

Musical instrument

- capital cost allowance, Reg. Sch. II:Cl. 8(i)
- costs, to employee, 8(1)(p)

Musical work, copyright royalties

- no withholding tax, 212(1)(d)(vi), 212(9)(b)

Musician

- deduction from employment income, 8(1)(p), (q)
- U.S. resident, Canada-U.S. Tax Treaty:Art. XVI

Mute person

- speech synthesizer
- disability supports deduction, 64(a)A(ii)(E)
- medical expense credit, Reg. 5700(p)

Mutual agreement procedure, Canada-U.S. Tax Treaty:Art. XXVI

Mutual corporation

- provincial life insurance corporation converted into, 139

Mutual fund, *see also* Mutual fund corporation; Mutual fund trust

- defined, for non-resident trust rules, 94(1)

Mutual fund corporation, 131

- amalgamation, 87(2)(bb)
- capital gains dividends, election, 131(1)–(1.4), Reg. 2104
- interest on, 131(3.1), (3.2)
- capital gains on Canadian securities, 39(5)
- capital gains redemptions, defined, 131(6)
- deemed private corporation, 131(5)
- defined, 131(8), (8.1), 248(1)
- distributions to non-residents, tax on, 218.3
- dividend refund to, 131(5)
- election not to be restricted financial institution, 131(10)
- exempt from stock buyback tax, 183.3(1)“covered entity”(b)(i)
- increase in paid-up capital not deemed dividend, 131(4)
- information return where share claimed to be qualified investment, Reg. 221
- non-residents, distributions to, tax on, 218.3
- non-residents, for benefit of, 131(8.1)
- not subject to mark-to-market rules, 142.2(1)“financial institution”(c)(iii)
- payment of tax, 157(3)
- qualified investment for RRSP, RRIF, etc.
 - bond or debenture of trust, Reg. 4900(1)(c.1)
 - unit of trust, Reg. 4900(1)(c)
- refund to, re capital gains dividend, 131(2), (3)
- refundable capital gains tax on hand, 131(6)
- reduction of, 131(9)
- rollover of property to mutual fund trust, 132.2
- shares of
 - transferred in exchange for units of mutual fund trust, 132.2(3)(l)
- switch fund
 - conversion to mutual fund trusts tax-free, 132.2(1)“qualifying exchange”
 - no rollover of shares allowed, 131(4.1)
- taxable Canadian property, gains distributed to non-residents, 131(5.1), (5.2)
- taxed capital gains, 131(7)
- transitional election to be MFC for 2016–17, 131(8.01)

Mutual fund limited partnership

- financing, restrictions on, 18.1

Mutual fund trust, 132

- allocation to redeemers, 132(5.3)
- amounts designated by, 132.1
- adjusted cost base of unit, 132.1(2)
- deduction for, 132.1(1)(c)

- carryover, 132.1(4)
- limitation, 132.1(3)
- inclusion in taxpayer's income, 132.1(1)(d)
- where designation of no effect, 132.1(5)
- capital gains on Canadian securities, 39(5)
- capital gains redemptions, defined, 132(4)
- capital gains refund to, 132(1), (2)
- interest on, 132(2.1), (2.2)
- defined, 132(6)–(7), 248(1)
- election to be from beginning of first taxation year, 132(6.1)
- following rollover of assets in qualifying exchange, 132.2(3)(k)
- retention of status to end of calendar year, 132(6.2)
- distributions to non-residents, tax on, 218.3
- election for December 15 year-end, 132.11
- allocation or designation of amount to be included in income, 132.11(6)
- late filing of allocation or designation, 220(3.21)(b)
- exemption from Part XII.2 tax, 210(2)(c)
- information return, Reg. 204, 204.1
- that trust is qualified investment, Reg. 221
- instalment payments of tax, 156(2)
- interest received by, on behalf of non-residents, exemption, 212(9)(c)
- minimum tax not payable by, 127.55(f)(ii)
- non-residents, distributions to, tax on, 218.3
- non-residents, for benefit of, 132(7)
- not subject to mark-to market rules, 142.2(1)“financial institution”(d)
- obligation guaranteed by, qualified investment for deferred income plan, Reg. 4900(1)(i)
- qualified investment for RRSP, RRIF, etc.
 - bond or debenture of trust, Reg. 4900(1)(d.1)
 - unit of trust, Reg. 4900(1)(d)
- real estate investment trust as, 132(6)(b)(ii)
- redemptions, allocation to redeemers, 132(5.3)
- refundable capital gains tax on hand
 - defined, 132(4)
- rollover of property to another mutual fund trust, 132.2
- SIFT conversion to corporation
 - exchange of employee stock options, 7(1.4)(b)(vi)
- taxable Canadian property, gains distributed to non-residents, 132(5.1), (5.2)
- taxable capital gains
- taxation year, election for December 15, 132.11
- taxed capital gains, 132(5)
- transfer of property from mutual fund corporation or trust, 132.2
- unit of
 - adjusted cost base of, 53(1)(d.2)
 - “Canadian security”, 39(6)
 - deemed to be a share for rollover purposes, 132.2(1)“share”
 - employee option to acquire, 7(1), 110(1)(d)
 - transferred in course of qualifying exchange, 132.2(3)(a.1), (f)
 - whether subject to stock buyback tax, 183.3(1)“covered entity”(b)(ii), 183.3(2)
- year-end, election for December 15, 132.11

Mutual holding corporation

- deemed dividend on distribution by, 139.2
- defined, for insurance demutualization, 139.1(1)

Mutual insurance corporations

- exemption for, 149(1)(m)

Mutual life insurance corporation

- provincial corporation converted into, 139

Mutualization proposal (for insurer), 139

N

NDDA, *see* Non-deductible distributions amount

NERDTHO, *see* Non-eligible refundable dividend tax on hand
NFE

- defined, for Common Reporting Standard, 270(1)“non-financial entity”

NFFE

- defined, for certain purposes (re FATCA), 265(4)(b)

NFVA, *see* Net fair value amount

NISA, *see* Net income stabilization account

NISA Fund No. 2, *see also* Net income stabilization account

- amount credited to, not taxed, 12(10.3)
- deemed paid on acquisition of control of corporation, 12(10.4)
- deemed paid on death, 70(5.4)
- defined, 248(1)
- disposition of, 73(5)
- paid to non-resident, withholding tax, 212(1)(t), 214(3)(l)
- information return required, Reg. 202(2.1)
- receipt from, included in income, 12(10.2)
- constitutes active business income, 125(7)“income of the corporation for the year from an active business”
- information return required, Reg. 201(1)(e)
- right to benefit, no tax on emigration, 128.1(10)“excluded right or interest”(i)
- rollover to corporation, 85(1)(c.1), 85(1.1)(i)
- transfer to spouse or spouse trust, 70(6.1), 73(5)(a), 104(5.1), (14.1)

NPP, *see* Non-portfolio properties

NQS, *see* Non-qualifying security

NR4 returns, Reg. 202

NR4 slips, Reg. 202

NRO, *see* Non-resident-owned investment corporation (before 2004)

NRT, *see* Trust (or estate): non-resident

NSERC, *see* Natural Sciences and Engineering Research Council

NSF cheque, *see* Cheque: dishonoured

NSULC, *see* Nova Scotia: unlimited liability company

NWA, *see* Net worth assessment

Nanini case overruled, 160(1)(e)(ii)

Narrow participation retirement fund

- defined, for Common Reporting Standard, 270(1)

Nasdaq over-the-counter stocks

- qualified for deferred income plans before 2002, Reg. 4900(1)(s) [repealed]

National

- defined, Canada-U.S. Tax Treaty:Art. III:1(k)

National arts service organization, *see* Registered national arts service organization

National Child Benefit supplement, 122.61(1)C

National Defence, *see* Canadian Forces and veterans

National Film Board

- prescribed person for Canadian film/video tax credit, Reg. 1106(10)

National Life case overruled, 138(26), Reg. 1406(b)

National Revenue, Department of, *see* Minister of National Revenue; Canada Revenue Agency

Natural gas, *see* Petroleum/natural gas

Natural person

- defined, for Common Reporting Standard, 270(1)
- tax-protestor arguments, 248(1)“person” (Notes)

Natural Sciences and Engineering Research Council

- payments to, as R&D expenditures, 37(1)(a)(ii), 37(7)“approved”
- research grants, taxable, 56(1)(o)

Nature Conservancy

- prescribed donee, Reg. 3504(b)

Nature parks relief (COVID), Reg. 8901.1(2)(b)(v), *see also* Qualifying tourism or hospitality entity

Nav Canada

- debt of, qualified investment for deferred income plans, Reg. 4900(1)(q)

Navigation device for low vision

- disability supports deduction, 64(a)A(ii)(W)
- medical expense credit, Reg. 5700(z.5)

Nazi Germany

- compensation to victims of, 81(1)(g)

Needle/syringe

- medical expense, Reg. 5700(b)

Negative amounts

- adjusted cost base, deemed gain, 40(3), (3.1)
- capital cost allowance pool, recapture, 13(1)
- in formulas, deemed nil, 257
- investment tax credit balance, recapture, 127(27)–(36)
- taxable income cannot be less than nil, 248(1)“taxable income”
- undepreciated capital cost, recapture, 13(1)

Negative policy reserves

- of insurer, 12(1)(e.1), 20(22), Reg. 1400(2)

Neglect

- grounds for reassessment at any time, 152(4)(a)(i)

Negligence, *see* Gross negligence; Neglect

Nephew, *see* Niece/nephew

Net asset value

- defined, for mutual fund rules re allocation to redeemers, 132(4)

Net capital loss

- amalgamation, on, 87(2.1)
- carryover of, 111(1)(b)
- limitation, 111(1.1)
- death, on, 111(2)
- defined, 111(8), (9), 248(1)
- determination of, by Minister, 152(1.1), (1.2), (1.3)
- limitation on deductibility, 111(3)
- non-deductible where control of corporation changed, 111(4)
- partnership, from, 96(1)
- reassessment, 152(6)(c)
- reduction of, on debt forgiveness, 80(4)(b)
- subsidiary's, on winding-up, 88(1.2)

Net corporate income tax rate

- defined, 248(1)

Net cost (of labour-sponsored funds share)

- defined, 127.4(1), 211.7(1)

Net cost of pure insurance

- defined, Reg. 308
- premium deductible where used as collateral, 20(1)(e.2)

Net decrease in the excess corporate holdings percentage

- for private foundation rules
- allocation of, 149.2(7)
- defined, 149.2(4)

Net distribution amount

- defined, for foreign affiliate liquidation and dissolution, 88(3.2)

Net earnings (of foreign affiliate)

- defined, Reg. 5907(1)
- exempt due to tax sparing, Reg. 5907(10)
- included in exempt earnings, Reg. 5907(1)“exempt earnings”(d)(i)
- included in taxable earnings, Reg. 5907(1)“taxable earnings”(b)

Net fair value amount

- defined, for alternative interest-deduction restrictions, 18.21(1)

Net family income, *see* Adjusted income

Net forgiveness amount

- reserve for, 61.3(1)(a), 61.3(2)(a)

Net income (on income tax return)

- defined, 3

Net income stabilization account, *see also* NISA Fund No. 2

- administration fee, deductible, 20(1)(ff)
- death of taxpayer, on, 70(5.4), 70(6.1)
- defined, 248(1)
- fair market value of, for certain capital gains exemption rules, 110.6(1.1)
- money borrowed to contribute to, no deduction for interest, 18(11)(f)
- no accrual of interest income, 12(3), 12(11)“investment contract”(j)
- transfer to spouse or spouse trust, 70(6.1)

Net increase in the excess corporate holdings percentage

- for private foundation rules
- • allocation of, 149.2(5)
- • defined, 149.2(3)

Net interest rate

- defined, 211(1)

Net loss (of foreign affiliate)

- defined, Reg. 5907(1)

Net past service pension adjustment (net PSPA)

- defined, 146(1), 204.2(1.3)

Net premium for the policy

- defined, re policy reserves [repealed], Reg. 1408(1)

Net premium reserve

- re life insurance policy, defined, Reg. 1401(3)

Net RRSP-to-FHSA transfer amount

- applied, 146.6(1)“annual FHSA limit”(b)E, 146.6(5)(b)(ii)
- defined, 146.6(1)

Net resource adjustment

- defined, Reg. 5203(3.1)
- reduces adjusted business income for M&P credit, Reg. 5203(1)“adjusted business income”(b)

Net resource income

- defined, Reg. 5203(3)

Net surplus (of foreign affiliate)

- defined, Reg. 5907(1)

Net taxable capital gains

- defined, 104(21.3)

Net tax owing

- defined (for instalments), 156.1(1)

Net worth assessment, 152(7)**Netherlands**, *see also* Foreign government

- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 20

Network equipment, *see* Data network infrastructure equipment**Neuman case overruled**, 120.4**New account**

- defined, for Common Reporting Standard, 270(1)

New Brunswick, *see also* Province

- Community Development bonds, eligible for RRSP investment, Reg. 4900(1)(i.1)
- tax rates, *see* introductory pages

New corporation, *see* Amalgamation; Corporation**New employer**

- defined, for quarterly remittances, Reg. 108(1.4)

New entity account

- defined, for Common Reporting Standard, 270(1)

New gain

- defined, for foreign currency debt after change of control, 40(10), (11)

New individual account

- defined, for Common Reporting Standard, 270(1)

New law (post-1971)

- defined, ITAR 12
- references to, ITAR 13, 16

New loss

- defined, for foreign currency debt after change of control, 40(10), (11)

New purpose-built residential rental

- defined, Reg. 1104(2)
- separate class prescribed, Reg. 1101(1ac.1)
- 10% capital cost allowance, Reg. 1100(1)(a)(i) [4%], 1100(1)(a.4) [6%]

New share

- defined, Reg. 6202.1(5)

New Zealand, *see also* Foreign government

- currency loan, *see* Weak currency debt
- stock exchange recognized, 262
- trust resident in, exclusion from foreign property reporting, 233.3(1)“specified foreign property”(n)
- universities, gifts to, Reg. Sch. VIII, s. 22

Newfoundland and Labrador, *see also* Province

- Canada–Newfoundland Atlantic Accord, communication of information for, 241(4)(d)(vi)
- cod fishermen compensation, *see* Northern Cod Compensation and Adjustment Program
- corporation incorporated in, before 1949
- • deemed incorporated in Canada, 248(1)“corporation incorporated in Canada”
- labour-sponsored venture capital corporation of
- • prescribed, Reg. 6700(a)(iii), (xii)
- offshore area
- • defined, 248(1)
- • included in “province”, 124(4)
- prescribed area, for electrical energy or steam processing, 127(9)“qualified property”(c.1)
- prescribed designated region, 127(9)“specified percentage”(a)(vi), Reg. 4607
- prescribed stock savings plan, Reg. 6705(d)
- qualified property acquired for use in, 127(9)“specified percentage”(a), (e)
- tax rates, *see* introductory pages

News online subscription credit, 118.02**News show**

- ineligible for Canadian film/video credit, Reg. 1106(1)“excluded production”(b)(i)
- ineligible for film/video production services credit, Reg. 9300(2)(a)

Newspaper, *see* Journalism**Newspaper advertising, limitation**, 19**Next of kin travel benefit**

- paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(vii)(I)

Nickel, *see* Critical mineral**Niece/nephew**

- defined, 252(2)(g)
- dependent, 118(6)(b)
- property transferred to, income attribution re, 74.1(2)

Nil, minimum amount for formula calculations, 257**Nil income**

- equivalent to zero income, 3(f)

Nightclubs relief (COVID), Reg. 8901.1(2)(b)(ii), *see also* Qualifying tourism or hospitality entity**Nobel Prize, non-taxable**, Reg. 7700**Nominee**, *see also* Bare trust

- defined, 127(3), *Senate Appointment Consultations Act*, s. 2(1)

Non-arm's length creditor

- defined, 212(21)(a)

Non-arm's length indicator

- application to foreign trust, 233.2(2)

Non-arm's length person

- defined, for synthetic equity arrangements, 248(1)“synthetic equity arrangement”(a)(i)
- excessive payment where property surrendered to creditor, 79(3)E(a)
- interest on debt relating to acquisition of land, 18(3)“interest on debt relating to the acquisition of land”(b)
- loans to, 56(4.1)–(4.3)
- meaning of, *see* Arm's length: meaning of
- non-resident, transactions with
 - extended reassessment period, 152(4)(b)(iii)
 - information return, 233.1
- soft costs relating to construction, 18(3.1)(b), 18(3.2)(b)
- transfer of property to or from, 69(1)

Non-arm's length transactions

- agreement to pay low rent for property
 - effect on disposition of property, 69(1.2)
- amalgamated corporations, 251(3.1)
- corporation having, with non-resident persons
 - extended reassessment period, 152(4)(b)(iii)
 - information return, 233.1
- depreciable property acquired through, 13(7)(e)
 - corporations controlled by one trustee, 13(7.3)
- disposition at less than fair market value, 69(1)(b)
- inadequate considerations, 69
- income or gain from property transferred
 - transferor and transferee liable for tax, 160
- lease of depreciable property, 13(32)
- life insurance policy, disposition, 148(7), (8)
- non-resident, unreasonable consideration paid to, 247
- presumption, 251(1)(a)
- property disposed of in, ITAR 26(5)
- purchases at more than fair market value, 69(1)(a)
- rights or things transferred to beneficiary
 - deemed cost, 69(1.1)
- sale of shares, 84.1
 - non-resident, by, 212.1
- share for share exchange, 85.1(2)(a)
- transfer of property by tax debtor, 160
- transfer of right to income, 56(4)
- unpaid amounts, 78(1), (2)

Non-business income tax (foreign)

- deduction for, 126(1)
- defined, 126(7)
 - for trust, 104(22.4)

Non-cancellable or guaranteed renewable accident and sickness policy

- defined, Reg. 1408(1)

Non-capital loss

- amalgamation, on, 87(2.1), (2.11)
- carryover of, 111(1)(a)
 - corporation, by, 111(5)–(5.4)
 - winding-up of subsidiary, on, 111(5.4)
- defined, 111(8), (9), 248(1)
- determination of, by Minister, 152(1.1), (1.2), (1.3)
- employee life and health trust's, 111(7.3)–(7.5), 144.1(13)
- limitation on deductibility, 111(3)
- partnership, from, 96(1)
- reassessment, 152(6)(c)
- reduction of, on debt forgiveness, 80(3)(a), 80(4)(a)
- subsidiary's, on winding-up, 88(1.1)

Non-CCPC

- defined, 89(1)“low rate income pool”
- predecessor, 89(5)(b)

Non-CTM use

- conversion to, repayment of CTM ITC, 127.49(11)–(18)

- defined, for clean technology manufacturing ITC, 127.49(1)

Non-clean technology use

- defined, for clean technology investment tax credit, 127.45(1)

Non-competition agreement, *see* Restrictive covenant (or non-competition payment)**Non-compliance, notice of, *see* Notice of non-compliance****Non-compliant amount**

- defined, for AirBNB rentals, 67.7(1)

Non-compliant registered disability savings plan

- effect of, 146.4(10)
- meaning of, 146.4(11), (12)

Non-compliant short-term rental

- defined, for AirBNB rentals, 67.7(1)

Non-conventional lands, defined, Reg. 1206(1)**Non-Crown royalty**

- defined, for mining tax deduction, Reg. 3900(1)

Non-deductible distributions amount

- defined, 104(16), 122(3)

Non-discretionary trust

- defined, 17(15)

Non-discrimination, Canada-U.S. Tax Treaty:Art. XXV**Non-eligible refundable dividend tax on hand**

- defined, 129(4)
 - transitional determination for 2019, 129(5)
 - on amalgamation, 129(5.1)
 - refund of, 129(1)(a)(ii)(A)(II)

Non-financial entity

- defined, for Common Reporting Standard, 270(1)

Non-government assistance

- defined
 - for carbon-capture (CCUS) credit, 127(9), 127.44(1)
 - for clean electricity tax credit, 127(9), 127.491(1)
 - for clean hydrogen tax credit, 127(9), 127.48(1)
 - for clean technology investment tax credit, 127(9), 127.45(1)
 - for clean technology manufacturing ITC, 127.49(1)
 - for investment tax credits, 127(9)
 - expired
 - increases investment tax credit, 127(10.8)
 - reduces investment tax credit, 127(11.1), (18), (19)
 - reduces SR&ED expenditures, 37(1)(d)
 - repaid
 - increases ITC, 127(9)“investment tax credit”(e.1), (e.2), 127(10.7)

Non-hydrogen or ammonia use

- defined, for clean hydrogen tax credit, 127(9), 127.48(1)

Non-participating life insurance policy

- defined, 211(1)

Non-periodic payments

- tax deduction, Reg. 103

Non-portfolio earnings

- defined, for SIFT partnership distributions, 197(1)
- defined, for SIFT trust distributions, 122.1(1)

Non-portfolio properties

- defined, for SIFT trust and partnership distributions, 122.1(1), 248(1)

Non-profit association, *see* Non-profit organization**Non-profit corporation, *see also* Non-profit organization**

- qualified investment for RRSP etc., Reg. 4900(1)(r)
- scientific research and experimental development, for
 - annual return, 149(7)
 - exemption, 149(1)(j)
 - payments to, 37(1)(a)(iii)

Non-profit organization, *see also* Charity; Non-profit corporation

- exemption for, 149(1)(l), 149(2)

Non-profit organization (*cont'd*)

- deemed a trust, 149(5)
- foreign, defined, Reg. 6804(1)
- information return, whether required, 149(5), 149(12), 150(1)(a)

Non-qualified investment, *see also* Qualified investment

- charitable foundation
- defined, Reg. 3700
- deferred profit sharing plan (DPSP)
 - acquisition of, tax on, 198(1)
 - defined, 204“qualified investment”
 - disposition of, refund of tax, 198(4)
 - initial, 199, 204“initial non-qualified investment”
 - tax on, 207.1(2)
- first home savings account (FHSA)
 - defined, 146.6(1), 207.01(1)
 - holding of, tax on, 207.04(1)
 - waiver of tax, 207.06(2)
 - investment becoming or ceasing to be, 207.01(6)
 - obligation of issuer, 207.01(5)
- private foundation
 - acquisition of, tax on, 189(1)
 - defined, 149.1(1)“non-qualified investment”
- proportional holdings election, 259(1), (3)
- registered disability savings plan (RDSP)
 - acquisition of, tax on, 207.04(1)
 - defined, 146.4(1)“qualified investment”, 207.01(1)
 - investment becoming or ceasing to be, 207.01(6)
 - obligation of promoter, 207.01(5)
 - tax on acquisition of, 207.04(1)
- registered education savings plan (RESP)
 - acquisition of, tax on, 207.04(1)
 - defined, 146.1(1)“qualified investment”, 207.01(1)
 - investment becoming or ceasing to be, 207.01(6)
 - obligation of promoter, 207.01(5)
 - revocation of plan, 146.1(2.1), (12.1)
 - tax on acquisition of, 207.04(1)
- registered retirement income fund (RRIF)
 - defined, 146.3(1)“qualified investment”, 207.01(1)
 - disposition of, 146.3(8)
 - holding of, tax on, 207.04(1)
 - waiver of tax, 207.06(2)
 - information return, Reg. 215(3)
 - investment becoming or ceasing to be, 207.01(6)
 - obligation of issuer, 207.01(5)
- registered retirement savings plan (RRSP)
 - acquisition of, 146(10)
 - defined, 146(1)“non-qualified investment”, “qualified investment”, 207.01(1)
 - disposition of, 146(6)
 - holding of, tax on, 207.04(1)
 - waiver of tax, 207.06(2)
 - information return, Reg. 214(2)
 - investment becoming or ceasing to be, 207.01(6)
 - obligation of issuer, 207.01(5)
- tax-free savings account (TFSA)
 - defined, 207.01(1)
 - holding of, tax on, 207.04(1)
 - waiver of tax, 207.06(2)
 - investment becoming or ceasing to be, 207.01(6)
 - obligation of issuer, 207.01(5)

Non-qualified security

- deduction to employer, 110(1)(e)
- defined, for stock option rules, 110(1.31), (1.4), (1.41)
- excluded from deduction to employee, 110(1)(d)
- notification to employee and CRA, 110(1.9)

Non-qualifying business

- defined, for FAPI rules, 95(1)

Non-qualifying corporation (for small business investment tax credit)

- defined, 127(9)

Non-qualifying country

- defined, for FAPI rules, 95(1)

Non-qualifying real property

- defined, 108(1), 110.6(1), 131(6) [all repealed]

Non-qualifying security

- calculation of capital gain on, 40(1.01)
- ceasing to be, 118.1(13)(b)
- defined, 118.1(18)
- donation of
 - credit disallowed to individual, 118.1(13)–(13.3)
 - death of donor, 118.1(15)
 - deduction disallowed to corporation, 110.1(6)
 - amalgamation, effect on donor, 87(2)(m.1)
 - windup, effect of, 88(1)(e.2), (e.61)
- exchanged for another non-qualifying security, 118.1(14)
- reserve on donation of, 40(1.01)(c)
- disallowed in year of death, 72(1)(c)

Non-refundable credits, 118–118.95**Non-reporting Canadian financial institution**

- defined
- FATCA agreement for exchange of information with IRS Agreement, Art. 1:1(q)
- for Canadian reporting of U.S. persons' interests in accounts, 263(1)

Non-reporting financial institution

- defined, for Common Reporting Standard, 270(1)

Non-resident, *see also* Non-resident tax; Becoming resident in Canada; Ceasing to be resident in Canada; Former resident

- actor, *see* Actor: non-resident
- agent for, liable to withhold tax, 215(3)
- alimony/maintenance paid to, 212(1)(f) [repealed]
- allowance for investment in property in Canada, Reg. 808
- alternative re rents and timber royalties, 216
- amount owing to corporation resident in Canada, 17(1)
- amount paid to, re pre-1976 bond, etc.
- prescribed countries, Reg. 1600
- amounts received under certain contracts, 115(2)(c.1), 115(2)(e)(v)
- withholding tax, 153(1)(o)
- annuity payments to, 212(1)(o)
- assessment under Part XIII, 227(10)
- assuming debt for Canadian business, 76.1(2)
- bank accounts, reporting of to foreign governments, *see* Common Reporting Standard
- becoming, *see* Ceasing to be resident in Canada
- beneficiary, *see* Beneficiary: non-resident
- benefit conferred on, 246(1)(b)
- branch tax, 219
- Canadian resource property, income earned on, 115(4)
- capital cost allowance, Reg. 1102(3)
- capital dividend paid to, 212(1)(c)(ii), 212(2)(b)
- capital gains of, taxed, 115(1)(b)
- proration re gains before May 1995, 40(9)
- capital property, change in use, 45(1)(d)
- carrying on business in Canada
- extended meaning of, 253
- liability for income tax, 2(3)(b)
- ceasing to be, *see* Becoming resident in Canada
- change in use (or proportions of use) of capital property, 45(1)(d)
- change in use (or proportions of use) of depreciable property
 - “gaining or producing income” from a business, 13(9)
- corporation, *see also* Foreign affiliate
 - bonds of, eligible for RRSP investment, Reg. 4900(1)(p)
 - branch tax, 219(1)

Index

Non-resident (*cont'd*)

- • debt forgiveness reserve, 61.3(2)
- • deemed, where not resident due to treaty, 250(5)
- • dividend received by Canadian corporation from, 112(2)
- • electronic filing not required, Reg. 205.1(2)(b)
- • income bond/debenture, interest on, 15(4)
- • no share capital, equity interests deemed to be shares, 93.2(2)
- • required to file tax return, 150(1)(a)
- • shares of, for deferred income plans, 204“qualified investment”(h)
 - • • RESP qualified investment, 146.1(1)“qualified investment”(a)
 - • • RRSIF qualified investment, 146.3(1)“qualified investment”(a)
 - • • RRSP qualified investment, 146(1)“qualified investment”(a)
- credit for tax paid on emigration, 119
- debt owing to corporation resident in Canada, 17
- deductions allowed, in computing income from a source, 4(3)
- deferred profit sharing plan payments to, 212(1)(m)
- defined, 248(1)
- disposition of property by
 - • Canadian resource property, certificate re, 116(5.2)
 - • Canadian securities, 39(5)(g)
 - • interest in real property etc., 216(5)
 - • life insurance policy, presumption re, 116(5.4)
 - • taxable Canadian property, *see* taxable Canadian property (*below*)
 - • treaty-protected property, 116(5.01), (5.02)
 - • where tax deferred under tax treaty, 115.1
- dividend paid to, 212(2)
- • stop-loss rule, 40(3.7)
- election to file return under Part I
 - • certain payments, 217
 - • rents and timber royalties, 216
 - • restriction on deduction, 216(8)
- emigration, *see* Ceasing to be resident in Canada
- employed in Canada
 - • liability for income tax, 2(3)(a)
- energy conversion grants paid to, 212(1)(s)
- entity, *see* Non-resident entity
- estate or trust income paid to, 212(11)
- exchanged for another non-qualifying security, 118.1(14)
- exchanges of property, determination of gain, 44(7)
- excluded property, defined, 116(6)
- financial institution, *see also* Authorized foreign bank
 - • beginning to use property in Canadian business, 142.6(1.2)
 - • ceasing to use property in Canadian business, 142.6(1.1)
- first home savings account payments to, 212(1)(y)
- foreign tax credit re disposition before Oct/96, 126(2.2)
- former resident, credit for tax paid on emigration, 119
- home insulation grants paid to, 212(1)(s)
- income-averaging annuity contract payments to, 212(1)(n)
- income earned in a province, Reg. 2602
- “income for the year”, 120(3)
- income from ship or aircraft, exempt, 81(1)(c)
- individual
 - • computation of Part I tax, 118.94
 - • required to file tax return, 150(1.1)(b)
 - • tax credits, 118.94
- insurance corporation, *see* Insurance corporation: non-resident
- insurer, liability for additional tax on branch profits, 219(4)–(8)
- inventory of, 10(12)–(14)
- investor, *see* Non-resident investor
- issuing obligation at discount, 16(2), (3)
- loan to, by corporation, 17
- management fees paid to, 212(1)(a)
 - • moving debt from Canadian business, 76.1(1)
 - • no reserve for amount not due until later year, 20(8)
 - • non-arm’s length sale of shares by, 212.1
 - • obligation transferred or assigned to
 - • • where deemed resident, 214(9)
 - • ownership certificate required of, 234
 - • partnership, withholding tax on payments to, 212(13.1)(b)
 - • patronage dividends paid to, 212(1)(g)
 - • payments to, 212(1)
 - • • deemed, 214(3), (3.1)
 - • • information returns, Reg. 202
 - • pension benefits paid to, 212(1)(h)
 - • pension fund, *see* Non-resident pension fund
 - • persons, Reg. 805
 - • • excluded property, Reg. 810
 - • plan for benefit of, re services rendered outside Canada, excluded from “retirement compensation arrangement”, 248(1)
 - • • exception re “resident’s arrangement”, 207.6(5)
 - • real estate of, transfer to corporation, 85(1.1)(h), 85(1.2)
 - • refund of Part XIII tax, 227(6)
 - • registered education savings plan payments to, 212(1)(r)
 - • registered retirement income fund payments to, 212(1)(q)
 - • registered retirement savings plan payments to, 212(1)(l)
 - • remuneration for office, employment or services, 115(2)(c.1), 115(2)(e)(v)
 - • withholding tax, 153(1)(o)
- rents/royalties paid to, 212(1)(d)
- reporting accounts to CRA to pass on to foreign governments, *see* Common Reporting Standard
- retirement compensation arrangement, purchase price of interest in, 212(1)(j)
- retiring allowance paid to, 212(1)(j.1)
- return may be required of, 215(4)
- salary deferral arrangements, 6(13)
- shareholder
 - • loan to, from corporation, 15(2.2), (8), 227(6.1)
- spousal support payments, 212(1)(f)
- stop-loss credit, 119
- student, 115(2)
- supplementary unemployment plan benefits paid to, 212(1)(k)
- TFSA taxable payments to, 212(1)(p)
- tax, *see also* Non-resident tax
 - • tax under Part I, 2(3)
- taxable Canadian property
 - • disposition of, 2(3)(c), 115(1)(b), 116
 - • • failure to give Minister notice, offence/penalty, 238(1)
 - • prorating for gains before May 1995, 40(9)
 - • • purchaser liable for tax, 116(5)
 - • taxable income earned in Canada, 115
 - • • deductions permitted, 115(1)(d)–(f)
 - • taxable income of corporation earned in a province, Reg. 413
 - • taxation year of, 250.1(a)
 - • time, *see* Non-resident time
 - • timber royalties paid to, 212(1)(e)
 - • transactions not at arm’s length with, 247
 - • • extended reassessment period, 152(4)(b)(iii)
 - • information return re, 233.1
 - • • penalty for failure to file, 162(10)
- transfer pricing rules, *see* Transfer pricing (re non-residents)
- treaty-exempt property, 116(6.1)
- trust, *see* Trust (or estate): non-resident
- unreasonable consideration from, 247
- unreasonable consideration paid to, 247
- withholding tax, 212, 215(1), 227(10), Reg. 105, *see also* Non-resident tax
 - • joint and several liability, 227(8.1)

Non-resident entity

- defined, 94.1(2)
- interest in, structured for tax deferral, 94.1(1)

Index

Non-resident entity (*cont'd*)

- reporting of property held by, 233.2(4.1)

Non-resident financial institution, *see* Non-resident: financial institution

Non-resident investor

- defined, 218.3(1)

Non-resident-owned investment corporation (before 2004), 133

- eliminated after 2003, 133(8)“non-resident-owned investment corporation”(g)–(i)

Non-resident pension fund

- deemed not carrying on business in Canada, 115.2(2)
- defined, re not carrying on business in Canada, 115.2(1)

Non-resident portion (of trust)

- defined, 94(1)
- excluded from deemed-resident trust's income, 94(3)(f)(i)

Non-resident portion trust

- defined, 94(3)(f)(i)
- rules for, 94(3)(f)

Non-resident tax, 212–218; Reg. 800–810

- additional tax on non-resident corporation carrying on business in Canada, 219
- insurers, 219(4)–(8)
- advanced life deferred annuity (ALDA), payment from, 212(1)(l.1)
- alimony, 212(1)(f)
- annuity payments, 212(1)(o)
- assessment under Part XIII, 227(10)
- back-to-back loans, anti-avoidance, 212(3.1)–(3.81)
- back-to-back royalties, anti-avoidance, 212(3.9)–(3.94)
- Canada Pension Plan benefits, 212(1)(h)(ii) [repealed]
- election to file return re, 217
- certificate for non-resident with PE in Canada, Reg. 805.1
- deemed dividends, 214(3)
- deemed income, on, 214(4)
- deemed interest, 214(6)–(14)
- deferred profit sharing payments, 212(1)(m)
- election to file return re, 217
- dividends, 212(2)
- deemed payment of, 212.1(1), (1.1)
- from foreign business corporation, 213(1)
- eligible funeral arrangement, return of funds, 212(1)(v)
- employee benefit plan, trust payments not subject to, 212(17)
- employee life and health trust benefits, 212(1)(w)
- energy conversion grant, 212(1)(s)
- estate or trust income, 212(1)(c)
- exemption, 212(9), (10)
- first home savings account, payments out of, 212(1)(y)
- home insulation grant, 212(1)(s)
- identification of obligations, Reg. 807
- income and capital combined, 214(2)
- income imputed to transferor, not taxable, 212(12)
- informant payment, 212(1)(x)
- insurers, Reg. 800–805.1, 2401, 2403
- interest, 212(1)(b)
- government bonds, exempt, 212(1)(b)(ii)
- loan to wholly-owned subsidiary, 218
- long-term debt, exempt, 212(1)(b)(vii)
- on provincial bonds, 212(6)
- replacement obligation where corporation in financial difficulty, 212(3)
- international organizations, prescribed, Reg. 806
- limitation on rate, ITAR 10(6)
- maintenance, 212(1)(f)
- management fee, 212(1)(a)
- defined, 212(4)
- motion picture films, payments for use of etc., 212(5)
- mutual fund distributions, 218.3
- no action for withholding, 227

- no deductions from income, 214(1)
- non-arm's length sale of shares by non-resident, 212.1
- obligation transferred or assigned
- non-resident deemed resident, where, 214(9)
- Part XIV, 219
- partnership payer or payee, 212(13.1), (13.2)
- patronage dividend, 212(1)(g)
- payee certificate, Reg. 805.1
- pension benefits, 212(1)(h)
- election to file return re, 217
- prescribed international organizations, Reg. 806
- refund of, 227(6)
- registered education savings plan, payments out of, 212(1)(r)
- registered retirement income fund, 212(1)(q)
- registered retirement savings plan, payments out of, 212(1)(l)
- election to file return re, 217
- regulations
- reducing amount to be deducted or withheld, 215(5)
- residents etc., re, 214(13)
- rent, royalties, 212(1)(d), 212(13)
- alternative re rents and timber royalties, 216
- retiring allowances, etc., 212(1)(j.1)
- election to file return re, 217
- securities in satisfaction of income debts, 214(4)
- spousal/child support, 212(1)(f)
- standby charges and guarantee fees, 214(15)
- supplementary unemployment benefits, 212(1)(k)
- election to file return re, 217
- TFSA, taxable payments from, 212(1)(p)
- timber royalty, 212(1)(e)
- alternative re, 216
- trust or estate income paid to, 212(1)(c)
- trust becoming non-resident, 214(3)(f)(i)(C)
- withholding of, 215, Reg. 105
- reduction of, Reg. 809

Non-resident time

- defined, 94(1)

Non-resident trust, *see* Trust (or estate): non-resident

Non-resident withholding tax, *see* Non-resident tax

Non-residential building, *see* Eligible non-residential building

Non-share-capital corporation

- whether control acquired, 256(8.1)

Non-share consideration (boot)

- effect of mutual fund rollover, 132.2(2)(e)(ii)
- effect on non-arm's length sale of shares, 84.1(1)(b)
- effect on section 85 rollover, 85(1)(b)

Non-taxable obligation, defined, 240(1)

Non-taxable portion (of disability assistance payment)

- defined, 146.4(7)

Normal reassessment period

- defined, 152(3.1)
- limitation on reassessments, 152(4), (5)

Nortel Networks spin-off, 55(3.02)

Northern Canada

- additional car allowance in Yukon and N.W.T., Reg. 7306(c)
- credit for residing in, 110.7, Reg. 7303.1
- prescribed northern zone and prescribed intermediate zone, Reg. 7303.1
- remote work site, employment at, 6(6)

Northern Cod Compensation and Adjustment Program, *see also* Fishing: compensation programs

- overpayments repaid, deductible, 60(n)(v)
- payments received under, taxable, 56(1)(a)(vi)
- withholding of tax at source, 153(1)(m)

Northwest Territories, *see also* Northern Canada

- additional \$0.04 reasonable kilometrage allowance, Reg. 7306(c)

Northwest Territories (*cont'd*)

- *Risk Capital Investment Tax Credits Act*, corporation under
- prescribed assistance under, Reg. 6702(a.2)
- prescribed LSVCC, Reg. 6701(i)
- prescribed venture capital corporation, Reg. 6700(a)(xiii), 6700.2
- qualified investment, Reg. 4900(1)(i.12)
- tax rates, *see* introductory pages

Norway, *see also* Foreign government

- stock exchange recognized, 262

Not-for-profit organization, *see also* Non-profit organization

- defined, Canada-U.S. Tax Treaty:Art. XXIX-A:5(d)

Notary (in Quebec), *see* Lawyer**Notch provision (medical expenses)**, 118.2(1)D**Note**, *see* Promissory note**Note-taking services**

- disability supports deduction, 64(a)A(ii)F
- medical expense credit, 118.2(2)(1.41)

Notice of assessment, *see* Assessment: notice of**Notice of determination**, 152(1.2), *see also* Determination

- date of, 244(15)
- loss carryforwards, 152(1.1)
- partnership income or loss, 152(1.5)
- objection to, 165(1.15)
- presumption re mailing date, 248(7)

Notice of intent

- to revoke LSVCC, 204.81(7)
- to revoke PRPP, 147.5(24)–(26)
- defined, 147.5(24)
- to revoke RESP, 146.1(12.1), (12.2)
- appeal from, 172(3)(e.1)
- defined, 146.1(12.1)
- to revoke RPP, 147.1(11), (12)

Notice of non-compliance, 231.9, *see also* Compliance order

- penalty while outstanding, 231.9(12)
- time outstanding, not to count for reassessment clock, 231.8(1)(e)
- time spent contesting, not to count for reassessment clock, 231.8(1)(f)

Notice of objection, 165, *see also* Objection

- appeal following, whether new issues can be raised, 169(2.1)
- deadline, 165(1)
- determination of partnership income or loss, 165(1.15)
- extension of time to file
- by Minister, 166.1
- by Tax Court, 166.2
- form, 165(1), (2)
- large corporation, issues to be specified, 165(1.11)
- limitation on grounds for objection, 165(1.1)
- service, 165(2), (6)

Notice of revocation

- of election re functional currency, 261(4)
- of election re proportional holdings in trust property, 259(3)(b)
- of PRPP
- defined, 147.5(26)
- effect of, 147.5(27)
- of RESP
- defined, 146.1(12.2)
- effect of, 146.1(13)
- of RPP
- defined, 147.1(12)
- effect of, 147.1(13)
- of registered charity, *see* Registered charity: registration of: revocation of
- of waiver of limitation period, 152(4.1)
- of 70(2) election, 70(4)

Notifiable transaction

- defined, 237.4(1)
- designation of specific transactions, 237.4(3)
- information return required, 237.4(4)
- exception for clerical or secretarial services, 237.4(8)
- exception for secondary financial services, 237.4(6), (7)
- filing by employer or partnership satisfies employee's or partner's obligation, 237.4(5), (14)
- filing deadline, 237.4(9)
- penalty for failure to file, 237.4(12)
- reassessment deadline 3 years after filed, 152(4)(b.6)
- reporting one transaction in series is sufficient, 237.4(10)

Nova Scotia, *see also* Cape Breton; Province

- Community Economic Development Corporation, qualified investment for deferred income plans, Reg. 4900(1)(i.11)
- *Equity Tax Credit Act*, corporation under, qualified investment, Reg. 4900(1)(i.11)
- labour-sponsored venture capital corporation of
- prescribed, Reg. 6700(a)(iii), (xiv)
- offshore area
- amount taxable earned in, Reg. 414, 415
- included in "province", 124(4)"province"
- meaning, 248(1)
- Offshore Petroleum Resources Accord, communication of information for, 241(4)(d)(vi)
- prescribed area, for electrical energy or steam processing, 127(9)"qualified property"(c.1)
- prescribed designated region, 127(9)"specified percentage"(a)(vi), Reg. 4607
- prescribed stock savings plan, Reg. 6705(c)
- qualified property acquired for use in, 127(9)"specified percentage"(a), (e)
- tax rates, *see* introductory pages
- unlimited liability company, 248(1)"corporation" (Notes)
- treaty benefit denial, Canada-U.S. Tax Treaty:Art. IV:7

Novartis/Alcon spinoff, Reg. 5600(m)**Novartis/Sandoz spinoff**, Reg. 5600(n)**Nuclear energy equipment**

- defined, for clean electricity credit, 127.491(1)

Nuclear Fuel Waste Act

- trust required by, no tax on, 149(1)(z.2)

Numbers, *see also* Dollar amounts in legislation and regulations

- singular includes plural, *Interpretation Act* s. 33(2)

Nun

- income of, not taxed, 110(2)

Nurse

- defined, 118.4(2)

Nurse practitioner

- can certify impairment for disability credit, 118.3(1)(a.2), (a.3)
- defined, 118.4(2)

Nursery school, *see* Child care expenses**Nursing home**

- cost of care, as medical expense, 118.2(2)(b), (d)

O**OAS**, *see* Old Age Security Act benefits**OECD**, *see* Organisation for Economic Cooperation and Development**OETC**, *see* Overseas employment tax credit**OIFP**, *see* Offshore investment fund: property**OSFI risk-weighting guidelines**

- defined, 248(1)

Oaths

- administration of, 220(5), *Interpretation Act* s. 19
- CRA can require answer to audit query by, 231.41
- defined, *Interpretation Act* s. 35(1)

Index

Objection, 165, *see also* Appeal; Notice of objection

- assessment or reassessment, to, 165(1)
- books and records, 230(6)
- charity penalties or suspension of receipting privileges, to, 189(8)
- effect of Minister's filing notice, 165(4)
- expense of making, deductible, 60(o)
- extension of time for filing, 166.1, 166.2
- Minister's duty on, 165(3)
- notice of, 165(1)
- Part II.2 tax, 183.4(3)
- Part IV.1 tax, 187.6
- Part VI.1 tax, 191.4(2)
- Part VI.2 tax, 191.6
- Part XI.01, 207.07(3)
- Part XI.4 tax, 207.8(5)
- Part XII.2 tax, 210.2(7)
- Part XII.3 tax, 211.5
- Part XII.4 tax, 211.6(5)
- Part XII.5 tax, 211.82
- partnership income or loss, 165(1.15)
- repayment on, 164(1.1)
- restriction on collection action while underway, 225.1
- second notice not required after reassessment, 165(7)
- service of notice of, 165(2)
- waiver of right to object, 165(1.2), 169(2.2)

Obligation, *see also* Bond; Debt; Debt obligation

- assignment of
 - non-resident tax, 214(14)
 - where non-resident deemed resident, 214(9)
- defined, ITAR 26(12)“obligation”
- discount on, deduction for, 20(1)(f)
- identification of, Reg. 807
- issued at discount by tax-exempt person, non-resident, or government body, 16(2), (3)
- parked, 80.01(7)
- predecessor corporation, of, 87(6), (7)
- principal amount of
 - defined, 248(1)
 - limitation on deductibility, 18(1)(f)
- purchase of, by issuer, 39(3)
- received on amalgamation, ITAR 26(23)
- sale of
 - non-resident tax, 214(7), (7.1)
- satisfaction of, deemed not to be disposition, 49.1
- specified, 80.01(6)
- taxable and non-taxable, defined, 240(1)

Obsolescence

- allowance re, limitation on deductibility, 18(1)(b)

Occupational therapist

- certification of impairment
 - for disability credit, 118.3(1)(a.2)(iv)
- defined, 118.4(2)
- therapy qualifying for medical expense credit, 118.2(2)(1.9)

Offences, 238(1), 239

- attempted evasion, 239(1)
- calculation of income from criminal activity, 9(1) (Notes)
- compliance orders, on conviction of, 238(2)
- corporation officers, 242
- court has no power to decrease punishment for, 243
- credits, false statements, 239(1.1)
- disclosure of confidential information, 239(2.2)
- electronic sales suppression software, 239.1, *see also* Zapper software (or hardware)
- failure
 - file return, 238(1)
 - keep records, 238(1)
 - keep tax deductions separate, 238(1)
- permit investigation, 238(1)
- withhold tax deductions, 238(1)
- false statements, 239
- fines, no deduction for, 18(1)(t)
- minimum fines, 243
- non-resident failing to give notice under s. 116(3), 238(1)
- penalties for, *see* Penalty
- refunds, false statements, 239(1.1)
- RESP contributions, 146.1(2)(g.3)
- sales suppression software, 239.1, *see also* Zapper software (or hardware)
- saving provision, 238(3)
- secrecy violation, 239(2.2)
- serious, CRA may disclose information to police, 241(9.5)
- Social Insurance Number, re, 239(2.3)
- two or more in one complaint, 244(2)
- zapper software, 239.1, *see also* Zapper software (or hardware)

Office, defined, 248(1)

Office at home, *see* Work space in home

Office de professions du Québec

- dues to, deductible, 8(1)(i)(vii)

Office or employment

- benefits from, includable in income, 6(1)
- in home
 - conditions for deductibility, 18(12)
- income from, 5(1)
- deductions, 8
- inclusions, 6
- share options, 7
- limitation on deductions, 8(2)
- loss from, 5(2)
- payment for loss of, *see* Retiring allowance
- share option benefits, 7

Office rent

- paid by employee, deduction, 8(1)(i)(ii)
- certificate of employer, 8(10)

Officer

- administering and enforcing Act, 220(2)
- bribery of, non-deductible, 67.5
- corporation, of
 - execution of documents by, 236
 - guilty of corporation's offence, 242
- defined (under “office”), 248(1)

Official

- defined, re communication of taxpayer information, 241(10)
- CRA, powers and duties delegated to, 220(2.01), Reg. 900

Official copy of *Income Tax Act*, 2(1) (Notes)

Official receipt

- defined
 - for political contributions, Reg. 2002(1)
 - for donations and gifts, Reg. 3500

Official receipt form

- defined
 - for political contributions, Reg. 2002(1)
 - for donations and gifts, Reg. 3500

Off-road electric or hydrogen vehicle

- capital cost allowance, Reg. Sch. II:Cl. 56

Offset interest

- against instalments, 161(2.2)
- arrears against refund interest, 161.1

Offsetting position

- defined, for straddle-transaction rules, 18(17), 18(21)(c)
- no income deferral allowed, 18(19)

Offshore assets

- criminal charges, 239(1) (Notes)

Offshore assets (*cont'd*)

- disclosure of, to CRA, 233.3
- payments to informants for reporting to CRA, *see* Informant payments (for leads on international tax evasion)

Offshore corporation, *see* Foreign affiliate; Non-resident**Offshore drilling vessels**

- capital cost allowance
- additional, Reg. 1100(1)(ya)
- separate classes, Reg. 1101(2b)

Offshore investment fund, 94.1

- property
- cost base, additions to, 53(1)(m)
- designated cost, 94.1(2)
- prescribed, Reg. 6900

Offshore region

- prescribed, for investment tax credit, Reg. 4609

Offshore regulated bank

- application of FAPI, 95(1)“investment business”(a)(i), 95(2.11)

Offshore Tax Informant Program, *see* Informant payments (for leads on international tax evasion)**Offshore trust**, *see also* Trust (or estate): non-resident

- distribution from, reporting requirement, 233.5
- taxation of, where Canadian beneficiary, 94–94.2
- transfer of property to, reporting requirement, 233.2

Off-the-shelf seismic data, *see* Seismic testing**Oil and gas**, *see* Canadian oil and gas property expense; Flow-through shares; Petroleum/natural gas; Resource expenses**Oil burner mechanic**

- apprenticeship job creation credit, 127(9)“investment tax credit”

Oil or gas field

- unitized, *see* Unitized oil or gas field in Canada

Oil or gas well

- allowances, 65, Reg. 1207
- additional, Reg. 1208
- certificate re, ceasing to be valid, 66.1(10)
- defined, 248(1)

Oil or gas well equipment

- capital cost allowance, Reg. Sch. II:Cl. 10(j), Sch. II:Cl. 41

Oil Pollution Compensation Fund

- trust under, 94(1)“exempt foreign trust”(c)(iv)

Oil refinery

- capital cost allowance, Reg. Sch. II:Cl. 10(u), Sch. II:Cl. 41

Oil sands

- additional allowance, Reg. 1100(1)(y), (ya)
- included in definition of “mineral”, 248(1)
- property, *see* Oil sands property

Oil sands mine development project

- defined, 66.1(6)

Oil sands project

- defined, Reg. 1104(2)

Oil sands property

- capital cost allowance, Reg. 1100(1)(a)(xxvii.1), 1100(1)(y.1), 1100(1)(ya.1), Sch. II:Cl. 41, 41.1
- effect of transfer due to reorganization, Reg. 1102(14.11)
- defined, Reg. 1104(2)
- separate class, Reg. 1101(4e), (4f)

Oil shale, included in definition of “mineral”, 248(1)**Oil shale deposit, exploration for**

- excluded from CEE, 66.1(6)“Canadian exploration expense”(g), (g.2)
- excluded from CRP, 66(15)“Canadian resource property”(b)(ii), (e), (f)

Oil Substitution Program, *see* Energy: conversion grant**Okalta Oils Ltd. case overruled**, 152(1.1)**Old Age Security Act benefits**

- “clawback” tax on, 180.2 (Part I.2)
- deduction from income for, 60(w)
- emigration of taxpayer, no deemed disposition, 128.1(10)“excluded right or interest”(g)(ii)
- excluded from pension income credit, 118(8)(a)
- included in income, 56(1)(a)(i)
- non-resident withholding tax, 212(1)(h)
- U.S. residents, Canada-U.S. Tax Treaty:Art. XVIII:5
- reduction in RRSP annuity to reflect, 146(3)(b)(ii)
- repayment of, deduction for, 60(n)(i)
- withholding of benefits to cover clawback tax, 180.2(3), (4)

“Old law” defined, ITAR 12**Old person**, *see* Age**Older Worker Adjustment, Program for**

- income assistance taxable, 56(1)(a)(vi), Reg. 5502(b)
- repayment of benefits, deduction, 60(n)(v)
- source withholding, 153(1)(m), Reg. 5502(b)

Olsen TCC case overruled, 186(7)**Olympic Winter Games 2010**

- income of non-residents exempt, 115(2.3)
- no withholding of tax at source, 153(1)(a), (g)
- payments to International Olympic Committee exempt, 212(17.1)

Online newspaper credit, 118.02**Online notice**, *see* Electronic notice**Ontario**, *see also* Province

- Community Economic Development bonds, eligible for RRSP investment, Reg. 4900(1)(i.1)
- community small businesses, investment by LSVCCs, Reg. 4801.02
- Electricity Support Program, payments exempt, 81(1)(g.6)
- labour-sponsored venture capital corporation of
- prescribed, Reg. 6700(a)(ii), (xi), Reg. 6700.2
- northern, *see* Northern Canada
- R&D super-allowance, 127(9)“super-allowance benefit amount”
- tax rates, *see* introductory pages

Onus, *see* Burden of proof**Operating costs of automobile**, *see* Automobile: operating costs**Operating year**

- defined
- for clean electricity tax credit, 127.491(1)
- for clean hydrogen tax credit, 127.48(1)

Operational mission, *see* Deployed operational mission**Optic cable**, *see* Fibre optic cable**Optical scanner, for blind person**

- medical expense credit, Reg. 5700(l)
- disability supports deduction, 64(a)A(ii)(D)

Option, *see also* Stock option

- agreement, *see* Option agreement
- defined
- for rule disallowing deductions or credits for option or share issuance, 143.3(1)
- disposition of, 13(5.3)
- exchanged, rules, 7(1.4)
- exercised, 49(3), (4), (5)
- overpayment of tax as consequence of, 164(5), (5.1)
- expiry of, 49(2)
- amalgamation, 87(2)(o)
- granted to charity, 110.1(10)–(13), 118.1(21)–(24)
- granting of, disposition of property, 49(1)
- included in “taxable Canadian property”, 248(1)“taxable Canadian property”(f)
- qualified investment for RRSP etc., Reg. 4900(1)(e), (e.1)
- received on amalgamation, ITAR 26(22)
- stock, *see* Stock option

Index

Option (*cont'd*)

- to acquire, exercised, 49(3), (4)
- effect of capital gains exemption, 49(3.2)
- to acquire interest in partnership or trust, reductions in ACB flowed through, 49(3.01)
- to acquire mutual fund trust units, *see* Stock option
- to acquire shares
 - by employee, *see* Stock option
 - deemed to be share for insurance demutualization, 139.1(1)
 - predecessor corporation, of, 87(5)
 - reductions in ACB flowed into ACB of shares, 49(3.01)
- to acquire specified property, exercise of, 49(3.01)
- to dispose, exercised, 49(3.1), (4)

Option agreement

- deemed to be eligible derivative subject to mark-to-market election, 10.1(4)
- excluded from inventory writedown, 10(15), 18(1)(x)
- straddle transaction restrictions, 18(17)“position”(a)(vi), 18(9)

Optometrist

- certification of impairment
 - for disability credit, 118.3(1)(a.2)(i)
- defined, 118.4(2)

Orckit Communications spinoff, Reg. 5600(b)

Order for compliance, *see* Compliance order

Ordering

- charitable donations
 - in order of year of contributions, 110.1(1.1)(b), 118.1(2.1)
- charity loanbacks, 118.1(17)
- credits of an individual, 118.92
- debt forgiveness rules application, 80(2)(c)
- debt obligations settled simultaneously, 80(2)(i)
- deductions
 - in computing taxable income, 111.1(1)
- designation of insurance properties, Reg. 2401(3)
- disposition of depreciable property on death, 70(14)
- disposition of identical shares for capital gains exemption, 110.6(14)(a)
- disposition of securities acquired under employee option agreement, 7(1.3), (1.31)
- dividends, out of eligible or non-eligible RDTOH, 129(1)(a)(ii)
- dividends, simultaneous, 89(3)
- employee ownership trust capital gain deduction claims, 110.61(2.1)
- foreign affiliate surplus distributions, Reg. 5901
- identical options, exercise of, 7(12)
- internal reorganization rules, 51(4), 86(3)
- mutual fund non-resident withholding tax payments, 218.3(7)
- mutual fund qualifying exchange, 132.2(1)(e)
- non-portfolio dividends distributed last from SIFT trust, 104(6)(b)B(ii)
- partnership distributions tax calculation, 197(3)
- qualifying cooperative conversion capital gain deduction claims, 110.62(2.1)
- registered investment registration, 204.4(7)
- SIFT trust non-portfolio earnings, 104(6)(b)B(ii)
- spousal RRIF attribution, 146.3(5.3)
- spousal RRSP attribution, 146(8.5)
- synthetic equity arrangement, identical properties, 112(10)
- transfer of depreciable property with pregnant loss, 13(21.2)(e)(ii)
- transfer pricing rules, 247(2.1)

Ordinarily resident, 250(3)

Ordinary taxation year

- defined, for FAPI stub-period rules, 91(1.1)(a)

Ore

- defined
 - for capital cost allowance, Reg. 1104(2)
 - for resource allowance, Reg. 1206(1)

- processing of, 125.1(3)“manufacturing or processing”, Reg. 5203, Reg. Sch. II:Cl. 10(k)
- tar sands, *see* Tar sands ore

Organ transplant

- expenses of, tax credit for, 118.2(2)(1.1)

Organic assets

- defined, for FAPI of banks, 95(2.43)

Organisation for Economic Cooperation and Development

- BEPS rules, *see* Base erosion and profit shifting, anti-avoidance rules
- Common Reporting Standard, 270–281
- digital platform reporting rules, 282–295
- transfer pricing guidelines, 247

Original acquisition

- defined, 127.4(1), 204.8(1), 211.7(1)

Original amount

- defined, re royalty reimbursements, 80.2(1)(a)

Original corporate holdings percentage

- defined, for private foundations, 149.1(1)

Original editorial content

- defined, 19.01(1)

Original owner (of resource property)

- defined, 66(15)
- for resource allowance, Reg. 1206(1)
- reduction of Canadian resource expenses, 66.7(12), (12.1)
- reduction of foreign resource expenses, 66.7(13)
- successor corporation rules, 66.7

Original right, defined, ITAR 20(3)(b)

Orthopaedic shoes/boots

- medical expense, Reg. 5700(e)

Other recipient of a gift

- defined, Reg. 3500

Outdoor advertising structures

- capital cost allowance, Reg. Sch. II:Cl. 8(l), Sch. II:Cl. 11(b)
- separate class, election, Reg. 1101(51)

Outlays and expenses

- prescribed, for air quality improvement credit, Reg. 9700

Outstanding amount

- defined, for corporation attribution rules, 74.4(3)

“Outstanding debts to specified non-residents”

- defined, 18(5)
- no deduction where debt-equity ratio exceeds 3:1, 18(4)

Overburden removal cost, designated

- capital cost allowance, Reg. Sch. II:Cl. 12(q)

Overcontribution to RRSP

- tax on, 204.1(2.1), 204.2(1.1)

Overhead expenses

- R&D-related, 127(9)“qualified expenditure” Reg. 2900(4)–(10)

Overpayment amount

- defined, for corporate interest offset, 161.1(1)

Overpayment of benefits, deductible when repaid, 60(n)

Overpayment of tax

- deemed
 - Canada Child Benefit, 122.61(1)
 - GST credit, 122.5(3)
- defined, 164(7)
- refund of, 164

Overseas Canadian Forces school staff

- defined, 248(1)
- members deemed resident in Canada, 250(1)(d.1), 250(2)
- option of filing as resident, 250(1)(d.1)
- prescribed order, Reg. 6600

Overseas employment tax credit, 122.3

- eliminated as of 2016, 122.3(1.01)(b), 122.3(1.02)(b)

Over-the-counter stocks

- qualified for deferred income plans before 2002, Reg. 4900(1)(s) [repealed]

Ovum

- cost of, medical expense credit, 118.2(2)(v)

Owner

- original, of resource properties, defined, 66(15)“original owner”
- predecessor, of resource property, defined, 66(15)“predecessor owner”

Owner-occupied home

- defined, for Home Buyers' Plan withholding exemption, Reg. 104(3.1)

Ownership

- certificates of, 234, Reg. 207
- penalties for offences re, 162(4)
- change of, certificates, Reg. 502
- rights, *see* Ownership rights

Ownership rights

- defined, for insurance demutualization, 139.1(1)
- rollover to shares of insurance corporation, 139.1(4)(a), (d)

Oxygen, medical expense credit, 118.2(2)(k)**Oxygen and nitrogen production equipment**

- defined, for clean hydrogen tax credit, 127.48(1)

Oxygen concentrator, medical expense credit, 118.2(2)(i)**P**

PA, *see* Pension adjustment

PA offset

- defined, Reg. 8300(1)

PAR, *see* Pension adjustment reversal

PATY (Particular affiliate's taxation year)

- defined, Reg. 5907(1.6)(a)

PBC, *see* Principal-business corporation (exploration and development); Principal-business corporation (real property)

PDI, *see* Participating debt interest

PE, *see* Permanent establishment

PFIC, *see* Pension fund investment corporation

PI, *see* Prohibited investment

PIE, *see* Portfolio investment entity

PIK (Payment in Kind) dividend, *see* Stock dividend

PLOI, *see* Pertinent loan or indebtedness

PPME, *see* Pre-production mining expenditure

PR, *see* Principal residence

PRPP, *see* Pooled registered pension plan (PRPP)

PSB, *see* Personal services business

PSPA, *see* Past service pension adjustment

PSPA withdrawals

- defined, Reg. 8307(5)

PUC, *see* Paid-up capital

Packaging material

- deemed to be inventory, 10(5)
- valuation of, 10(4)

Padmore case overruled, *Income Tax Conventions Interpretation Act* s. 6.2

Page turner

- disability supports deduction, 64(a)A(ii)(P)
- medical expense credit, Reg. 5700(z)

Paid-up capital

- amalgamation, on, 87(3), (3.1)
- computation of
 - additions to, 84.1(3)
 - after designation of amount re shares, 192(4.1), 194(4.2)
 - after exchange of convertible property, 51(3)
 - after internal reorganization, 86(2.1)

- after rollover of property to corporation, 85(2.1)
- after share-for-share exchange, 85.1(2.1)
- Canadian Wheat Board, 135.2(3)(c)
- corporation becoming resident in Canada, 128.1(2), (3)
- insurance corporation following demutualization, 139.1(6)
- holding corporation, 139.1(7)
- on transfer of insurance business, 138(11.7)
- contributed surplus converted into, no dividend deemed, 84(1)(c.1)–(c.3)
- cooperative corporation, of, 89(1)“paid-up capital”(b)
- credit union, of, 89(1)“paid-up capital”(b)
- defined, 89(1), 248(1)
- flow-through shares, 66.3(4)
- foreign affiliate dumping, adjustments to, 212.3(2)(b), 212.3(7)–(9)
- emigrating corporation, 219.1(1), (2)
- PUC reinstatement, 212.3(9)
- emigrating corporation, 219.1(3), (4)
- increase in, 84(1), 84(5)(d)
- mutual fund corporation, by, not deemed dividend, 131(4)
- non-resident shareholder, 212.1
- reduction of, deemed a dividend, 84(4), (4.1)
- stripping, 84.1, 212.1

Paid-up insurance, deduction for premiums, 18(9.01)**Paid-up premium**

- defined, Reg. 2700(1)

Painter and decorator

- apprenticeship job creation credit, 127(9)“investment tax credit”

Pandemic, *see* COVID-19

Panko case overruled, 239(3)

Paralympic Winter Games 2010, *see* Olympic Winter Games 2010

Parent (corporation)

- continuation of wound-up subsidiary, 88(1.5)
- defined, 88(1)
- incorporated after end of subsidiary's year
- computation of income and tax payable, 88(1.3)

Parent (human)

- compensation for child killed or missing due to crime
- included in income, 56(1)(a.3)
- repayment of, deductible, 60(v)
- tax withheld at source, 153(1)(d.2), Reg. 100(1)“remuneration”(g.1)
- dependent, 118(6)(b)
- extended meaning, 252(2)

Parental leave

- qualifying period for pension earnings
- Reg. 8507(3)

Parity/advisory committee

- dues paid by employee, deduction, 8(1)(i)(vi)

Parked obligation (debt parking)

- deemed settled, 80.01(8)(a)
- defined, 80.01(7)

Parking

- automobile or other vehicle
- excluded from benefit for operating costs and standby charge, 6(1.1)
- taxable benefit, 6(1)(a), 6(1.1)
- exception for disabled employee, 6(16)
- debt, *see* Debt parking

Parking area

- capital cost allowance, Reg. Sch. II:Cl. 1(g)
- for mine, Reg. Sch. II:Cl. 10(l)

Parliament, *see also* Government

- defined, *Interpretation Act* 35(1)
- member of, *see* Member: Parliament

Parson, *see* Clergy

Part I.2 tax (Old Age Security clawback)

- imposed, 180.2(2)
- instalments required, 156.1(1)“net tax owing”A

Part II.2 tax (stock buybacks)

- imposed, 183.3(2)
- payment, 183.4(2)
- return required, 183.4(1)
- rules for administration, 183.4(3)

Part IV tax

- imposed, 186(1)
- late assessment allowed, 152(4.31)
- refund of, 129(1)

Part VI tax

- imposed, 190.1(1)

Part VI.1 tax

- deduction from taxable income re, 110(1)(k)
- liability for, transferred on amalgamation, 87(2)(ss)
- payment of, 157(1)

Part VI.2 tax, 191.5

- amalgamation, effect of, 87(2)(xx)

Part X.5 tax (RESP accumulated income payments)

- imposed, 204.94(2)
- instalments required, 156.1(1)“net tax owing”A

Part XI.4 tax (excess EPSP amounts)

- imposed, 207.8(2)
- instalments required, 156.1(1)“net tax owing”A

Part XI.5 tax (ELHT owning share or debt of participating employer)

- imposed, 207.9(2)

Part XII.2 tax, 210.2, 210.3

- credit for, 210.2(3)
- • included in beneficiary’s income, 104(31)
- deduction for, 104(30)

Part XII.6 tax

- deductible, 20(1)(nn)

Part-time attendant

- deduction from income, 64(a)A(ii)(J)
- medical expense credit, 118.2(2)(b.1)

Part-year resident, 114

- cash method of computing income, on, 28(4)
- farmer/fisherman, 28(4)
- foreign tax credit, 126(2.2), (3)
- “income for the year”, 120(3)
- tax credits, 118.91

Parthenon Investments case overruled, 256(6.1)

Partial debt obligation

- treated the same as entire obligation, 248(27)

Partial dependency, 118.3(3)

Partial disposition

- cost base of property remaining, 53(2)(d)
- specified debt obligation, 142.4(9)

Partial public health restriction

- defined, Reg. 8901.2(0.1)
- qualifying, *see* Qualifying partial public health restriction

Participant (re butterfly transactions)

- defined, 55(1)“permitted exchange”(b)
- specified debt obligation, 142.4(9)

Participate

- defined, for third-party penalty, 163.2(1)

Participating debt interest

- defined, 212(3)
- subject to non-resident withholding tax, 212(1)(b)(ii)
- treated as equity for SIFT rules, 122.1(1)“equity”(d)(ii)

Participating employer

- deferred profit sharing plan, 147(1.1)
- of employee life and health trust, defined, 207.9(1)
- pooled registered pension plan, 147.5(1)
- registered pension plan, 147.1(1), Reg. 8308(7)

Participating farmer (in Canadian Wheat Board Farmers’ Trust)

- acquisition of eligible unit of trust by, 135.2(5)
- death of, 135.2(6), (8)
- defined, 135.2(1)
- disposition of trust unit by, 135.2(9)

Participating jurisdiction

- defined, for Common Reporting Standard, 270(1)

Participating jurisdiction financial institution

- defined, for Common Reporting Standard, 270(1)

Participating life insurance policy

- defined, 138(12), 211(1), Reg. 1408(1)

Participating percentage

- defined, for foreign accrual property income, 95(1)

Participation certificate

- no interest payable on tax due, 161(5)

Participation period

- defined
- • for Home Buyers’ Plan, 146.01(1)
- • for Lifelong Learning Plan, 146.02(1)

Partition of property

- rules, 248(20)–(23)
- • disproportionate partition, 248(20)
- • proportionate partition, 248(21)

Partner, *see also* Partnership

- active, application of debt forgiveness rules, 80(1)“forgiven amount”B(k)
- agreement by, validity, 96(3)
- automobile provided to
- • amount included in income, 12(1)(y)
- becoming resident in Canada, 96(8)
- contribution of property to partnership, 97(1)
- debt forgiveness rules, application where partnership issued debt obligation, 80(15)
- debt owing by, where treated as partnership debt, 80(2)(n)
- deceased
- • value of rights or things to date of death, 53(1)(e)(v)
- deemed, for certain purposes, 248(13)
- depreciable property acquired with government assistance, 13(7.2)
- election by, *see* Partnership: election by members
- election re fiscal period of terminated partnership, 99(2)–(4)
- election to renounce investment tax credit, 127(8.4)
- inducement payments or reimbursement received by, 12(2.1)
- limited, *see* Limited partner
- non-resident
- • creates non-Canadian partnership, 102(1)
- • payments to, withholding tax, 212(13.1)(b)
- notice to, 244(20)
- objection to determination of partnership’s income or loss, 165(1.15)
- obligation to pay interest re land purchase, 18(2.1)
- passive, *see* Limited partner; Specified member (of partnership)
- retiring, allocation of share of income to, 96(1.1)
- • deduction, 96(1.3)
- • deemed carrying on business in Canada, 96(1.6)
- • right to share in income
- • • deemed not capital property, 96(1.4)
- return on death of, 150(4)
- rules for computing income etc., 96(1)
- share of exploration and development expense, 66.1(7), 66.2(6), (7)

Partner (*cont'd*)

- tax matters, designation by partnership, 165(1.15)

Partner jurisdiction

- defined, for digital platform operator reporting rules, 282(1)

Partnership, *see also* Limited partnership; Partner; Partnership interest

- accrued interest income, 12(3)
- “acquisition cost”, ITAR 20(4)“acquisition cost”
- acquisition of foreign affiliate from, 91(7)
- agreement by members, validity, 96(3)
- agreement to share income
 - in unreasonable proportions, 103(1.1)
 - to avoid tax, 103(1)
- allocation to retiring partner, 96(1.1)
- deduction, 96(1.3)
- annuity contract, interest in, 12.2
- assumptions, 96(2)
- business of, continued as sole proprietorship, 98(5)
- Canadian, defined, 102(1)
- Canadian development expenses of, election to exclude, 66.2(5)“Canadian development expense”(f)
- Canadian oil and gas property expenses of, election to exclude, 66.4(5)“Canadian oil and gas property expense”(b)
- Canadian partnership, defined, 102(1)
- Canadian securities owned by, 39(4.1)
- capital cost allowance, Reg. 1102(1a)
- carbon capture investment tax credit, 127.44(11)
- ceasing to exist, 98
 - continuation of, by another partnership, 98.1(2)
 - continued by new partnership, 98(6)
 - continued by proprietor, 98(5)
 - deemed proceeds of disposition, 98(2)
 - disposition of property, 98(1)
 - property transferred to corporation, 85(3)
 - rules applicable, 98(3), (4)
- charitable donations, *see* gifts made by (below)
- common-law, *see* Common-law partner
- continuation
 - as new partnership, 98(6)
 - by another partnership, 98.1(2)
 - by proprietor, 98(5)
- contribution of property to, 97
 - capital cost to partner exceeds proceeds, where, 97(4)
 - majority interest partner, by, 40(3.3), (3.4)
- corporate
 - gross revenue from active businesses, 125.1(4)
 - small business deduction, 125(6)
 - “specified partnership income”, 125(7)
 - “specified partnership loss”, 125(7)
- corporation as member of
 - inclusion of stub period income, 34.2(2)
- corporation deemed member, 125(6.1)
- death of partner, return, 150(4)
- debt obligation issued by, 80(13)E(a), (14)(b), (15), (18)
- deemed person for affiliated persons definition, 251.1(4)(b)
- deemed person for debt forgiveness rules, 80(1), 80.01(1)
- deemed person for flow-through share provisions, 66(16)
- deemed person for Part IV.1 tax, 187.4(c)
- deemed person for scientific research tax credit rules, 127.3(7)
- deemed person for seizure of property by creditor, 79(1)“person”, 79.1(1)“person”
- deemed person for tax on carved-out property, 209(6)
- deemed person for tax shelter identification rules, 237.1(1)
- deemed taxpayer for tax shelter investment cost rules, 143.2(1)“taxpayer”
- deemed person for withholding tax obligations, 227(5.2), (15)
- defined, nowhere (*see* case law)
- depreciable property, ITAR 20(3), (5)
- determination of income or loss, 152(1.4)–(1.8)
 - objection to determination, 165(1.15)
 - distributions tax, 197, *see* SIFT partnership
 - distributions, tax on, *see* SIFT partnership
 - dividend received from foreign affiliate, 93.1(2)
 - from pre-acquisition surplus, 92(4)–(6)
 - election by members
 - date to be made, 96(4)
 - late-filed, 96(5)
 - penalty, 96(6), (7)
 - special cases, 96(5.1)
 - re property transferred, 97(2)
 - certain windups excluded, 97(3)
 - validity, 96(3)
- exempt, for resource allowance claims, Reg. 1206(1)
- exempt persons, anti-avoidance rule, 96(8)
- family farm or fishing, *see* Family farm or fishing corporation/partnership
- farming business of
 - disposition of land used in, 101
- financial institution, 142.2(1)“financial institution”(b)
- fiscal period of, 249.1(1)(b)(ii), (c)
- election to align year-end with corporate partners, 249.1(8)–(11)
- foreign accrual property income of, 93.1(5), (6)
- foreign, partner becoming subject to Canadian tax, 96(8)
- foreign resource property disposition, 59(1.1)
- fuel tax rebate of, 111(11)
- gains and losses, determination of, 96(1.7)
- gifts made by
 - corporation’s share, 110.1(4)
 - individual’s share, 118.1(8)
- includes another partnership that is a member, 102(2)
- income of, 12(1)(l), 96(1)
 - determination by CRA, 152(1.4)–(1.8)
 - income splitting, 103
 - minimum tax applicable to partner, 127.52(2)
- information return, Reg. 229
 - early disclosure for public partnership, Reg. 229.1
 - failure to make, 162(7.1), (8), (8.1)
 - foreign-based information, 233.2–233.5
 - demand for, 233(2)
- interest accrued, 12(3)
- interest in, *see* Partnership interest
- interest on debt relating to acquisition of land, 18(3)“interest on debt relating to the acquisition of land”(b)
- investing in residential property or Canadian film
 - capital cost allowance limitation, 127.52(2)
- investment tax credit, allocation to partners, 127(8)–(8.5)
- carbon capture (CCUS) credit, 127.44(11)
- non-limited partners, 127(8.3)
- life insurance policy, interest in, 12.2
- limited, *see* Limited partnership
- limited liability, *see* Limited liability partnership
- look-through rules, *see* Tiers of partnerships
- loss of, minimum tax applicable to partner, 127.52(2)
- majority interest partner, 248(1)
- manufacturing etc., profits, Reg. 5204
- member, *see* Partner
- name, reference to on documents, 244(20)(a)
- new, continuing predecessor partnership, 98(6)
- non-Canadian
 - withholding tax on payments to, 212(13.1)(b)
- non-existent
 - extended deadline for assessment of non-partners, 152(1.8)
- non-resident controlled
 - corporate member’s specified income deemed nil, 125(6.2)
 - deemed, 125(6.3)
- notice to, 244(20)
- Part IV.1 tax, 187.4

Index

Partnership (*cont'd*)

- Part XIII tax, application of, 212(13.1), (13.2)
- partner, *see* Partner
- “percentage of member”, ITAR 20(4)“percentage”
- personal-use property of, 46(4)
- professional, *see* Professional partnership
- property
 - • right to receive
 - • • adjusted cost base, 53(2)(o)
- public, *see* Public partnership; SIFT partnership
- publicly traded, tax on distributions, *see* SIFT partnership
- qualifying Canadian, *see* Qualifying Canadian partnership
- reference to, constitutes reference to partners, 244(20)
- renounced resource expenses, return to be filed re, 66(12.69)
 - • late filing, 66(12.74), (12.75)
- research and development expenses, no carryforward, 96(1)(e.1)
- resident of, *Income Tax Conventions Interpretation Act* s. 6.2
- residual interest in, 98.1(1)
- resource expenditures, by members, 66(18)
 - • allocation of assistance, 66.1(7), 66.2(6), (7), 66.4(6), (7)
- resource expenses of
 - • deemed made by partners, 66(18)
 - • election by partner to exclude, 66.2(5)“Canadian development expense”(f), 66.4(5)“Canadian oil and gas property expense”(b)
 - • not claimed at partnership level, 96(1)(d), 66.1(7), 66.2(6), (7), 66.4(6), (7)
 - • renounced, 66(12.69), (12.74), (12.75)
- resource expenses renounced to
 - • non-arm’s length relationship deemed, 66(17)
- return, *see* information return (*above*)
- right to share in income
 - • disposition of, 96(1.2)
 - • • death of taxpayer, on, 96(1.5)
 - • • deduction, 96(1.3)
 - • • rules for computing income etc., 96(1)
- rollover to, 97(2)
- scientific research tax credit, 127.3(4), (7)
- service of documents on, 244(20)(b)
- small business deduction, 125(6)
- soft costs relating to construction, 18(3.1)(b), 18(3.2)(b)(iii)
- specified member, defined, 248(1)
- taxable dividends received by, 186(6)
- taxation year of, 96(1)(b)
- terminated
 - • fiscal period of, 99(1)
 - • member’s election re fiscal period, 99
- tiered, *see* Tiers of partnerships
- transfer of property by partner to, 97(1), (2)
- transfer of property to corporation, 85(2)
 - • partnership wound up, 85(3)
- “undepreciated cost to the partnership”, ITAR 20(4)“undepreciated cost to the partnership”
- unit, *see* Limited partnership unit; Partnership interest
- value of rights or things on death, 53(1)(e)(v)
- winding-up of, *see* ceasing to exist (*above*)
- withholding tax, 227(15)

Partnership distributions tax, 197, *see* SIFT partnership

Partnership interest, *see also* Limited partnership unit

- acquired through amalgamation, 87(2)(e.1)
- adjusted cost base
 - • additions to, 53(1)(e)
 - • deductions from, 53(2)(c)
 - • negative, whether capital gain, 40(3)–(3.2)
 - • recomputation of following debt forgiveness, 53(4)–(6)
- artificial transactions, 40(3.13)
- borrowed money used to acquire, 20.1(5)
- deductions from, 53(2)(c)

- capital contribution where other person withdraws funds, 40(3.13)
- constitutes specified property, 54“specified property”(c)
- disposition of, 100
 - • gain from, 100(2), (2.1)
 - • loss from, 100(4)
 - • subsequent to debt forgiveness, deemed capital gain, 80.03(2), (4)
- distributed to parent on winding-up of subsidiary, 88(1)(a.2), (c)
- donation to charity, whether no capital gain, 38(a.3)
- expenses of selling or financing, 20(1)(e)
- foreign affiliate’s, adjusted cost base of, 95(2)(j)
- issuance of, whether deductible to partnership, 143.3(4)
- limited liability partnership, *see* Limited liability partnership
- loan of, 96(1.7)
- owned on Dec. 31/71, ITAR 26(9)–(9.4)
- person having, deemed member, 248(13)
- qualified investment for RRSP etc., Reg. 4900(1)(n)
- residual, 98.1(1)
- transfer on death, 98.2
- whether taxable Canadian property, 248(1)“taxable Canadian property”(g)

Parts

- deemed to be inventory, 10(5)
- valuation of, 10(4)

Partsperson

- apprenticeship job creation credit, 127(9)“investment tax credit”

Part planning or organizing relief (COVID), Reg. 8901.1(2)(b)(xx)(B), *see also* Qualifying tourism or hospitality entity

Pass

- transit, *see* Public Transit Pass Credit

Passenger automobile

- defined (for pre-1966 cars only), Reg. 1102(11)

Passenger vehicle, *see also* Automobile; Zero-emission passenger vehicle

- acquired at non-arm’s length
 - • deemed cost of, 13(7)(h)
- capital cost limited to \$24,000, 13(7)(g)
- defined, 248(1)
- electric, *see* Zero-emission passenger vehicle
- hydrogen, *see* Zero-emission passenger vehicle
- interest on money borrowed to buy
 - • limitation on deductibility, 67.2
- leasing costs
 - • limitation on deductibility, 67.3
 - • more than one lessor, limitation on deductibility, 67.4
- luxury, limitations on, *see also* Luxury Items Tax
- bad debt from sales of, 20(4)
- capital cost allowance, 13(7)(g), Reg. 1101(1af), 7307(1), Reg. Sch. II:Cl. 10.1
 - • • year of disposition, Reg. 1100(2.5)
- interest deductibility, 67.2, Reg. 7307(2)
- leasing cost, 67.3, 67.4, Reg. 7307(3), (4)
- terminal loss disallowed, 20(16.1), Reg. 1100(2.5)
- recapture exception, 13(2)
- transferred to corporation by shareholder
 - • capital cost or cost, 85(1)(e.4)

Passive income

- dividends, 82(1), 90
- foreign affiliate, *see* Foreign accrual property income
- generally, 9(1)
- interest, 12(1)(c), 12(4)
- non-resident, of, 212
- private corporations
 - • refundable dividend tax on hand, 129(1), (4), (5)
 - • small business deduction grind, 125(5.1)(b), (5.2)

Passive NFE

- defined, for Common Reporting Standard, 270(1)

Passive partner, *see* Limited partner; Specified member (of partnership)

Past service event

- defined, 147.1(1), Reg. 8300(1), (2)
- restrictions on pension benefits, 147.1(10)

Past service pension adjustment

- accumulated, Reg. 8303(1)(a)
- defined, 248(1), Reg. 8303
- foreign plan, Reg. 8308.1(5), (6)
- net
 - calculation of, 204.2(1.3)
 - defined, 146(1)“net past service pension adjustment”
- occurring in 1991, Reg. 8303(2.1)
- provisional, Reg. 8303(2), (3)

Patent

- application, legal fees deductible, 20(1)(cc)
- capital cost allowance
 - 25% rate, Reg. 1100(1)(a)(xxx), 1100(9.1), Reg. Sch. II:Cl. 44
 - allocated over life of patent, Reg. 1101(1)(c), 1100(9), Reg. Sch. II:Cl. 14
- non-resident withholding tax, 212(1)(d)
- paid to U.S. resident, Canada-U.S. Tax Treaty:Art. XII:3(c)

Patient

- defined, 118.2(2)(a)
- medical expenses for, 118.2(2)

Patronage

- allocation in proportion to
 - defined, 135(4), Reg. 4901(2)
 - holding forth prospect of, 135(5)
 - members/non-members, 135(2)

Patronage dividends, 135

- carryover of deduction, 135(2.1)
- deduction, 20(1)(u), 135(1)
 - exclusion where non-arm's length, 135(1.1)
- paid to non-resident, 212(1)(g)
- payments, information return, Reg. 218
- receipt of, income, 135(7)
- where marketing board used, 135(8)

Pattern

- capital cost allowance, Reg. Sch. II:Cl. 12(d)

Pay equity

- averaging of settlement received, 110.2, 120.31

Pay period

- defined
 - for employee source withholdings, Reg. 100(1)
 - for exemption test policy (life insurance), Reg. 310

Payable

- meaning of, 104(24)

Payee

- defined, Reg. 237(1)

Payee certificate for non-resident, Reg. 805.1**Payer**

- defined, for hybrid mismatch arrangement rules, 18.4(1)

Payment, *see also* Deductions in computing income; Expenses; Income; Payment of tax

- based on production or use, income, 12(1)(g)
- defined, for hybrid mismatch arrangement rules, 18.4(1)
- ITA, under, not deductible from business or property income, 18(1)(t)
- instalment, *see* Instalment payments
- lump sum, withholding, Reg. 103
- maintenance and support, *see* Support payments (spousal or child)
- non-residents, to, Part XIII

- information return, Reg. 202
- periodic, *see* Periodic payments
- shareholder or prospective shareholder, to, 15(7)
 - from corporation, 15(1)
- tax, *see* Payment of tax
- tax transfer, to provinces, 154, Reg. 3300
- to CRA over \$10,000, must be electronic, 160.5(2), 162(7.4)

Payment card corporation, *see* Prescribed payment card corporation share

Payment of tax, 153, 156, 158

- balance due day, defined, 248(1)
- carved-out income, on, 209(4)
- certificate before distribution, 159(2)
 - failure to obtain, 159(3)
- corporations, 157
 - where instalments not required, 157(2.1)
- death of taxpayer, on
 - election to pay in instalments, 159(5)
- deduction at source, 153(1)
- deemed, *see also* refundable credits
 - trust, by, re non-qualified investment, 202(6)
- deferral of
 - appeal for purpose of, penalty, 179.1
- deferred income plans
 - over-contributions, 204.3
 - property held by, 207.2
- departure tax
 - election to defer, 220(4.5)–(4.54), Reg. 1300
- farmers and fishermen, 155, 156.1
- individuals, 153(2), 156, 156.1
- instalment, *see also* Instalment payments (Instalments)
- non-residents, 215
 - on behalf of others, 159
- Part I.1, 180.1(3)(b)
- Part I.2, 180.2(5)(b)
- Part II, 183(2)
 - Part II.2, 183.4(2)
- Part III, 185(2)
- Part III.1, 185.2(4)
- Part IV, 187(2)
 - Part IV.1, 187.2
- Part V, 188(1.1), 189(6)
- Part VI, 190.21
- Part VI.1, 191.1(1)
- Part VI.2, 191.5(2)
- Part IX, 196
 - Part IX.1, 197(7)
- Part X, 198(2)
 - Part X.1, 204.3(1)
 - Part X.2, 204.7(1)
 - Part X.3, 204.86(1)(c)
 - Part X.4, 204.92(c)
- Part XI.1, 207.2(1)
- Part XI.2, 207.4
- Part XI.3, 207.7(3)
- Part XI.4, 207.8(4)
- Part XII.1, 209(4)
- Part XII.3, 211.4
- Part XII.4, 211.6(4)
- Part XII.5 tax, 211.8(2), 211.82
- Part XIII, 215(1)
- Part XIV, 219(1)
 - postponement, where income in blocked currency, 161(6)
 - public authorities disposing of cultural property, 207.3, 207.4
 - registered investment, 204.7
 - remainder payment, 158
 - retirement compensation arrangement, 207.7(3)
 - security for, 220(4)–(4.4), Reg. Part XXII

Payment of tax (*cont'd*)

- taxpayer leaving Canada, 226(1)
- transfer among tax accounts, 221.2
- trustee, etc., 159(1)
- • personal liability, 159(3)

Payment rate

- for carbon tax refund to farmers, 127.42(1)

Payoffs

- no deduction for, 67.5

Payroll deduction, see Withholding**Payroll taxes (provincial)**

- deductibility of, 18

Payroll withholding, see Withholding**Peak shaving facility (re LNG liquefaction)**

- defined, Reg. 1104(18)

Pearen case overruled, 118.2(2.21)**Peat**

- property for use in harvesting, 127(9)“qualified property”

Penalty, see also Offences; Table O-7

- appeal without reasonable grounds, 179.1
- burden of proof of offence on Minister, 163(3)
- CCUS climate risk report, failure to publish, 211.93(5)
- CCUS knowledge sharing report, failure to file, 211.93(4)
- charity, *see* Registered charity: penalties
- compliance order issued, 231.7(6), (7)
- confidential information, contraventions re, 239(2.2)
- conviction of offence, on, 238(1), 239
- • second penalty, when applicable, 239(3)
- corporation's failure to file information return, 162(10)
- court has no power to decrease punishment, 243
- deficient instalments of tax, 163.1
- destruction of records, for, 239(1)
- dishonoured cheque, for, 162(11)
- electronic sales suppression software, 163.3, *see also* Zapper software (or hardware)
- failure to comply with notice of non-compliance, 231.9(12)
- failure to file information return electronically, 162(7.02)
- failure to file prescribed form, R&D corporation, 149(7.1)
- failure to file return, 162(1)
- • electronically, where required, 162(7.2)
- • repeated penalties, 162(2)
- • trustees etc., 162(3)
- failure to provide SR&ED claim preparer information, 162(5.1)
- failure to provide Taxpayer Identification Number to financial institution for provision to foreign tax authorities, 281(3)
- failure to remit tax withheld, 227(9)
- • applicable only on amounts over \$500, 227(9.1)
- • salary or wages, from, 227(9.5)
- failure to withhold tax, 227(8)
- • salary or wages, from, 227(8.5)
- false statement, 163(2), 239(1)
- • by third party or tax preparer, 163.2
- • charity receipt, 188.1(9), (10)
- • re renunciation of resource expenses, 163(2.2)
- frivolous appeal, 179.1
- general anti-avoidance rule applying, 245(5.1)
- gross negligence, 163(2)
- incomplete return, 162(5)
- incorrect tax shelter identification number, for providing, 239(2.1)
- interest on, 161(11)
- large corporations, late return, 235
- late-filed election, 220(3.5)
- • capital gains exemption triggering, 110.6(26), (29)
- • disposition of share in foreign affiliate, 93(6)
- • partners, 96(6)
- • transfer to corporations, 85(8), (9)

- late filing of form re renunciation of resource expenses, 66(12.75)
- late filing of return, 162(1), 235
- late instalments of tax, 163.1
- misrepresentation, 163(2)
- • by third party or tax preparer, 163.2
- not deductible from income, 18(1)(t), 67.6
- notice of non-compliance outstanding, 231.9(12)
- ownership certificates, offences re, 162(4)
- Part II.2 tax, 183.4(3)
- Part IV.1 tax, 187.6
- Part VI.1 tax, 191.4(2)
- Part VI.2 tax, 191.6
- Part XII.2 tax, 210.2(7)
- Part XII.3 tax, 211.5
- Part XII.4 tax, 211.6(5)
- Part XII.5 tax, 211.82
- partnership information return, failure to file, 162(7.1), (8.1)
- payment over \$10,000 made non-electronically, 162(7.4)
- registered charity, *see* Registered charity: penalties
- regulations, failure to comply with, 162(7)
- remittance over \$10,000 made non-electronically, 162(7.4)
- repeated assessments of, 162(2)
- repeated failures to report an amount of income, 163(1)
- sales suppression software, 163.3, *see also* Zapper software (or hardware)
- Social Insurance Number
- • failure to provide, 162(6)
- • wrongful communication of, 239(2.3)
- tax advisor, 163.2
- tax shelter identification number, offences re, 237.1(7.4)
- • deduction disallowed while penalty unpaid, 237.1(6.1)
- third party, 163.2
- transfer pricing, 247(3), (11)
- waiver of, by Minister, 220(3.1)
- zapper software, 163.3, *see also* Zapper software (or hardware)

Pension, see also Pension plan; Canada Pension Plan / Quebec Pension Plan

- adjustment, *see* Pension adjustment
- benefits, *see also* income (below)
- • income, 56(1)(a)(i)
- • • exemption, 57
- • paid to non-resident, 212(1)(h)
- • • election to file return, 217
- • paid to U.S. resident, Canada-U.S. Tax Treaty:Art. XVIII
- • paid to widow(er), 57(5)
- • received in error, deduction for repayment, 60(n.1)
- • transferred to another plan, deductible, 60(j)
- • unpaid, 78(4)
- bridging benefits, *see* Bridging benefits
- credit, *see* Pension credit
- defined, *Income Tax Conventions Interpretation Act* s. 5; Canada-U.S. Tax Treaty:Art. XVIII:3; Canada-U.K. Tax Treaty:Art. 17:3
- disability benefit
- • constitutes earned income for RRSP, 146(1)“earned income”(b.1)
- Halifax disaster, exempt, 81(1)(f)
- income, *see also* benefits (above)
- • credit for, 118(3)
- • • unused, transfer to spouse, 118.8
- • defined, 60.03(1), 118(7)
- • qualified, defined, 118(7)
- • splitting with spouse
- • • deduction to pensioner, 60(c)
- • • income inclusion to transferee, 56(1)(a.2)
- • • joint liability for tax, 160(1.3)
- • • revocation of election, 220(3.201)

- Pension** (*cont'd*)
- rules, 60.03
 - source deductions, 153(1.1), (2)
 - paid to non-resident, 212(1)(h)
 - election to file return, 217
 - paid to U.S. resident, Canada-U.S. Tax Treaty: Art. XVIII
 - periodic payments, *see* Periodic pension payment
 - plan, *see* Pension plan
 - RCMP, exempt, 81(1)(i)
 - service, exempt, 81(1)(d)
 - from other country, exempt, 81(1)(e)
 - superannuation or pension benefits
 - defined, 248(1)
 - surplus, *see* Pension surplus
- Pension Act, pension under, exempt**, 81(1)(d)
- Pension adjustment**, *see also* Pension credit
- defined, 248(1), Reg. 8301(1), *see also* Pension credit
 - limits, 147(5.1)(c), 147.1(8), (9), Reg. 8506(2), 8509(12)
 - past service, *see* Past service pension adjustment
 - reversal, *see* Pension adjustment reversal
 - special rules, Reg. 8308
- Pension adjustment correction**, *see also* Permitted corrective contribution (to pension plan)
- defined, Reg. 8304.1(16)
 - included in "total pension adjustment reversal", Reg. 8304.1(1)(b)
 - information return required, Reg. 8402.01(4.1)
- Pension adjustment reversal**
- defined, 248(1)"total pension adjustment reversal", Reg. 8304.1
 - effect of, 146(1)"RRSP deduction limit"R, 146(1)"unused RRSP deduction room"(b)R, 204.2(1.1)(b)R
 - regulations respecting, 147.1(18)(d), (t), Reg. 8304.1
 - reporting requirements, Reg. 8402.01
- Pension benefits**, *see* Pension: benefits; Pension: income
- Pension benefits act, provincial**
- registration under, 147.1(2)(a)(iii)
- Pension Benefits Guarantee Fund**
- exempt from income tax, 149(1)(o.5)
 - prescribed person for pension investment corp., Reg. 4802(1)(f.1)
- Pension Benefits Standards Act**
- administration of
 - communication of information obtained under ITA, 241(4)(d)(vii)
 - registration under, 147.1(2)(a)(iii)
- Pension corporation**
- exemption, 149(1)(o.1), (o.2)
- Pension credit**, *see also* Pension adjustment
- artificial reduction of, Reg. 8503(14)
 - calculation of, Reg. 8301
 - deferred profit sharing plan, Reg. 8301(2)
 - foreign plan, Reg. 8308.1(2)–(4)
 - registered pension plan
 - defined benefit provision
 - multi-employer plan, Reg. 8301(7)
 - ordinary plan, Reg. 8301(6)
 - specified multi-employer plan, Reg. 8301(5)
 - downsizing benefits, effect of, Reg. 8308(9)
 - money purchase provision, Reg. 8301(4)
 - non-vested termination, Reg. 8301(8), (9)
 - remuneration for prior years, Reg. 8308(3)(b)
 - replacement of benefits, effect of, Reg. 8304
 - transitional rule, Reg. 8301(10)
 - rounded to nearest dollar, Reg. 8311
 - specified retirement arrangement, Reg. 8308.3(2)–(5)
 - United States treaty, tax credit, Reg. 8308.1(2.1)
 - constitutes pension adjustment, Reg. 8301(1)
 - DPSP contribution limits, effect on, 147(5.1)
 - multi-employer plan, effect on PA limit, 147.1(9)
 - non-refundable credit, for \$1,000 of pension income, 118(3)
 - reporting of, Reg. 8401(3)
- Pension fund investment corporation**, 149(1)(o.2)(iii)
- Pension fund of a governmental entity, international organization or central bank**
- defined, for Common Reporting Standard, 270(1)
- Pension fund real estate corporation**, 149(1)(o.2)(ii)
- Pension income**, *see also* Pension: benefits; Pension: income
- defined, 60.03(1), 118(7)
- Pension plan**, *see also* Registered pension plan
- appeal from refusal to register, 172(3)(f), 172(5)
 - benefits flowed through trust, 104(27)
 - Canada, *see* Canada Pension Plan / Quebec Pension Plan
 - contract under, 254
 - dollar limits, *see* Pension adjustment
 - foreign plan, *see* Foreign plan (pension plan)
 - individual, Reg. 8515
 - legal expenses of collecting or establishing right to benefit under
 - deduction for, 60(o.1)
 - income when recovered, 56(1)(1.1)
 - provincial, *see* Specified pension plan
 - pooled, *see* Pooled pension plan; Pooled registered pension plan (PRPP)
 - Quebec, *see* Canada Pension Plan / Quebec Pension Plan
 - registered, *see* Registered pension plan
 - Saskatchewan, *see* Specified pension plan
 - surplus, *see* Pension surplus
 - transfers between, 147.3
- Pension surplus**
- transfer of, 147.3(4.1), (7.1)
- Pension transferee**
- defined, 60.03(1)
 - income inclusion to, for split pension income, 56(1)(a.2)
 - joint liability for tax on split pension income, 160(1.3)
 - source deductions deemed withheld for, 153(2)
- Pension trust**
- exempt, 149(1)(o)
- Pensionable service**
- defined, Reg. 8500(1)
- Pensioner**
- deduction to, for split pension income, 60(c)
 - defined, 60.03(1)
 - joint liability for tax on split pension income, 160(1.3)
- Percentage**
- rates of tax, *see* Rates of tax
 - specified, *see* Specified percentage
- Performer**, *see* Actor
- Period of disability**
- defined, Reg. 8500(1)
- Period of reduced services**
- defined, Reg. 8300(1)
- Periodic child care expense amount**
- defined, 63(3)
- Periodic payments**
- accrual to date of death, 70(1)(a)
 - alimony/maintenance/support, 56(1)(b)–(c.2), 56.1, 60(b)–(c.2), 60.1
 - pension, *see* Periodic pension payment
 - tax deduction, determination of, Reg. 102
- Periodic pension payment**
- defined, *Income Tax Conventions Interpretation Act* s. 5
- Periodical**
- advertising in, limitation, 19.01(2)–(4)

Periodical (*cont'd*)

- defined, 19.01(1)
- edition of, meaning, 19.01(6)

Permanent establishment

- defined
- Canada–U.S. Tax Convention, Canada-U.S. Tax Treaty:Art. V
- corporation, Reg. 400, 8600
- for country-by-country reporting, 233.8(1), Reg. 8201
- for FAPI purposes, 95(1), Reg. 5906(2)
- for leasing-property rules, 16.1(1), Reg. 8201
- for restrictive-covenant rules, 56.4(1), Reg. 8201
- for various purposes, Reg. 8201
- individual, Reg. 2600
- dividend from non-resident corporation having, 112(2), Reg. 8201
- for allocating income among provinces
- of corporation, Reg. 400
- of individual, Reg. 2600
- international tax treaties
- applies for FAPI purposes, Reg. 5906(2)(a)(i), 5906(2)(b)(i)
- Canada–U.K. convention, Art. 5
- Canada–U.S. convention, Canada-U.S. Tax Treaty:Art. V
- profits allocated to, *Income Tax Conventions Interpretation Act* s. 4
- securities lending arrangement, 260(5), Reg. 8201
- specified leasing property, 16.1(1), Reg. 8201
- tax on property forming part of, Canada-U.S. Tax Treaty:Art. XXIII:2

Permitted acquisition

- defined, for butterfly, 55(1)

Permitted corrective contribution (to pension plan), *see also* Pension adjustment correction

- deductible to employee, 147.1(1)(a)(ii)
- deductible to employer, 147.1(4)(a)(ii)
- defined, 147.1(1)
- information return required, Reg. 8402(4)
- permitted, 147.1(20)

Permitted deferral

- defined, for small business investment capital gain rollover, 44.1(1)

Permitted element

- for clean technology manufacturing ITC, 127.49(1)

Permitted exchange

- defined, for butterfly, 55(1)

Permitted redemption

- defined, for butterfly, 55(1)

Perpetual poverty, vow of, 110(2)**Person**, *see also* Taxpayer

- defined, Canada-U.S. Tax Treaty:Art. III:1(e); Canada-U.K. Tax Treaty:Art. 3:1(c)
- includes partnership for specific purposes, 66(16), 79(1), 79.1(1), 80(1), 80.01(1), 80.02(1), 80.03(1)(a), 80.04(1), 135.2(1), 139.1(1), 160.01(1), 163.2(1), 187.4(c), 209(6), 227(5.2), (15), 237.1(1), 237.3(1), 237.4(1), 237.5(1), 251.1(4)(b), 251.2(1), 256.1(1)
- related by blood, defined, 251(6)

Person employed

- for carbon tax refund to small business, defined, 127.421(1)

Personal credits, 118, *see also* Tax credits

- defined, for source deductions, Reg. 100(1)

Personal injury award

- election re capital gains, 81(5)
- income from exempt, 81(1)(g.1), (g.2)

Personal or living expenses

- allowance for, taxable, 6(1)(b)
- defined, 248(1)
- not deductible, 18(1)(h)

Personal property

- located on ship or aircraft used in international traffic, whether taxable Canadian property, 248(1)“taxable Canadian property”(b)(ii)

Personal service

- defined, for digital platform operator reporting rules, 282(1)

Personal services business

- defined, 125(7), 248(1)
- excluded from active business income, 125(7)“active business carried on by a corporation”
- expenses, limitation on deductibility of, 18(1)(p)
- incorporated employee, defined, 125(7)“personal services business”(a)
- loans, 12(1)(w), 80.4(1)
- rate of tax on, 123.4(1)“full rate taxable income”(a)(iii), 123.5
- retirement compensation arrangement, 207.6(3)

Personal trust, *see also* Trust (or estate)

- defined, 110.6(16), 248(1)
- effect of qualifying disposition, 107.4(3)(i)
- disposition of capital interest in, 107(1)(a)
- distribution of property to beneficiary, 107(2), (4.1)
- emigration of beneficiary, whether deemed disposition of interest, 128.1(10)“excluded right or interest”(j)
- income interest in, defined, 108(1)
- non-arm’s length with beneficiary, 251(1)(b)
- principal residence exemption, 54“principal residence”

Personal-use property, *see also* Listed personal property

- adjusted cost base of, 46(1), (2)
- bad debt that is, 50(2)
- defined, 54
- disposition of
- capital loss nil, 40(2)(g)(iii)
- in part, 46(2)
- ordinarily disposed of as a set, 46(3)

Pertinent loan or indebtedness

- deemed interest income from, 17.1
- defined
- for foreign-affiliate dumping rules, 212.3(11)
- for shareholder-loan rules, 15(2.11)

Pertinent person or partnership

- defined, for artificial foreign tax credit generator rules, 91(4.3), Reg. 5907(1.05)

Petro-Canada, subject to tax, 27(2), Reg. 7100**Petroleum/natural gas**

- allowances, Reg. Part XII
- corporations, *see* Drilling or exploration expense; Exploration and development expenses; Prospecting
- cost of substance injected to recover, 20(1)(mm)
- dealers in, limitation, 66(5)
- exploration and development expenses, 66
- exploration equipment etc., capital cost allowance, Reg. Sch. II:Cl. 10(t), Sch. II:Cl. 41
- flow-through shares eliminated after March 2023, 66(12.6)(b.2)
- liquefied natural gas facility, capital cost allowance, Reg. Sch. II:Cl. 47(b)
- pipeline for natural gas distribution, Reg. Sch. II:Cl. 51

Phantom stock plan

- emigration or immigration, no deemed disposition, 128.1(10)“excluded right or interest”(a)(vii)

Pharmacist

- defined, 118.4(2)

Phase (of a project)

- defined, for investment tax credit, 127(9)

Phased retirement, Reg. 8503(16)–(25)**Phénix case overruled**, 66.1(6)“Canadian exploration expense”(k.1), 66.2(5)“Canadian development expense”(i.1)**Photocopier**

- capital cost allowance, Reg. 1101(5p), Reg. Sch. II:Cl. 10(f)

Photocopy, *see* Copy of document

Phototherapy equipment, medical expense credit, 118.2(2)(i)

Photovoltaic equipment

- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(vi), Sch. II:Cl. 43.1(d)(xiii), Sch. II:Cl. 43.2(b)

Physical activity

- defined, Reg. 9400(1)
- prescribed program, for children's fitness credit, Reg. 9400

Physician, *see* Medical doctor

Physiotherapist

- certification of impairment
- for disability credit, 118.3(1)(a.2)(v)

Pick-up truck

- deemed not to be automobile, 248(1)“automobile”(e)

Pilot, *see* Aircraft: pilot

Pilot plants, qualify for R&D investment tax credits, Reg. 2900(1)(c), (d)

Pinball arcade relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(IV), (b)(xv), *see also* Qualifying tourism or hospitality entity

Pinball machine

- capital cost allowance, Reg. Sch. II:Cl. 16(f)

Pink Sheets quoted stocks

- qualified for deferred income plans before 2002, Reg. 4900(1)(s) [repealed]

Pipeline

- capital cost allowance, Reg. Sch. II:Cl. 1(l), Sch. II:Cl. 2(b), Sch. II:Cl. 49, Sch. II:Cl. 51
- defined, IT-482R para.1
- exhausted within 15 years, Reg. Sch. II:Cl. 8(i)
- for mine, Reg. Sch. II:Cl. 10(l)
- gas or oil well equipment, Reg. 1104(2), Reg. Sch. II:Cl. 10(j)
- natural gas distribution, for, Reg. Sch. II:Cl. 51
- separate classes if cost over \$10 million, Reg. 1101(5i), (5j)
- linefill in, no CCA, Reg. 1102(1)(k)
- post-mortem, 84(2) (Notes)
- transmission, *see* Transmission pipeline

Pipeline operators

- taxable income earned in a province, Reg. 411

Piping, *see* Underground piping

Plan fees

- payment by owner of registered plan, not an advantage conferred on plan, 207.01(1)“advantage”(b)(i)

Plan payment (for RDSP assistance payment withholding)

- defined, Reg. 103.1(1)
- withholding required, Reg. 103.1(2)

Plan trust

- defined
- for qualified investment regulations, Reg. 4901(2)
- for registered disability savings plan, 146.4(1)

Planning activity

- defined
- for tax-debt avoidance penalty, 160.01(1), 163.2(1)
- for third-party penalty, 163.2(1)

Plant residue

- defined, Reg. 1104(13)

Plant Workers Adjustment Program

- overpayments repaid, deductible, 60(n)(v)
- payments received under, taxable, 56(1)(a)(vi), Reg. 5502
- withholding of tax at source, 153(1)(m), Reg. 5502

Platform

- defined, for digital platform operator reporting rules, 282(1)

Platform operator

- defined, for digital platform operator reporting rules, 282(1)

Platinum metal, *see* Critical mineral

Plumber

- apprenticeship job creation credit, 127(9)“investment tax credit”

Plural included in singular, *Interpretation Act* s. 33(2)

Points

- allocated in determining whether film/video production qualifies as credit, Reg. 1106(5)

Poland, *see also* Foreign government

- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 12

Police officer, *see also* Royal Canadian Mounted Police

- communication of information to by CRA, 241(4)(p)
- high-risk overseas missions, income not taxed, 110(1)(f)(v)
- killed in line of duty, tax-free benefit to families, 81(1)(j)
- moneys seized from tax debtor by, 224.3
- pension accrual to retire early, *see* Public safety occupation
- RCMP, disability pension exempt, 81(1)(i)
- vehicle of, deemed not to be automobile, 248(1)“automobile”(b.1)

Policy, *see* Insurance policy; Life insurance policy

Policy anniversary

- defined, Reg. 310, 1401(3)

Policy dividend

- on demutualization, deemed not to be, 139.1(8)

Policy liability

- of insurer, defined [repealed], Reg. 1408(1)

Policy loan (life insurance)

- amount payable in respect of, 138(12), 148(9)
- defined, 138(12), 148(9), 211(1), Reg. 310, 1408(1)
- interest limitation, 20(2.1), Reg. 4001
- repayment of, 60(s)

Policy reserves, *see* Insurance corporation: policy reserves

Policy year

- ending in taxation year, 6(4), (5)

Policyholders' liabilities

- defined
- for determining insurer's capital, 138(12), 181(2), Reg. 8600
- for insurers' IFRS transition rules, 138(12), Reg. 2400(1)
- for Part VI tax on financial institutions, 190(1)

Political activity

- of Canadian amateur athletic association, 149.1(6.201)
- of charitable foundation, 149.1(6.1)
- of charitable organization, 149.1(6.2)

Political contribution

- books and records, 230.1
- eligible amount of contribution, 248(30)–(33)
- information returns, Reg. 2001
- not deductible, 18(1)(n)
- receipts, Reg. 2000, 2002
- tax credit for, 127(3)–(4.2)
- limit on valuation of property contributed, 248(35)–(38)

Political party, *see also* Political contribution

- deregistration of, no tax receipt allowed while Court application pending, 127(3.3)

Pollution control equipment

- capital cost allowance, Reg. 1100(1)(t)

Pollution tax, *see* Carbon tax refunds

Ponzi scheme

- income tax treatment of, 9(1) (Notes), 9(2) (Notes)

Pool amount

- defined, for functional currency election, 261(7)(d)

Pooled fund trust, *see* Master trust (or Pooled fund trust)

Pooled pension plan, *see also* Pooled registered pension plan (PRPP)

- defined, 147.5(1), 248(1)

Pooled RPP, *see* Pooled registered pension plan (PRPP)

Pooled registered pension plan (PRPP), 147.5

- benefit from
 - non-resident withholding tax, 212(1)(h)
 - qualifies for pension income credit, 118(7)“pension income”(a)(i), (iii.2)
 - taxable, 56(1)(z.3), 147.5(13)(a), (16), (18)
- benefits permissible under, 147.5(5)
- business carried on by, 147.5(8)
- death of member, 147.5(14)–(20)
- rollover of PRPP to survivor’s RRSP, 60(1)(v)(A.1), (B.01), (B.1)(II)1
- deemed not to be RCA, 248(1)“retirement compensation arrangement”(a.1)
- deemed not to be SDA, 248(1)“salary deferral arrangement”(a.1)
- disclosure of information for administration of, 241(4)(d)(vii)
- employer’s contribution
 - deductible, 20(1)(q), 147.5(10)
 - included in cumulative excess RRSP amount, 204.2(1.2)I(c)
 - information return, Reg. 214.2
 - made in error, return of permitted, 147.5(3)(d)(ii)(A)
 - taxable when returned, 147.5(13)(b)
 - no taxable benefit, 6(1)(a)(i)
 - reduces RRSP deduction room, 146(1)“unused RRSP deduction room”(b)D(iii), 146(5)(b), 146(5.1)(b)(ii)
- excluded from various trust rules, 108(1)“trust”(a)
- exempt income of Indians, contributions from, 147.5(31)–(34)
- income accruing in
 - not taxed, 147.5(8), 149(1)(u.3)
- information return, Reg. 213, 214.2
- interest on money borrowed to invest in, whether deductible, 18(11)(c)
- member’s contribution
 - deductible, 146(5), 147.5(11)
 - information return, Reg. 214.2
 - not taxed, 147.5(8), 149(1)(u.3)
- prescribed to own shares of pension investment corporations, Reg. 4802(1)(c.3)
- RRIF may accept transfer from, 146.3(2)(f)(viii)
- refusal to register, appeal, 172(3)(h)
- registration conditions, 147.5(2)
- return of contributions, 147.5(3)(d)(ii)
 - tax-free in certain cases, 56(1)(z.3)(i)
- reversionary trust rules do not apply, 75(3)(a)
- revocable plan, 147.5(3), (4)
- revocation of registration
 - for non-compliance with conditions, 147.5(24)–(27)
 - voluntary, 147.5(28)
- transfer from, to ALDA, PRPP, RPP, RRSP or RRIF, 147.5(21)
 - RPP may accept transfer, Reg. 8502(b)(iv)
- transfer to
 - another PRPP, from, 147.5(21)(c)(ii)
 - RRIF, from, 146.3(14.1)(a)
- withdrawal allowed to reduce Part X.1 over contribution tax, 204.2(5)

Pornography

- ineligible for Canadian film/video credit, Reg. 1106(1)“excluded production”(b)(viii)
- ineligible for film/video production services credit, Reg. 9300(2)(h)

Portfolio investment entity

- defined, for SIFT trust definition, 122.1(1)

Portfolio investments

- dividends on, refundable Part IV tax, 186(1)

Position

- defined, for straddle-transaction rules, 18(17)

Post, see Mail**Post-emigration loss, 128.1(8)****Post-1971 spousal or common-law partner trust, see also**
Joint spousal or common-law partner trust; Trust (or estate):

- spouse, for
- deduction from income, 104(6)(b)B(i)
- defined, 248(1)
- distribution of property to person other than spouse, 107(4)(a)(i)
- preferred beneficiary election by, 104(15)(a)
- transfer by, to another trust, 104(5.8)

Post-1995 life insurance policy

- defined [repealed], Reg. 1408(1)

Post-1995 non-cancellable or guaranteed renewable accident and sickness policy

- defined [repealed], Reg. 1408(1)

Post-secondary school level

- defined, for RESP purposes, 146.1(1)

Poultry

- raising, constitutes farming, 248(1)“farming”

Poverty, vow of, 110(2)**Powerline technician**

- apprenticeship job creation credit, 127(9)“investment tax credit”

Pre-acquisition surplus

- election for dividend to come out of (return of capital), Reg. 5901(2)(b)

Pre-acquisition surplus (of foreign affiliate)

- deduction for dividend paid out of, 113(1)(d), Reg. 5900(1)(c)
- dividend received by partnership, 92(4)–(6)

Preexisting account

- defined, for Common Reporting Standard, 270(1)

Preexisting entity account

- defined, for Common Reporting Standard, 270(1)

Preexisting individual account

- defined, for Common Reporting Standard, 270(1)

Pre-funded group life insurance policy**Pre-1972 capital surplus on hand**

- amalgamation, on, 87(2)(t)
- on windup of corporation, 88(2)–(2.3)

Pre-1972 spousal trust

- deemed disposition by, 104(4)(a.1)
- defined, 108(1)

Pre-1986 capital loss balance

- defined, 111(8)
- usable, \$2,000 per year, 111(1.1)

Pre-1996 life insurance policy

- defined [repealed], Reg. 1408(1), (7)

Pre-1996 non-cancellable or guaranteed renewable accident and sickness policy

- defined [repealed], Reg. 1408(1), (7)

Pre-production mining expenditure

- Canadian exploration expense, 66.1(6)“Canadian exploration expense”(f)(v.1), (g)
- defined, 127(9)
 - reduction for assistance received, 127(11.1)(c.3)
 - investment tax credit for, 127(5)(a)(i), 127(5)(a)(ii)(A), 127(9)“investment tax credit”(a.3)
 - carryforward or carryback, 127(9)“investment tax credit”(c)
 - specified percentage, 127(9)“specified percentage”(j)
- reduces CCEE, 66.1(6)“cumulative Canadian exploration expense”L

Pre-reversion debt (for functional currency rules)

- defined, 261(1)
- rules for, 261(13), (14)

Pre-transition debt (for functional currency rules)

- defined, 261(1)
- rules for, 261(8)–(10), (12)(f)

Precious metals

- eligible for RRSP, RRIF etc. investment, Reg. 4900(1)(t)
- purchase of, information return required, Reg. 230(5)

Predecessor corporation, *see* Amalgamation**Predecessor employer**

- defined, Reg. 8500(1)
- definition applies to *Income Tax Act*, 147.2(8), Reg. 8500(1.2)
- former employee of, for pension plan rules, 147.2(8)
- pensionable service counts towards member's benefits, Reg. 8504(2.1)

Predecessor owner

- defined, for resource allowance, Reg. 1206(1)

Preferred beneficiary

- defined, 108(1)
- election, 104(14), Reg. 2800
- allocable amount, 104(15)
- filing deadline, 104(14)–(14.02)

Preferred-rate amount, for credit union

- deduction based on, 137(3)
- defined, 137(4.3)

Preferred share, *see also* Short-term preferred share; Taxable preferred share; Term preferred share

- consideration for property transferred to corporation, 85(1)(g)
- deemed interest on, 258(3)
- defined, 248(1)
- issued by loss corporation
- where dividends on not deductible, 112(2.4)–(2.9)
- tax-deferred series, Reg. 2107
- tax on payment of dividends on, 191.1
- tax on receipt of dividends on, 82(1), 187.2, 187.3
- taxable, *see* Taxable preferred share

Pregnant loss, *see also* Superficial loss

- rules preventing transfer of,
 - capital property, 40(3.3), (3.4)
 - depreciable property, 13(21.2)
 - share or debt owned by financial institution, 18(13), (15)

Preliminary CCUS work activity

- defined, for CCUS credit, 127.44(1)

Preliminary clean hydrogen work activity

- defined, 127.48(1)
- excluded from capital cost for clean hydrogen tax credit, 127.48(10)

Preliminary work activity

- defined
 - for clean electricity tax credit, 127.45(1), 127.491(1)
 - for clean technology credit, 127.45(1)
 - for oil sands mine development project, 66.1(6)
 - for oil sands project, Reg. 1104(2)
- no clean electricity credit allowed, 127.491(10)(a)(v)
- no clean technology credit allowed, 127.45(5)(a)(iv)

Premium

- defined
 - Home Buyers' Plan, 146(1)“premium”, 146.01(1)“premium”
 - life insurance as taxable benefit, Reg. 2700(2)
 - life insurance policy, 148(9)“premium”
 - Lifelong Learning Plan, 146(1)“premium”, 146.02(1)“premium”
 - obligation owned since before 1972, ITAR 26(12)
 - registered retirement savings plan, 146(1)“premium”
- group term life insurance policy
 - limitation on deductibility, 18(9.01)
 - taxable benefit to employee, 6(4), Reg. 2700–2704
- health care insurance, deductible, 20.01
- home insurance, deduction after moving away, 62(3)(g)
- life insurance used as collateral, deductible, 20(1)(e.2)
- prescribed, Reg. 309(1)
- RRSP, under, 146(1)“premium”
- refund of, *see* Registered retirement savings plan: refund of premiums

Premium category

- defined, Reg. 2700(1)

Premium paid by the policyholder

- defined [repealed], Reg. 1408(4)

Prepaid amounts, taxable when received, 12(1)(a)**Prepaid expenses**

- amalgamation, 87(2)(j.2)
- farming or fishing (cash-basis) business, 28(1)(e), (e.1)
- limitation re deductibility, 18(9)

Prepaid insurance benefit

- defined, Reg. 2703
- included in taxable group term life insurance, 6(4), Reg. 2701(1)(b)

Prepaid interest

- limitations on deduction for, 18(9), 18(9.2)–(9.8)

Preproduction, *see* Pre-production mining expenditure**“Prescribed” defined**, 248(1)**Prescribed annuity contract**, Reg. 304

- amount included in income, 56(1)(d)
- deduction, 60(a)
- excluded from accrual rule, 12(11)“investment contract”, 12.2(1)(b)

Prescribed benefit

- government assistance program, excluded from income, 56(1)(a)(vi), Reg. 5502
- group term life insurance, Reg. 2700–2704
- RCA advantage rules, none, 207.5(1)“advantage”(e)
- RRSP and other registered plan advantage rules, none, 207.01(1)“advantage”(e)
- tax shelter rules, Reg. 3100

Prescribed countries

- for intercorporate dividend from foreign affiliate, Reg. 5907(11)–(11.2)
- for lower withholding tax, debt issued before 1976, Reg. 1600
- for tax treaty elections, Reg. 7400(1)
- stock exchanges recognized, 262
- treaties with, *see* list of treaties in Table of Contents

Prescribed credit rating agency, Reg. 4900(2)**Prescribed debt obligation**, *see* Debt obligation: prescribed**Prescribed distribution**

- for foreign spinoff, Reg. 5600

Prescribed donee, Reg. 3504**Prescribed durable goods, for teacher school-supplies credit**, Reg. 9600**Prescribed energy generation and conservation property**

- for Atlantic investment tax credit, 127(9)“qualified property”(b.1)

Prescribed excluded property

- defined, for RRSP etc. prohibited investment, 207.01(1)“excluded property”

Prescribed intermediate zone

- credit for residence in, 110.7(1)
- defined, Reg. 7303.1

Prescribed labour-sponsored venture capital corporation

- defined, Reg. 6701

Prescribed northern zone

- credit for residence in, 110.7(1)
- defined, Reg. 7303.1

Prescribed payment card corporation share

- defined, Reg. 9002.1(1)
- excluded from mark-to-market property rules, 142.2(1)“excluded property”(b)
- property ceasing to be, 142.6(1.4)

Prescribed plan or arrangement

- retirement compensation arrangement, Reg. 6802
- rules re, 207.6(6)

Prescribed premium

- life insurance policy, Reg. 309(1)
- RRSP recontribution, Reg. 8307(7)

Prescribed property

- tax shelter rules, Reg. 3101

Prescribed rate (of interest), Reg. Part XLIII

- “quarter” defined, Reg. 4300

Prescribed region

- of drought, flood or excessive moisture, Reg. 7305.01(1)

Prescribed securities exchange investment

- defined, Reg. 9002.2(1)
- excluded from mark-to-market property rules, 142.2(1)“excluded property”(c)
- property ceasing to be, 142.6(1.5)

Prescribed share

- for capital gains exemption, Reg. 6205
- for flow-through shares, Reg. 6202.1
- for lending assets, Reg. 6209
- for redemption of public corporation shares, Reg. 6206
- for resource expenditures, Reg. 6202
- for short-term preferred shares, Reg. 6201(8)
- for small business investment capital gain rollover, Reg. 6204
- for stock option rules, Reg. 6204
- for taxable preferred shares, Reg. 6201(7)
- for taxable RFI shares, Reg. 6201(4), (5.1)
- for term preferred shares, Reg. 6201(1)–(3), (5), (6)

Prescribed stock exchange, see Stock exchange**Prescribed taxable Canadian corporation**

- for film credit rules, Reg. 1106(2)

Prescribed trust, see Trust (or estate): prescribed**Prescribed venture capital corporation**

- defined, Reg. 6700, 6700.1, 6700.2

Prescription drugs, as medical expense, 118.2(2)(n)**President, see** Officer: corporation, of**Pressure pulse therapy device**

- medical expense credit, Reg. 5700(z.4)

Prevailing wage requirements

- defined, for labour requirements for ITCs, 127.46(1)

Price adjustment clause, 85(1) (Notes)**Priest, see** Clergy**Primary address**

- defined, for digital platform operator reporting rules, 282(1)

Primary currency (of specified debt obligation)

- defined, Reg. 9100

Primary recovery, Reg. 1206(1)**Prince Edward Island, see also** Province

- Grandparents and Care Providers Program, *see* Kinship care, social assistance for
- prescribed area, for electrical energy or steam processing, 127(9)“qualified property”(c.1)
- prescribed designated region, 127(9)“specified percentage”(a)(vi), Reg. 4607
- qualified property acquired for use in, 127(9)“specified percentage”(a), (e)
- tax rates, *see* introductory pages

Principal amount (of debt obligation)

- defined, 248(1), (26)
- distress preferred share, 80.02(2)(a)
- obligation outstanding since before 1972, ITAR 26(1.1)

Principal-business corporation (exploration and development)

- deduction of CEE, 66.1(2)
- defined, 66(15)

- pre-production mining expenditures renounced to, 127(9)“pre-production mining expenditure”(b)
- prescribed deductions, Reg. 1213

Principal-business corporation (real property)

- associated
- base level deduction, 18(2.3)–(2.5)
- base level deduction, 18(2)(f), 18(2.2)
- excluded from limitation on CCA, Reg. 1100(12)

Principal residence

- capital gains exemption election, effect on, 40(2)(b)A, D, 40(7.1)
- defined, 54
- designation, 54“principal residence”(c), (c.1), Reg. 2301
- late or amended, or revocation of, 220(3.21)(a.1)
- disposed of to spouse or spousal trust, 40(4)
- disposition after 1981, 40(6)
- distribution by spouse trust, 107(2.01)
- election where change in use, 45(3), Reg. 2300
- where not available, 45(4)
- exception to rules, 54.1
- farmer’s, exclusion of, 40(2)(c)
- gain on disposition not taxed, 40(2)(b)
- property of trust, 40(6.1), 54“principal residence”(c.1)
- regulations, Reg. 2300, 2301
- relocation rule, 54.1
- satisfaction of interest in trust, 40(7)

Printout

- as proof of electronic document, 244(9)

Prior reference period

- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)

Prior year revenue decline

- defined, for Canada Emergency Wage Subsidy, 125.7(1)

Priority, see Garnishment for taxes unpaid; Ordering**Prison, see also** Offences

- person confined to
- higher-income spouse can claim child-care expenses, 63(2)(b)C(i)(C)
- no GST credit, 122.5(2)(b)

Private corporation, see also Corporation

- Canadian-controlled, defined, 125(7), 248(1)
- capital dividend, election, 83(2), Reg. 2101
- cooperative deemed not to be, 136(1)
- credit union deemed not to be, 137(7)
- Crown corporation deemed not to be, 27(2)
- defined, 89(1), 248(1)
- special cases, 27(2), 134, 136(1), 137(7), 141(2), 141.1, 186(5), 227(16)
- deposit insurance corporation deemed not to be, 137.1(6)
- disclosure of shareholder identities to CRA and the public, *see* Individuals with Significant Control (of corporations)
- dividend paid by, 83(2)
- dividend refund to, 129
- existing since before 1972, ITAR 50
- flow-through of income to shareholders, *see* Integration
- insurance corporation deemed not to be, 141.1
- municipal or provincial corporation deemed not to be, 227(16)
- mutual fund corporation deemed to be, 131(5)
- payment of tax, 157(3)
- subject corporation, 186
- tax on certain dividends received, 186

Private foundation, see also Charitable foundation; Registered charity

- acquiring control of a corporation, 149.1(12)(a)
- penalty, 188.1(3)
- revocation of registration, 149.1(3)(c)
- business activities of

Private foundation (cont'd)

- • penalty for carrying on any business, 188.1(1)(a), 188.1(2)(a)
- • revocation for carrying on any business, 149.1(4)(a)
- defined, 149.1(1), 248(1)
- designation of, as public, 149.1(13)
- designation of registered charity as, 149.1(6.3)
- disbursement quota, *see* Disbursement quota (of charity)
- excess holdings regime, 149.1(1)“divestment obligation percentage”, (4.1)(c), 188.1(3.1)–(3.5)
- excluded from reversionary trust rules, 75(3)(b)
- non-qualified investment, *see* Non-qualified investment: private foundation
- registration of, *see* Registered charity

Private health services plan, *see also* Employee life and health trust

- defined, 248(1)
- employee contributions to employee life and health trust deemed to be contributions to PHSP if identified as such, 144.1(10)
- employer's contribution not a taxable benefit, 6(1)(a)(i)
- premiums
 - • deductible from business income, 20.01
 - • • reduction in partnership interest, 53(2)(c)(xii)
 - • medical expense credit, 118.2(2)(q)

Private holding corporation, defined, 191(1)**Privatization of government assets**

- debt qualifies for investment by deferred income plans, Reg. 4900(1)(q)

Privileged documents, *see* Solicitor-client privilege**Prize**

- achievement, for
 - • included in income, 56(1)(n)
- lottery, not taxed (no taxing provision)
- prescribed, Reg. 7700
- • not included in income, 56(1)(n)
- property acquired as, cost of, 52(4)

Pro rata portion

- defined
- • for mutual fund corporation, TCP gains, 131(6)
- • for mutual fund trust, TCP gains, 132(4)

Probate fees

- avoidance of, 248(1)“alter ego trust”

Procedure and evidence, 244**Procedures not followed by CRA**

- assessment still valid, 166

Proceeds of disposition, *see also* Proceeds of the disposition

- allocation of
 - • between land and buildings, 13(21.1), 70(5)(d)
 - • between property and services, 68
- capital property, 54“proceeds of disposition”
- deemed
 - • amalgamation, on, 69(13)
 - • disposition of share, on, 55(2)–(5)
 - • disposition to trust with no change in beneficial ownership, 69(1)(b)(iii)
 - • former business property, 44(6)
 - • property surrendered to creditor, 79(3)
 - • when deemed payable, 14(2) [before 2017]
- defined
 - • capital property, 54
 - • depreciable property, 13(21)
 - • for resource allowance, Reg. 1206(1)
 - • depreciable property, 13(21)“proceeds of disposition”
- due after year
 - • amalgamation, 87(2)(m)
- income interest in trust, 106(3)

- life insurance policy, interest in, 56(1)(j), 148(9)“proceeds of the disposition”
- life insurance policy dividends deemed to be, 148(2)
- timber resource property, 20(5.1)
- unclaimed at year-end
 - • withholding tax, 153(4)
 - • • effect of remittance, 153(5)
- uncollectible portion, 20(4)–(4.2)
- unrealized, 40(1)(a)(iii)

Proceeds of the disposition, *see also* Proceeds of disposition

- defined, Reg. 310

Processing, *see also* Manufacturing or processing

- allowances, Reg. Part XII
- defined, for mining tax deduction, Reg. 3900(1)
- field, *see* Canadian field processing

Processing property

- defined, Reg. 1206(1)

Producer gas

- defined, for CCA, Reg. 1104(13)
- equipment for generating, Reg. Sch. II:Cl. 43.1(d)(xvi)
- equipment for generating energy from, Reg. Sch. II:Cl. 43.1(c)(i)(A), Sch. II:Cl. 43.1(d)(ix)

Producer (of film or video production)

- defined, Reg. 1106(1)“producer”

Producer organization or association

- farm support payment, information return, Reg. 234–236

Production

- resource property, from, defined, 66(15)“production”
- right to receive, *see* Right to receive production

Production commencement time

- defined, for Canadian film tax credit, 125.4(1), (1.1)

Production or use

- payments dependent on
 - • deemed income, 12(1)(g)
 - • interest paid to non-resident, 212(1)(b) (closing words)

Production tax amount

- defined
 - • for FAPI, Reg. 5910(4)
 - • for foreign tax credit, 126(7)

Professional athlete

- defined, 143.1(1)

Professional corporation, *see also* Professional practice

- defined, 248(1)
- fiscal period of, 249.1(1)(b)(iii)

Professional membership dues

- employee's, deduction, 8(1)(i)(i)
- examination fees to qualify, tuition credit, 118.5(1)(d)
- professions board, deductible, 8(1)(i)(vii)

Professional partnership

- defined, 40(3.111)
- where ACB of partnership interest is less than zero, 40(3.11)A(b), B(c)

Professional practice

- carried on since before 1972, ITAR 23(3)
- examination fees to qualify, tuition credit, 118.5(1)(d)
- incorporated, *see* Professional corporation
- judge's income from, 24.1 [repealed]
- partnership for, *see* Professional partnership
- privileged information, 232(2)
- work in progress of
 - • deemed to be inventory, 10(5)(a)
 - • election to exclude from income until 2017, 34
 - • • transitional rule 2017–2020, 10(14.1)
 - • valuation of, 10(4)(a)

Professions board

- dues to, deductible, 8(1)(i)(vii)

Professor

- exemption for travel expenses, 81(3.1)(a)(ii)

Profit, *see also* Income

- from business or property, income, 3(a), 9(1)
- payment based on future, 12(1)(g)
- reasonable expectation required, 18(1)(h), 248(1)“personal or living expenses”

Profit participation payments

- not deductible as financing expenses, 20(1)(e)(iv.1)

Profit sharing plan, *see also* Deferred profit sharing plan; Employees profit sharing plan

- appeal from refusal to register, 172(3)(c), 180
- defined, 147(1), 248(1)
- employer’s contribution under, 20(1)(w)
- • limitation on deductibility, 18(1)(k)
- information return, Reg. 212
- registration of, as DPSP, 147(2)
- • refusal by Minister
- • • deemed, 172(4)(b)
- regulations, Reg. Part XV

Profits, *see* Profit**Program for Older Worker Adjustment**, *see* Older Worker Adjustment, Program for**Prohibited investment**

- for employee life and health trust
- • defined, 207.9(1)
- • tax on, 207.9(2)
- for qualifying environmental trust
- • defined, 211.6(1)
- for RCA
- • becoming or ceasing to be, deemed disposition and reacquisition, 207.61(4)
- • defined, 207.5(1)
- • limitation on RCA election, 207.5(3)
- • tax on, 207.61
- for RRSP, RRIF, TFSA, RESP or RDSP
- • benefit attributable to, constitutes advantage, 207.01(1)“advantage”(c)(ii)
- • defined, 207.01(1)
- • investment becoming or ceasing to be, 207.01(6)
- • tax on, 207.04(1), (2), (6), (7)
- • • waiver of tax, 207.06(2)
- for registered pension plan, Reg. 8514

Project period

- defined, for CCUS credit, 211.92(1)

Project phase, *see* Phase (of a project)**Project plan (for CCUS project)**

- defined, 127.44(1)
- new plan must be filed, 127.44(6), (8)
- required, 127.44(1)“qualified CCUS project”, “qualified carbon capture expenditure”, “qualified carbon storage expenditure”, “qualified carbon use expenditure”

Project start-up date

- defined, for CCUS project, 211.92(1)

Project support equipment

- defined, for clean hydrogen tax credit, 127.48(1)

Projected eligible use percentage

- defined, for CCUS credit, 127.44(1)

Prolonged

- defined, for disability credit, 118.4(1)(a)

Promissory note

- conversion to other bond, debenture or note, 51.1
- issued on rollover of property to corporation, 85(1)(b)
- provided as payment, 76(1)

Promoter

- for non-resident trust rules
- • defined, 94(1)

- of education savings plan
- • defined, 146.1(1)“education savings plan”(b)
- of non-resident investment or pension fund
- • defined, 115.2(1)
- of notifiable transaction
- • defined, 237.3(1), 237.4(1)
- of reportable transaction
- • defined, 237.3(1)
- of tax shelter
- • defined, 149.1(1), 237.1(1)
- • obligation to provide and use identification number, 237.1(5)

Promotion expenses, *see* Advertising**Proof**

- burden of, *see* Burden of proof
- documents, of, 244(9), (13)
- • rebuttable, *Interpretation Act* s. 25(1)
- • electronically filed return, 244(21)
- failure to comply, of, 244(7), (8)
- no appeal, of, 244(10)
- not required re signature of CRA officer, 244(11)
- return, etc., of, 244(17)–(19)
- service, of, 244(6)
- • by mail, 244(5)
- time of compliance, of, 244(8)

Property, *see also* Goods

- acquired
- • as prize, 52(4)
- • by bequest etc., 70(6)
- • by gift, 69(1)(c)
- • by insurer, on default in payment, 138(11.93)
- • from spouse, deemed value of, 73
- • in the year, capital cost allowance, Reg. 1100(2)–(2.4)
- • • non-arm’s length exception, Reg. 1102(20)
- • to earn income from business, expenses deductible, 20(1)(e)(ii.1), 20(1)(e.1)(ii)
- adjusted cost base
- • amounts added, 53(1)
- • amounts deducted, 53(2)
- • defined, 54
- • identical properties, 47
- • negative amount, deemed gain, 40(3), (3.1)
- amortized cost, *ITAR* 26(12)“capital property”
- and casualty surplus, *see* Property and casualty surplus (of insurer)
- annual value of, not deductible, 18(1)(d)
- appropriation of, to shareholder or prospective shareholder, 15(1), (7)
- beneficial owner of, defined re Quebec, 248(3)
- Canadian resource property, defined, 66(15)
- capital gains and losses, *see* Capital gains and losses
- “capital property” defined, 54; *ITAR* 26(12)“capital property”
- “certified”
- • ascertainment of, 127(10)(a), (b)
- change in use of, 13(7), 45
- • election, 45(2)
- • insurer, by, 138(11.3)–(11.41), (11.6)
- • principal residence, election, 45(3)
- • • where not available, 45(4)
- convertible, *see* Convertible property
- cost amount, defined, 248(1)
- cultural, *see* Cultural property
- deceased taxpayer, of, 164(6)
- deemed acquisition of
- • becoming non-resident, 128.1(4)(c)
- • becoming resident in Canada, 128.1(1)(c)
- • capital cost allowance rules, Reg. 1100(2.21)
- • change in use, on, 45

Property (*cont'd*)

- deemed disposition of
 - becoming non-resident, 128.1(4)(b)
 - becoming resident in Canada, 128.1(1)(b)
 - capital cost allowance rules, Reg. 1100(2.21)
 - change in use, on, 45
 - death, on, 70(5)–(10)
- deemed gain from
 - added to cost base, 53(1)(a)
- defined, 248(1)
- depreciable, *see* Depreciable property
- disposed of
 - in part, 43, 46
 - on death, definitions, 70(10)
- disposition of, *see* Disposition
- exchanges of, 13(4), 44
- replacement property, 44(5)
- “excluded” of non-resident, 116(6)
- farm, *see* Farm property
- foreign, deferred income plans, Reg. Part L
- former, capital gain, 44(6)
- goodwill, ITAR 21
- government assistance in acquiring
 - cost base, deductions from, 53(2)(k)
- having more than one use, 45
- identical, 47; ITAR 26(8)–(8.2)
 - defined, 248(12)
- life insurance corporation, of, 138(11.1)
- income from, 9(3), 12
 - defined, 9(1)
 - for dividend refund, 129(4) “income” or “loss”
 - for FAPI purposes, 95(1)
- inter vivos gift of, 69(1)(b)
- involuntary disposition of, 13(4)
- leased
 - buildings on, capital cost allowance, Reg. 1102(5)
 - improvements, capital cost allowance, Reg. 1102(4)
- leasing, capital cost allowance, Reg. 1100(15)–(20)
- non-arm’s length exception, Reg. 1102(20)
- separate classes, Reg. 1101(5c)
- listed personal, *see* Listed personal property
- losses, *see* Non-capital loss; Loss(es)
- lost, destroyed or taken
 - amalgamation, effects of, 87(2)(1.3)
- misclassified, 13(6)
- non-depreciable capital
 - change of control, 53(2)(b.2)
- “nothings”, ITAR 21
- owned on Dec. 31/71, ITAR 20(1)
- part disposition of
 - cost base, deduction from, 53(2)(d)
- principal residence, *see* Principal residence
- proceeds of disposition of
 - allocation of, between land and buildings, 13(21.1)
 - defined, 54
- production from or use of, *see* Production or use
- publicly traded securities, ITAR 26(11)
- qualified (investment tax credit), Reg. 4600
 - defined, 127(9), (11)
- reacquired, ITAR 26(6)
- real, disposition of by non-resident, 216(5)
- received as consideration for payment or loan
 - cost base, deductions from, 53(2)(f)
- rental, capital cost allowance, Reg. 1100(11)–(14.2)
- replacement, 13(4), (4.1), 14(7) [before 2017], 44(5)
- repossessed, rules applicable, 79
- resource, *see* Resource property
- restricted, *see* Restricted property (for non-resident trust rules)

- seizure of, by creditor, 79.1
- small business, Reg. Part LI
- substituted
 - cost base, addition to, 53(1)(f)
 - meaning of, 248(5)
- surrender of, to creditor, 79
- tax, *see* Municipality: property taxes
- timber resource, defined, 13(21)
- transfer of, *see* Transfer of property
- trust, proportional holdings in, 259
- upkeep by trust for beneficiary, 105(2)
- use of or production from, *see* Production or use
- value at date of death, 70(5), (6)

Property and casualty surplus (of insurer)

- defined, insurers, Reg. 2400(1)

Property listing

- defined, for digital platform operator reporting rules, 282(1)

Property taxes

- deductible after moving away from home, 62(3)(g)
- limitation on deduction as business expense, 18(2)

Proprietor of business

- disposing of business, 25
- fiscal period, 25
- income from business, 11(1)
- return on death of, 150(4)

Proprietorship

- continuing business of partnership, 98(5)

Prosecution

- indictment, upon, 239(2)
- limitation, 244(4)

Prospecting

- amount re share received, excluded from income, 81(1)(l)
- income from, 35
 - exemption, 35(1)(c), 81(1)(l)

Prospector

- defined, 35(2)
- receipt of shares by, 35
- deduction from amount, 110(1)(d.2)

Protective trust

- excluded from qualifying disposition, 107.4(1)(e)

Protector (of trust)

- reported to CRA, Reg. 204.2(1)(a)

Province, *see also* specific provinces by name

- assessment re allocation of provincial income, extension of time for federal reassessment, 152(4)(d)
- bonds issued by
 - interest paid to non-resident, 212(1)(b)(ii)(C)(II), 212(6)–(8)
- bound
 - by garnishment orders, 224(1.4)
 - by withholding tax requirements, 227(11)
- capital tax of, deductibility, 18
- communication of information to, 241(4)(d), (j.2)
- corporation incorporated in before part of Canada, 248(1) “corporation incorporated in Canada”
- corporation owned by, *see also* Crown corporation
 - bonds issued by
 - interest paid to non-resident, 212(1)(b)(ii)(C)(IV)
 - deemed not private corporation, 227(16)
 - exemption, 149(1)(d)–(d.4)
- defined, *Interpretation Act* s. 35(1)
- for corporate tax rate, 124(4)
- for provincial SIFT tax factor, Reg. 414(1)
- exempt from federal tax, *Constitution Act 1867*, s. 125
- gift to, 118.1(1)
- government of, *see* Government
- includes Newfoundland and Labrador and Nova Scotia offshore areas, 124(4) “province”

Index

Province (*cont'd*)

- income earned in
 - deduction from tax, re schooling allowance, 120(2)
 - defined, 120(4)
 - individual, by, Reg. Part XXVI
- income not earned in
 - addition to tax for, 120(1)
- labour-sponsored venture capital corporation of
- recovery of LSVCC credit, 211.7
- laws of
 - property transfer to spouse on death, 248(23.1)
 - support order transfers, 73(1), (1.1)
- legislature, *see* Legislative assembly (or Legislature)
- logging tax paid to, credit for, 127(1), (2), Reg. 700
- pension legislation, registration under, 147.1(2)(a)(iii)
- portion of income tax
 - refund by Minister, 164(1.4)
- refund of tax of, to be paid by CRA, 164(1.4)
- student loan legislation, interest paid under, credit, 118.62
- subject to withholding tax provisions, 227(11)
- super-R&D allowance, federal benefit, 127(9)“super-allowance benefit amount”, 127(10.1)(b)
- tax collection agreement, application of payments, 228
- tax transfer payments to, 154, Reg. 3300

Provincial

- defined, *Interpretation Act* 33(3), 35(1)“province”

Provincial indemnities

- excluded from income, 81(1)(q)

Provincial laws, prescribed, Reg. 6500–6502

Provincial life insurance corporation

- conversion into mutual corporation, 139

Provincial pension plan, *see also* Specified pension plan

- assignment of pension under, attribution rules do not apply, 56(2), (4), 74.1(1)
- benefits taxable, 56(1)(a)(i)
- prescribed, *see* Specified pension plan
- Saskatchewan, *see* Specified pension plan

Provincial reassessment

- defined, 152(4)(d)
- extension of time for federal reassessment, 152(4)(d)

Provincial SIFT tax rate

- defined, 248(1), Reg. 414(3)
- used in calculation of tax payable
 - by partnership, 197(2)C
 - by trust, 122(1)(b)A:D, 122(3)“taxable SIFT trust distributions”C

Provision

- defined, ITAR 74

Provisionable assets

- defined, Reg. 8006

Provisional past service pension adjustment (PSPA)

- defined, Reg. 8303(2), (3)

Proxy amount

- prescribed, for research and development expenses, Reg. 2900(4)–(10)
- reduction in, 127(11.1)(f) [repealed], 127(18)

Psychologist

- certification of impairment
 - for disability credit, 118.3(1)(a.2)(iv)
- defined, 118.4(2)
- therapy qualifying for medical expense credit, 118.2(2)(1.9)

Public authority

- tax on disposition of cultural property, 207.3

Public body

- performing function of government
 - corporation owned by
 - exempt from tax, 149(1)(d.5)

- • • • exclusion, 149(1.3)
- • • • income test, 149(1.2)
- • donation to, 149.1(1)“qualified donee”(a)(iii)
- • • by corporation, deduction, 110.1(1)(a)
- • • by individual, tax credit, 118.1(1)“total charitable gifts”
- • exempt from tax, 149(1)(c)

Public corporation

- amalgamation, 87(2)(ii)
- defined, 89(1), 248(1)
- election to trigger gain before corporation becomes, 48.1
- existing since before 1972, ITAR 50
- life insurance corporation deemed to be, 141(2)
- mortgage investment corporation, 130.1(5)
- shares of, donation to charity, 38(a.1)
- partnership interests exchangeable for, 38(a.3)
- stock buyback tax, *see* Stock buyback tax

Public employees

- annual dues deductible, 8(1)(i)(iv)

Public foundation, *see also* Charitable foundation; Registered charity

- acquiring control of a corporation, 149.1(12)(a)
- • penalty, 188.1(3)
- • revocation of registration, 149.1(3)(c)
- business activities of unrelated business
 - • penalty, 188.1(1)(b), 188.1(2)(b)
 - • revocation of registration, 149.1(3)(a)
- defined, 149.1(1), 248(1)
- designation of registered charity as, 149.1(6.3)
- private foundation designated as, 149.1(13)
- registration of, *see* Registered charity

Public health restriction

- defined, for COVID-19 Canada Emergency Rent Subsidy, 125.7(1)
- partial, *see* Partial public health restriction

Public institution

- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)

Public investment partnership

- defined, Reg. 229.1(1)
- requirement to publicize income information, Reg. 229.1(2), (3)(b)

Public investment trust

- defined, Reg. 204.1(1)
- requirement to publicize income information, Reg. 204.1(2), (3)(b)

Public market

- defined, for SIFT trust and partnership distributions, 122.1(1), 248(1)

Public partnership, *see also* SIFT partnership

- defined, Reg. 229.1(1)
- requirement to publicize income information, Reg. 229.1(2), (3)

Public pension benefits

- defined, Reg. 8500(1)

Public policy dialogue

- charity may engage in, 149.1(1)“charitable activities”, 149.1(10.1)

Public primary caregiver

- defined, 146.1(1)

Public safety occupation, *see also* Firefighter; Police officer

- defined, Reg. 8500(1)
- early retirement permitted, Reg. 8503(3)(c)(i)
- higher pension accrual rate permitted, Reg. 8503(3)(g)(i)

Public school board, *see* School board

Public sector authority

- defined, for interest deduction restrictions, 18.2(1)

Public Sector Pension Investment Board

- prescribed to own shares of pension investment corporations, Reg. 4802(1)(c.2)

Public Transit Pass Credit, 118.02 [pre-2018]**Public trust**, *see also* SIFT trust

- defined, Reg. 204.1(1)
- requirement to publicize income information, Reg. 204.1(2), (3)

Public utility

- foreign
- dividend from, paid to non-resident, 213
- income imputed to shareholder of corporation, 213(2)

Publicly accessible charity information

- defined, 241(10)

Publicly traded

- defined, Reg. 230(1)

Publicly traded liability

- defined, for SIFT trust definition, 122.1(1)

Publicly-traded securities

- donation of, to charity, zero capital gain, 38(a.1)
- partnership interests exchangeable for, 38(a.3)
- prescribed, for 1971 valuation day, Reg. 4400
- value on Valuation Day, ITAR 26(11), Reg. Sch. VII

Puck, *see* Paid-up capital**Pulp and paper byproduct**

- defined, Reg. 1104(13)
- gas produced by, Reg. 1104(13)“biogas”

Pulp and paper waste

- defined, Reg. 1104(13)
- included in eligible waste fuel, Reg. 1104(13)“eligible waste fuel”

Pumping equipment

- capital cost allowance, Reg. Sch. II:Cl. 7(j), (k)

Punishment, *see* Offences**Purchase butterfly**, 55(1), (3.1), (3.2)**Purchaser shares**

- defined, 85.1(2.2)

Purifier

- air or water, medical expense credit, Reg. 5700(c.1)

Purpose

- gaining or producing income, 18(1)(a), Reg. 1102(1)(c)

Purpose-built residential rental, *see also* New purpose-built residential rental

- capital cost allowance
- additional CCA allowed, Reg. 1100(1)(a.4)
- defined, Reg. 1104(2)
- excessive interest limitation (EIFEL)
- defined, 18.2(1)
- excluded from limitation, 18.2(1)“exempt interest and financing expenses”(b)

Purpose provisions

- carbon capture, utilization and storage credit, 127.44(15)
- clean hydrogen credit, 127.48(31)
- clean technology credit, 127.45(15)
- clean technology manufacturing credit, 127.49(19)
- EV supply chain credit, 127.492(15)
- general anti-avoidance rule (GAAR), 245(0.1)
- tax treaties, MLI 6(1)

“Put-in-use” rules, *see* Available-for-use rules**Q****QCC**, *see* Qualifying cooperative conversion**QCE**, *see* Qualified CCUS expenditure**QCJO**, *see* Qualified Canadian journalism organization**QDT**, *see* Qualified disability trust**QET income tax rate**

- defined, 211.6(1)

QFFP taxable capital gain

- defined, 104(21.21)

QITE, *see* Qualified interprovincial transmission equipment**QFM**, *see* Qualifying family member**QLAD**, *see* Qualifying liquidation and dissolution**QNGEE**, *see* Qualified natural gas energy equipment**QPEPG**, *see* Qualified professional engineer or professional geoscientist**QPIP**, *see* Quebec Parental Insurance Plan**QPP**, *see* Canada Pension Plan / Quebec Pension Plan**QR**, *see* Qualifying renter**QRE**, *see* Qualifying rent expense**QSBC**, *see* Qualified small business corporation**QST**, *see* Quebec sales tax**QTHE**, *see* Qualifying tourism or hospitality entity**QTI**, *see* Qualifying transitional income**Quadrennial survey, reserve for**

- defined, 12(1)(h), 20(1)(o), Reg. 3600(2)

Qualified activities

- defined, Reg. 5202

Qualified annuity

- defined, Reg. 1408(1)

Qualified CCUS expenditure

- defined, 127.44(1), (9)(b)

Qualified CCUS project

- defined, 127.44(1)
- for clean hydrogen tax credit, 127.44(1), 127.48(1)
- determination of one project vs multiple projects, 127.44(8)

Qualified Canadian journalism organization, *see also* Qualifying journalism organization; Registered journalism organization

- defined, 149.1(1)
- designation as, 248(1)“qualified Canadian journalism organization”
- effective date of designation, 168.1(1)
- revocation of designation, 168.1(2), (3)

Qualified Canadian labour expenditure

- defined, for film/video production services credit, 125.5(1)

Qualified carbon capture expenditure

- defined, 127.44(1)

Qualified carbon storage expenditure

- defined, 127.44(1)

Qualified carbon transportation expenditure

- defined, 127.44(1)

Qualified carbon use expenditure

- defined, 127.44(1)

Qualified clean hydrogen project

- defined, for clean hydrogen tax credit, 127.48(1)
- effect of changes to project, 127.48(7), (8)

Qualified concrete storage process

- defined, 127.44(1)

Qualified construction equipment [repealed]

- defined, 127(9)

Qualified corporation (re Canadian film/video tax credit)

- defined, 125.4(1)

Qualified credit card issuer

- defined, for Common Reporting Standard, 270(1)

Qualified dependant

- Canada Carbon Rebate
- credit in respect of, 122.8(4)D
- defined, 122.8(1)
- Canada Child Benefit

Qualified dependant (*cont'd*)

- credit in respect of, 122.61(1)
- defined, 122.6, 122.62, Reg. 6300–6302
- GST credit
- credit in respect of, 122.5(3)A(c), (d)
- defined, 122.5(1), 122.5(2)

Qualified disability trust

- ceasing to be, recovery of tax saved, 122(1)(c), 122(2)
- defined, 122(3)
- graduated tax brackets apply, 117(2), 122(1)
- principal residence exemption, 54“principal residence”(c.1)(iii.1)(B)

Qualified dividend

- defined, 112(6.1)
- stop-loss rules, 112(3.01)–(4.22)

Qualified domestic trust

- relief from double taxation, Canada-U.S. Tax Treaty:Art. XXVI:3(g)

Qualified donee, *see also* Charity; Registered charity

- books and records, requirement to keep, 230(2)
- charity can transfer funds to, 149.1(2)(b), (c), 149.1(3)(b), (b.1), 149.1(4)(b), (b.1)
- corporation granting option to, no donations deduction allowed, 110.1(10)–(13)
- defined, 118.1(1), 149.1(1), 248(1)
- donations to
 - by corporation, deduction, 110.0(1)(a)
 - by individual, tax credit, 118.1(1)“total charitable gifts”
- option granted to, 110.1(10)–(13), 118.1(21)–(24)
- revocation of registration, 149.1(4.3), 168(1)
- suspension of receipting privileges, 188.2(2)

Qualified engineer or geoscientist, *see* Qualified professional engineer or professional geoscientist**Qualified expenditure**

- pool, *see* SR&ED qualified expenditure pool
- reduction to reflect government assistance, 127(18)–(21)
- revocation of registration, 149.1(4.3), 168(1)
- scientific research, for, defined, 127(9)“qualified expenditure”
- suspension of receipting privileges, 188.2(2)

Qualified farm or fishing property

- capital gains deduction, 110.6(2)
- defined, 110.6(1)
- deemed, where capital gain deemed following debt forgiveness, 80.03(8)

Qualified insurance corporation

- defined, Reg. 810(2)
- property of, no certificate required before disposition, Reg. 810(1)(a)

Qualified interprovincial transmission equipment

- defined, for clean electricity credit, 127.491(1)

Qualified investment, *see also* Non-qualified investment

- deferred profit sharing plan, 204“qualified investment”
- first home savings account (FHSA)
 - defined, 146.6(1), 207.01(1)
 - obligation of issuer, 207.01(5)
 - tax on investment that is not, 207.04
- information returns, Reg. 221
- non-resident investment or pension fund
 - defined, 115.2(1)
- registered disability savings plan, 146.4(1), Reg. 4900
- tax on investment that is not, 207.04
- registered education savings plan, 146.1(1)“qualified investment”, Reg. 4900
 - tax on acquiring non-QI, 207.04
 - tax on holding non-QI before 2017, 207.1(3)
- registered retirement income fund, 146.3(1)“qualified investment”, Reg. 4900
- tax on investment that is not, 146.3(9), 207.04

- registered retirement savings plan, 146(1)“qualified investment”, Reg. 4900
- tax on investment that is not, 146(10.1), 207.04
- tax-free savings account (TFSA)
 - defined, 207.01(1)
 - obligation of issuer, 207.01(5)
 - tax on investment that is not, 207.04

Qualified labour expenditure (re Canadian film/video tax credit)

- defined, 125.4(1)

Qualified natural gas energy equipment

- defined, for clean electricity credit, 127.491(1)

Qualified natural gas energy system

- defined, for clean electricity credit, 127.491(1)

Qualified non-resident

- defined, 115.2(1)

Qualified pension income

- defined, 60.03(1), 118(7)
- pension credit, 118(3)B(b)

Qualified professional engineer or professional geoscientist

- defined, 127(9)
- must certify critical mineral mining expenditure, 127(9)“flow-through critical mineral mining expenditure”(e)

Qualified property

- defined
 - investment tax credit, 127(9), (11)

Qualified REIT property

- defined, for SIFT trust and partnership distributions, 122.1(1)

Qualified related corporation

- branch tax, 219(8)
- non-resident insurer, of, 138(12)“qualified related corporation”

Qualified relation

- Canada Carbon Rebate
 - defined, 122.8(1)
- GST credit
 - credit in respect of, 122.5(3)A(b)
 - defined, 122.5(1), 122.5(2)

Qualified resource

- defined, for resource allowance claims, Reg. 1206(1)

Qualified resource expense

- defined (for corporate inclusion of partnership income), 34.2(1)

Qualified resource property

- defined, for Atlantic investment tax credit, 127(9)
- excluded from qualified property, 127(9)“qualified property”
- investment tax credit for, 127(9)“investment tax credit”(a)

Qualified security

- defined, 260(1)
- loan of, deemed dividend, 260(5.1)

Qualified small business corporation

- capital gains exemption, *see* Qualified small business corporation share
- share, *see* Qualified small business corporation share

Qualified small business corporation share

- capital gains deduction, 110.6(2.1)
- death of shareholder, 110.6(14)(g)
- defined, 110.6(1)
 - deemed, where capital gain deemed following debt forgiveness, 80.03(8)
- individual, of, defined, 108(1)“qualified small business corporation share”
- related person, 110.6(14)
- rules re, 110.6(14)

Qualified small-business property

- defined, 127(9) [repealed]
- investment tax credit for, 127(9)“specified percentage”(i)

Qualified small business share

- excluded from mark-to-market rules, 142.2(1)“mark-to-market property”(e)

Qualified tertiary oil recovery project, defined, Reg. 1206(1)**Qualified transportation equipment [repealed]**

- defined, 127(9)

Qualified trust

- defined, 259(3)

Qualified trust unit

- defined, 260(1)

Qualified validation firm

- defined, for clean hydrogen tax credit, 127.48(1)

Qualified verification firm

- defined
- • for clean electricity credit, 127.491(1)
- • for clean hydrogen tax credit, 127.48(1)

Qualified zero-emission technology manufacturing activities

- credit for, 125.2(2)
- defined, Reg. 5202

Qualifying acquisition

- defined, for stock option deferral, 7(9)

Qualifying active business

- defined, Reg. 5100(1)

Qualifying amount

- defined, for retroactive spreading of lump-sum payments, 110.2(1)

Qualifying annuity

- defined, for pooled registered pension plan rules, 147.5(1)

Qualifying arrangement

- FHSA (first home savings account)
- • ceasing to be, 146.6(16)(a)(iii)
- • conditions for, 146.6(2)
- • defined, 146.6(1)
- Quebec *Civil Code* usufruct rules
- • deemed to be trust in Quebec, 248(3)(b), (c)
- • defined, 248(3.2)
- RRSP overcontribution
- • defined, 204.2(1.32)
- TFSA (tax-free savings account)
- • ceasing to be, 146.2(5)(b)
- • conditions for, 146.2(2)
- • deemed not to be RSP, RIF, etc., 146.2(12)
- • defined, 146.2(1)

Qualifying business, see also Non-qualifying business

- capital gains exemption on transfer to employee ownership trust, 110.61
- defined, for employee ownership trust, 248(1)

Qualifying business transfer

- capital gains exemption on, 110.61
- defined, for employee ownership trust, 248(1)

Qualifying Canadian entrepreneur incentive property

- defined, 110.63(1)

Qualifying Canadian partnership

- defined, 15(2.14)(a)
- exception to shareholder loan rules, 15(2.11)

Qualifying competent authority agreement

- defined, for country-by-country reporting, 233.8(1)

Qualifying contract

- for qualifying environmental trust, defined, 211.6(1)

Qualifying cooperative business

- defined, 248(1)

Qualifying cooperative conversion

- capital gains deduction, 110.62
- defined, 248(1)
- disposition of shares under, gain spread over 10 years, 40(1.4)

Qualifying cooperative worker

- defined, 248(1)

Qualifying corporation

- defined
- • for air quality improvement credit, 127.43(1)
- • for clean electricity credit, 127.491(1)
- • for refundable investment tax credit, 127.1(2)

Qualifying cost

- defined, for small business investment capital gain rollover, 44.1(1)

Qualifying cost contribution arrangement

- defined, 247(1)

Qualifying currency

- defined, for functional currency rules, 261(1)

Qualifying disbursement

- defined, 149.1(1)
- permitted to registered charity, 149.1(1)“charitable organization”(a.1), 149.1(1)“charitable purposes”, 149.1(2)(b), (c), (3)(b), (b.1), (4)(b), (b.1), (4.1)(d), (21)

Qualifying disposition

- small business investment capital gain rollover
- • defined, 44.1(1), (9)
- trusts
- • defined, 107.4(1)
- • rollover to trust, 107.4(3)
- • • subsequent disposition by trust, 107.4(4)

Qualifying dividend, 83(1), (6)**Qualifying educational program**

- defined
- • for scholarships and pre-2017 education tax credit, 118.6(1)
- • for Lifelong Learning Plan withholding exemption, Reg. 104.1(2)
- • for Lifelong Learning program (loan from RRSP), 146.02(1)
- • for RESP, 146.1(1)

Qualifying employee

- of employee ownership trust, 248(1)“employee ownership trust”(b)

Qualifying entity

- defined
- • COVID-19 Canada Emergency Wage Subsidy, 125.7(1)
- • for clean electricity credit, 127.491(1)
- • foreign retirement plan, contribution to, Reg. 6804(1)
- • upstream loan repaid by Aug. 2016, transitional setoff, 39(2.2)

Qualifying environmental trust (formerly Mining reclamation trust)

- acquisition of, deduction, 20(1)(tt)
- amalgamation of corporation, effect of, 87(2)(j.93)
- beneficiary, credit to, 127.41
- • reduction in corporate beneficiary’s instalments, 157(3)(e)
- contribution to, deduction, 20(1)(ss)
- cost amount of interest in, 248(1)“cost amount”(e.2)
- defined, 211.6(1), 248(1)
- disposition of interest in, income, 12(1)(z.2)
- income from, 12(1)(z.1)
- tax on, 211.6

Qualifying exchange (LSVCC)

- defined, 211.7(1)
- disposition of approved share, 211.8(1)
- exchangeable shares, 211.7(3)

Qualifying exchange (mutual fund rollover)

- defined, 132.2(2)
- effect of, 132.2(1)
- exemption from rules re disposition of income interest in trust, 106(2), (3)

Qualifying expenditure

- for air quality improvement credit

Index

Qualifying expenditure (*cont'd*)

- defined, 127.43(1)
- for home accessibility tax credit
- defined, 118.041(1)
- made by condominium corporation, co-op or trust, 118.041(2)
- for Multigenerational Home Renovation Tax Credit
- credit for, 122.92(3)B(b)
- defined, 122.92(1)
- made by trust, 122.92(2)

Qualifying family member

- defined, for RDSP, 146.4(1)

Qualifying foreign merger

- defined, for foreign banks, 142.7(1)
- effect of, 142.7(2)

Qualifying group

- defined, for EV supply chain investment tax credit, 127.492(1)

Qualifying group plan amount [formerly “qualifying group RRSP premium”]

- defined, 204.2(1.31)

Qualifying home

- for First-Time Home Buyer's Credit and Disability Home Purchase Credit, 118.05(1)
- for first home savings account, 146.6(1)
- for RRSP withdrawals, 146.01(1)

Qualifying homebuyer

- defined, Reg. 104(3.01)

Qualifying income limit

- defined, for refundable ITC, 127.1(2)

Qualifying incomes

- defined, for foreign tax credit, 126(7), (9)

Qualifying indebtedness

- defined, for FAPI of banks, 95(2.43)

Qualifying individual

- defined
- for first home savings account, 146.6(1)
- for home accessibility tax credit, 118.041(1)
- for Multigenerational Home Renovation Tax Credit, 122.92(1)
- for pension regulations (re approved downsizing program), Reg. 8505(2)(b), 8505(2.1)
- for principal-residence exemption, 54“principal residence”(g)

Qualifying interest (in respect of foreign affiliate)

- defined, 95(2)(m), 95(2.2)
- income of foreign affiliate from active business, 95(2)(a)

Qualifying investment

- defined, for EV supply chain investment tax credit, 127.492(1)

Qualifying issuance

- defined, for stock buyback tax, 183.3(1)
- reduces stock buyback tax, 183.3(2)C(a)

Qualifying journalism organization, *see also* Qualified Canadian journalism organization; Registered journalism organization

- defined
- for donations and charity treatment, 149.1(1)
- for refundable labour tax credit, 125.6(1)

Qualifying labour expenditure

- defined, for journalism labour credit, 125.6(1)

Qualifying law

- in respect of qualifying environmental trust, defined, 211.6(1)

Qualifying liquidation and dissolution

- defined, 88(3.1)
- excluded from pregnant-loss rules, 13(21.2)(e)(iii)(E)(I)1, 14(12)(g)(i)(A) [before 2017], 18(15)(b)(iv)(A)(I), 40(3.4)(b)(v)(A)(I), 40(3.5)(c)(iii)

Qualifying location

- defined, for air quality improvement credit, 127.43(1)

Qualifying losses

- defined, for foreign tax credit, 126(7), (9)

Qualifying material

- defined, for clean technology manufacturing ITC, 127.49(1)

Qualifying member

- defined, FAPI rules, 95(2)(o)–(r), 248(1)

Qualifying mineral activity

- defined, for clean technology manufacturing ITC, 127.49(1)

Qualifying minority interest

- defined, for EV supply chain investment tax credit, 127.492(1)

Qualifying non-resident employee

- defined, for payroll withholding exemption, 153(6)

Qualifying non-resident employer

- defined, for payroll withholding exemption, 153(6)
- exemption from withholding on payment to qualifying non-resident employee, 153(1)(a)(ii)

Qualifying obligation

- defined, Reg. 5100(1)

Qualifying owner

- defined, 149(1)(d.6)

Qualifying partial public health restriction

- Canada Emergency Recovery Benefit (CERB) adjustment, Reg. 8901.2(2)(b)(ii)
- defined, Reg. 8901.2(0.1)

Qualifying partnership

- defined (for corporate inclusion of partnership income shortfall), 34.3(1)

Qualifying payment

- defined, Reg. 809(4)

Qualifying performance income (for amateur athlete trust)

- defined, 143.1(1)
- included in RRSP earned income, 146(1)“earned income”(b.2)

Qualifying period

- defined
- for air quality improvement credit, 127.43(1)
- for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)
- for phased retirement rules, Reg. 8503(16)
- for SIFT trust wind-up event, 248(1)“SIFT trust wind-up event”(c)(ii)

Qualifying person

- defined
- re eligible funeral arrangement, 148.1(1)
- re registered disability savings plan, 146.4(1)
- re stock option rules, 7(7)
- re treaty shopping, Canada-U.S. Tax Treaty:Art. XXIX-A:2

Qualifying portion of a capital gain

- defined, for small business investment capital gain rollover, 44.1(1)

Qualifying portion of a distribution

- defined, 207.01(1)“excess TFSA amount”E

Qualifying portion of the proceeds of disposition

- defined, for small business investment capital gain rollover, 44.1(1)

Qualifying property

- defined, for COVID-19 Canada Emergency Rent Subsidy, 125.7(1)

Qualifying public health restriction

- defined, for Canada Emergency Wage Subsidy, 125.7(1)

Qualifying recovery entity

- defined, for Canada Recovery Hiring Program, 125.7(1)

Qualifying relation

- defined, for Multigenerational Home Renovation Tax Credit, 122.92(1)

Qualifying renovation

- defined
- for home accessibility tax credit, 118.041(1)

Qualifying renovation (*cont'd*)

- • for Multigenerational Home Renovation Tax Credit, 122.92(1)

Qualifying rent expense

- defined, for COVID-19 Canada Emergency Rent Subsidy, 125.7(1)

Qualifying renter

- defined, for COVID-19 Canada Emergency Rent Subsidy, 125.7(1)

Qualifying retirement plan

- defined, Canada-U.S. Tax Treaty:Art. XVIII:15
- tax treatment of, Canada-U.S. Tax Treaty:Art. XVIII:8–17

Qualifying return of capital

- defined, for upstream loans, 90(3)
- reduction of ACB, 53(2)(b)(i)(B)(II)

Qualifying revenue

- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)

Qualifying services

- benefits in respect of, 94(1)“exempt foreign trust”(f)(ii)(C)
- defined, for non-resident trust rules, 94(1)

Qualifying share

- defined
- • RRSP or RRIF investment in cooperative corporation, Reg. 4901(2)
- prescribed, Reg. 6203

Qualifying site

- in respect of qualifying environmental trust, defined, 211.6(1)

Qualifying student

- defined, 118.6(1)

Qualifying subscription expense

- credit for, 118.02(2)
- defined, 118.02(1)

Qualifying substitute corporation

- defined, for foreign affiliate dumping rules, 212.3(4)

Qualifying survivor

- defined, for pooled registered pension plan rules, 147.5(1)

Qualifying taxpayer

- defined
- • clean hydrogen tax credit, 127.48(1)
- • clean technology manufacturing ITC, 127.49(1)
- • for CCUS credit, 127.44(1)
- • for clean technology ITC, 127.45(1)
- • for EV supply chain investment tax credit, 127.492(1)

Qualifying tourism or hospitality entity

- defined, for Canada Emergency Wage Subsidy, 125.7(1), Reg. 8901.1(2)

Qualifying transfer

- defined, for merger of segregated funds, 138.2(1)

Qualifying transfers

- re past service event, Reg. 8303(6), (6.1), Reg. 8304(2)(h)

Qualifying transitional income

- defined (for corporate inclusion of partnership income), 34.2(1)
- reserve, deduction for, 34.2(11)

Qualifying trust

- clean electricity credit
- • defined, 127.491(1)
- labour-sponsored funds tax credit
- • acquisition of shares for, 127.4(3)
- • defined, 127.4(1), 211.7(1)

Qualifying trust annuity

- attribution of amount paid out from, 75.2(a)
- • joint and several liability, 160.2(2.1), (5)
- death of taxpayer, effect of, 75.2(b)
- defined, 60.011(2), 248(1)

Qualifying withdrawal

- defined
- • for first home savings account (FHSA), 146.6(1)
- • for registered pension plan past service event, Reg. 8307(3)
- from FHSA, excluded from income, 146.6(6)

Quebec, *see also* Province

- application of civil law to federal Acts, *Interpretation Act* 8.1, 8.2
- *Environmental Quality Act*, trust required by, exempt, 149(1)(z.1)
- Gaspé, *see* Gaspé Peninsula
- gift of succession in, deemed to be release or surrender, 248(9)
- labour-sponsored venture capital corporation of
- • prescribed, Reg. 6700(a)(i), (vii)
- logging tax, credit for, 127(1), (2), Reg. 700
- matrimonial regime, 248(22), (23)
- Montreal, international banking centre until 2013, 33.1(3)
- northern, *see* Northern Canada
- Office de professions, dues deductible, 8(1)(i)(vii)
- Pension Plan, *see* Canada Pension Plan/Quebec Pension Plan
- qualifying arrangement, 248(3), (3.2)
- RRSP, RRIF, RDSP, RESP or TFSA set up in, deemed to be trust, 248(3)(c), 248(3.2)(d)
- renunciation of succession in, deemed to be disclaimed, 248(9)
- residents, federal tax abatement, 120(2)
- *Supplemental Pension Plans Act*, Reg. 8502(d)(ix), 8510(9)
- tax on failing to acquire replacement LSVCC share, matching federal tax, 211.81
- tax rates, *see* introductory pages
- usufructs, rights of use or habitation, and substitutions, deemed to be trusts, 248(3)

Quebec North Shore Paper Co. case overruled, 12(1)(r)**Quebec Parental Insurance Plan**

- deduction for premiums paid by self-employed person, 8(1)(l.2)
- benefit
- • repayment of overpayment, deduction for, 60(n)(v.1)
- • taxable, 56(1)(a)(vii)
- • withholding tax, 153(1)(d.1)
- premium
- • paid by employee
- • • as employee
- • • • credit, 118.7:B(a.1), (a.2)
- • • • deduction, 60(g)
- • • as employer, deduction, 8(1)(l.2)
- • paid by employer, deduction, 9(1) (general accounting principles)

Quebec Pension Plan, *see* Canada Pension Plan/Quebec Pension Plan**Quebec sales tax, *see also* Goods and services tax (GST)**

- input tax refund or deemed to be assistance, 248(16.1), *see also* Assistance/government assistance
- • repaid, deemed to be reduction in assistance, 248(18.1)
- rebate
- • deemed to be assistance, 248(16.1), *see also* Assistance/government assistance
- • included in income, 12(1)(x)
- • reduces capital cost of property, 13(7.1)

Queen, *see* Crown**Quota**

- disbursement, for charities, *see* Disbursement quota (of charity)
- farm, capital gains exemption, 110.6(1)“qualified farm property”(d)
- fishing, capital gains exemption, 110.6(1)“qualified fishing property”(d)

R**R&D, *see* Scientific research and experimental development****RCA, *see* Retirement compensation arrangement**

RCA strip

- constitutes advantage, 207.5(1)“advantage”(d)
- defined, 207.5(1)
- 100% tax on, 207.62(2)(c)

RCA trust

- defined, 207.5(1)
- excluded from various trust rules, 108(1)“trust”(d)

RCAAA, *see* Registered Canadian amateur athletic association

RCGTOH, *see* Refundable capital gains tax on hand

RCMP, *see* Royal Canadian Mounted Police

RDSP, *see also* Registered disability savings plan (RDSP)

- defined, 146.4(1)“registered disability savings plan”, 248(1)“registered disability savings plan”

RDTOH, *see* Refundable dividend tax on hand

REIT, *see* Real estate investment trust

REMIC, *see* Real Estate Mortgage Investment Conduit

REOP, *see* Reasonable expectation of profit

RESP, *see also* Registered education savings plan

- defined, 146.1(1)“registered education savings plan”, 248(1)“registered education savings plan”

RESP annual limit

- defined, 146.1(1)
- limit on RESP contributions, 146.1(2)(k)
- penalty tax on exceeding limit, 204.9(1)“excess amount”(a)

RESP lifetime limit

- defined, 204.9

RFC, *see* Registered foreign charity

RFI, *see* Restricted financial institution

RHOSP, *see* Registered home ownership savings plan

RIC, *see* Regulated Investment Company (U.S.)

RIF, *see* Retirement income fund

RIFE, *see* Restricted interest and financing expense

RJO, *see* Registered journalism organization

RLSVCC, *see* Labour-sponsored venture capital corporation (LSVCC): registered

RPE, *see* Ratio of permissible expenses

RPO, *see* Reporting platform operator

RPP, *see* Registered pension plan

RPP annuity contract, 147.4

RRIF, *see also* Registered retirement income fund

- defined, 248(1)“registered retirement income fund”

RRIF strip, *see* RRSP strip

RRSP, *see also* Registered retirement savings plan

- defined, 248(1)“registered retirement savings plan”
- depositary
 - conditions for registration, 146(2)(c.3)
 - defined, 146(1)“retirement savings plan”(b)(iii)
 - exempt from tax on amounts added or earned, 146(20)
 - income inclusion on death, 146(1)“tax-paid amount”(b), 146(8.8), (8.9)
- exempt from tax on income
 - depositary RRSP, 146(20)
 - trust RRSP, 146(4), 149(1)(r)
- strip, *see* RRSP strip

RRSP strip, *see* Registered plan strip

R.S.C. 1985 (5th Supp.), *see* Revised Statutes of Canada, 1985 (5th Supp.)

RSFT, *see* Related segregated fund trust

RSO, *see* Refund Set-Off program

RSP, *see* Retirement savings plan

RUTT, *see* Reportable uncertain tax treatment

Rabbi, *see* Clergy

Radar equipment

- capital cost allowance for, Reg. Sch. II:Cl. 9

Radiocommunication equipment

- capital cost allowance for, Reg. Sch. II:Cl. 8, Sch. II:Cl. 9
- defined, *Interpretation Act* 35(1)

Radiological services

- medical expense, 118.2(2)(o)

Rail bogies or rail suspension devices

- capital cost allowance, Reg. 1100(1)(z), Reg. Sch. II:Cl. 35(b)

Railroad Retirement Act (U.S.)

- Tier 1 benefits, Canada-U.S. Tax Treaty:Art. XVIII:5

Railway

- cars, capital cost allowance, Reg. 1100(1)(z), (z.1b), (z.1c), Reg. Sch. II:Cl. 7(h)(ii), Sch. II:Cl. 35
 - separate classes, Reg. 1101(5d)–(5d.2)
- common carrier, *see* companies (below)
- companies
 - capital cost allowance, Reg. 1100(1)(z.1c), 1101(5d.2), Reg. Sch. II:Cl. 7, 35
- corporations, taxable income earned in a province, Reg. 406
- cross-border, profits exempt, Canada-U.S. Tax Treaty:Art. VIII:4
- employees
 - away-from-home expenses of, deduction, 8(1)(e), (g)
 - relieving telegrapher or station agent expenses, 8(1)(e)
 - U.S. retirement benefits, Canada-U.S. Tax Treaty:Art. XVIII:5
- expansion property, Reg. 1100(1)(zc)
- locomotive, capital cost allowance, Reg. Sch. II:Cl. 6(j), Sch. II:Cl. 7(i), Sch. II:Cl. 10(y)
 - refurbishing or reconditioning, Reg. 1102(19.1), (19.2)
- modernization property, Reg. 1100(1)(zc)
- rail suspension device, capital cost allowance, Reg. 1100(1)(z), (z.1b), Reg. Sch. II:Cl. 7(i), Sch. II:Cl. 35
 - separate classes, Reg. 1101(5d)–(5d.2)
- rolling stock, exempt from non-resident tax, 212(1)(d)(vii), 212(16)
- sidings, capital cost allowance, Reg. 1100(8)
- systems, Reg. 1104(2), Reg. Sch. II:Cl. 4
- tank car, capital cost allowance, Reg. Sch. II:Cl. 6
- tier 1 pension benefits, Canada-U.S. Tax Treaty:Art. XVIII:5
 - U.S. resident, exempt, Canada-U.S. Tax Treaty:Art. XV:3
- track and related property, capital cost allowance, Reg. 1100(1)(zb), Reg. Sch. II:Cl. 1(h)
 - for mine, Reg. Sch. II:Cl. 10(m), Sch. II:Cl. 41
 - separate classes, Reg. 1101(5e), (5e.1)
- traffic control equipment, capital cost allowance, Reg. 1100(1)(za.1), Reg. Sch. II:Cl. 1(i)
 - separate classes, Reg. 1101(5e.1)
- trestles, Reg. 1100(1)(za.2), (zb), Reg. Sch. II:Cl. 3
 - separate classes, Reg. 1101(5e.2), (5f)

Railway system

- defined, Reg. 1104(2)

Rapid transit car

- capital cost allowance for, Reg. Sch. II:Cl. 8

Rapidly depreciating electronic equipment

- capital cost allowance, Reg. 1101(5p), Reg. Sch. II:Cl. 10(f)

Rare earth element, *see* Critical mineral

Rate reduction for zero-emission technology manufacturing, 125.2

Rate reduction payment

- treated as interest, 18(9.1)

Rates of capital cost allowance, Reg. 1100

Rates of tax, *see also* Surtax

- alternative minimum tax, 127.51
- capital tax, financial institutions, 190.1
- corporation, 123
 - abatement, 124
 - deposit insurance, 137.1(9)
 - excessive election, 184(2)

Rates of tax (*cont'd*)

- • investment corporations, 130
- • manufacturing and processing, 125.1
- • non-resident, carrying on business in Canada, 219
- • personal services business, 123.4(1)“full rate taxable income”(a)(iii), 123.5
- • small business deduction, 125
- • surtax (before 2008), 123.2
- DPSP trust
 - • non-qualified investments, on, 198
- deposit insurance corporation, 137.1(9)
- income-splitting tax, 120.4(2)
- individual, 117(2)
 - • abatement for provincial schooling allowance, 120(2)
 - • averaging, *see* Averaging of income
 - • general averaging
 - • • surtax, 180.1
 - • income not earned in a province, 120(1)
 - • indexing of, 117.1
 - • over-contributions to deferred plans, 204.1
- investment corporation, 130(1)
- investment income of life insurer, 211.1(1)
- minimum tax, 127.51
- non-resident withholding tax, 212
- Part I (regular tax)
 - • corporation, 123(1)(a), 124(1)
 - • • deposit insurance corporation, 137.1(9)
 - • • general reduction, 123.4(2)
 - • • reduction for CCPC, 123.4(3), 125
 - • • surtax (before 2008), 123.2
 - • income not earned in a province, 120(1)
 - • income splitting tax, 120.4(2)
 - • individual, 117(2)
 - • minimum tax, 120.4(2)
- Part I.1 (individual surtax), 180.1(1)
- Part I.2 (OAS clawback), 180.2(2)
- Part I.3 (Large Corporations Tax) [pre-2006], 181.1(1)
- Part II (tobacco manufacturers' surtax), 182(1)
 - • Part II.1 (corporate distributions tax), 183.1(2)
 - • Part II.2 (stock buyback tax), 183.3(2)
- Part III (excessive capital dividend election), 184(2)
 - • Part III.1 (excessive eligible dividend election), 185.1(1)(a), (b)
- Part IV (dividends received by private corporation), 186(1)
- Part IV.1 (preferred shares), 187.2
- Part V
 - • charity revocation tax, 188(1.1)
 - • charitable foundation, transfer of property, 188(3)
 - • private foundation, non-qualified investments, 189(1)
- Part VI (financial institutions capital tax), 190.1(1)
- Part VI.1 (preferred shares), 191.1(1)
- Part VI.2 tax (banks and life insurers, for 2022), 191.5(2)
- Part IX (cumulative offset account), 196(1)
- Part IX.1, 197(2)
- Part X
 - • DPSP, inadequate consideration, 201
 - • DPSP, non-qualified investments or use of assets as security, 198(1)
- Part X.1
 - • DPSP with excess amount, 204.1(3)
 - • RRSP overcontributions, 204.1(2.1)
- Part X.2 (registered investment holding non-prescribed investment), 204.6(1)
- Part X.3 (labour-sponsored fund insufficiently invested), 204.82(1), (3)
- Part X.4 (overcontribution to RESP), 204.91
- Part XI.01
 - • advantage extended in relation to RRSP, RRIF, TFSA, RESP or RDSP, 207.05(2)
 - • excess FHSA contributions, 207.021

- • excess TFSA contributions, 207.02
- • non-resident contributions to TFSA, 207.03
- • RRSP, RRIF, TFSA, RESP or RDSP holding prohibited or non-qualified investment, 207.04(2), (7)
- Part XI.1
 - • DPSP holding non-qualified investment, 207.1(2)
 - • RESP holding non-qualified investment, 207.1(3)
- Part XI.2 (disposition of cultural property by institution), 207.3
- Part XI.3 (retirement compensation arrangement), 207.7(1)
- Part XI.4 (employees profit sharing plan), 207.8(2)
- Part XI.5 (ELHT owning share or debt of participating employer), 207.9(3)
- Part XII.1 (carved-out income), 209(2)
- Part XII.2 tax (designated income of certain trusts), 210.2(1), (2)
- Part XII.3 (investment income of life insurer), 211.1(1)
- Part XII.4 (qualifying environmental trust), 211.6(2)
- Part XII.5 (recovery of LSVCC credit), 211.8(1), 211.81
- Part XIII (withholding tax)
 - • dividends paid to non-residents, 212(2) (as reduced by treaty)
 - • film and video royalties, 212(5) (as reduced by treaty)
 - • other passive income of non-residents, 212(1) (as reduced by treaty)
- Part XIII.1 (foreign bank), 218.2(1) (as reduced by treaty)
- Part XIII.2, 211.2(2)(b)
- Part XIV
 - • branch tax, 219(1) (as reduced by treaty)
- corporate emigration, 219.1
- registered charities, 188
- registered investments, *re*, 204.6
- trust, 122(1)

Ratio of permissible expenses

- defined, for interest deduction restrictions, 18.2(1)

Reacquired property, ITAR 26(6)**Reading services**

- disability supports deduction, 64(a)A(ii)(L)
- medical expense credit, 118.2(2)(1.43)

Real estate, *see* Real property**Real estate investment trust, *see also* Mutual fund trust**

- allowed as mutual fund trust, 108(2)(b)(ii)(B), 108(2)(c), 132(6)(b)(ii)
- defined, for SIFT trust and partnership distributions, 122.1(1)
- • for stapled-security rules, 18.3(1), 122.1(1)
- excluded from income tax distributions tax, 122.1(1)“SIFT trust”
- tax on buying back units, 183.3(1)“covered entity”(b)(ii)(A), 183.3(2)
- United States
 - • dividends paid by, Canada-U.S. Tax Treaty:Art. X:7(c)

Real Estate Mortgage Investment Conduit

- excess inclusion, Canada-U.S. Tax Treaty:Art. XI:9

Real or immovable property

- defined, for SIFT trust and partnership distributions, 122.1(1)

Real property, *see also* Building; Land; Real or immovable property; Rent

- acquired
 - • capital cost, 13(5.2)
 - • capital, taxable, Canada-U.S. Tax Treaty:Art. XXIII
 - • defined, *Income Tax Conventions Interpretation Act* s. 5
 - • disposed of
 - • • non-resident, by, 216(5)
 - • recaptured depreciation, 13(5.3)
- donation after sale of, capital gain exempt, 38(a.4), 38.3, 38.4 (abandoned)
- income from, Canada-U.S. Tax Treaty:Art. VI
- interest in, defined, 248(4)
- leasehold interest in, *see* Leasehold interest
- life estate in, 43.1

Real property (*cont'd*)

- non-qualifying real property, defined, 110.6(1)
- outside Canada
 - foreign tax credit to emigrant on disposition, 126(2.21)
 - foreign tax credit to trust, 126(2.21)
 - reporting of to CRA, 233.3
- principal-business corporations
 - associated, base level deduction, 18(2.3)–(2.5)
 - base level deduction, 18(2)(f), 18(2.2)
- rent paid before acquisition, deemed CCA, 13(5.2)
- trust owing, whether a unit trust, 108(2)(c)

Real right in an immovable

- meaning of, 248(4.1)

Real-time captioning services, *see* Captioning services**Reality television**

- ineligible for Canadian film/video credit, Reg. 1106(1)“excluded production”(b)(vii)
- ineligible for film/video production services credit, Reg. 9300(2)(g)

Reappropriations of amounts, 221.2**Reasonable efforts**

- to determine transfer prices
 - defined, 247(4)
 - required, 247(3)(a)(ii)(B)

Reasonable expectation of profit

- not required to deduct loss from business or property, 9(2) (Notes)
- personal or living expenses, 18(1)(h), 248(1)
- required for loss carryforward after change in control, 111(5)(a)(i), 111(5)(b)(i)

Reasonable return

- defined, for income-splitting tax, 120.4(1)

Reasonableness

- criterion for expenses, 67

Reassessment, *see also* Assessment

- after normal reassessment period, 152(4)–(5)
 - disposition of vessel, after, 13(18)
- consequential on other change, 152(4.3)
- constitutes an assessment, 248(1)“assessment”
- deceased’s estate, election re losses, 152(6)
- election to capitalize interest, on, 21(5)
- exercise of option, on, 49(4), (5)
- extended reassessment period, 152(4)(b)
- Minister, by, 152(4), (4.1), (6), 165(3)
 - after filing notice of objection, 165(5)
 - disposing of appeal, on consent, 169(3)
- normal reassessment period, defined, 152(3.1)
- second notice of objection not required, 165(7)
- time for, 152(4), 231.8
- time to object to, 165(1)
- unused Part I.3 tax credit, 152(6)(f)
- validity, 165(5), (6)
- waiver of limitation period by taxpayer, 152(4)(a)(ii), 152(4)(c)
- within normal reassessment period, 152(4)

Recapture, *see also* Clawback; Negative amounts

- capital cost allowance, *see* Capital cost allowance: recapture
- clean technology investment tax credit, 127.45(11)–(14)
- eligible capital property, 14(1) [before 2017]
- goodwill, 14(1) [before 2017]
- investment tax credit, 127(27)–(36)
- SR&ED expenditures, 37(6)

Receivables

- in later year, reserve for, 20(1)(n), 20(8)
 - where property repossessed by creditor, 79.1(4)
- 1971, ITAR 23(5)“1971 receivables”

Received capacity

- adds room for carryforward of denied interest expenses, 111(1)(a.1)B
- defined, for interest deduction restrictions, 18.2(1), (4)
- reduces limitation on interest expense, 18.2(2)D

Receiver or receiver-manager, *see also* Legal representative

- clearance certificate before distributing property, 159(2)
- deemed to be legal representative, 248(1)“legal representative”
- obligations of, 159
- return to be filed, 150(3)
- withholding tax, liability for, 227(5), 227(5.1)

Recipient

- defined, for hybrid mismatch arrangement rules, 18.4(1)
 - multiple recipients, 18.4(19)

Reclamation obligations

- no reserve for, 20(7)(d)

Reclamation of mines, *see* Qualifying environmental trust**Reclassification**

- depreciable property, change in class, 13(5)
- expenditures, R&D claims, 37(12)

Recognized derivatives exchange

- defined, for synthetic equity arrangement rules, 248(1)

Recognized forestry professional

- defined, Reg. 7400(3)

Recognized stock exchange

- defined, 248(1)

Record, *see also* Books and records

- defined, 248(1)

Record suspension

- defined, 149.1(1.01)
- effect on entitlement to operate charity, 149.1(1)“ineligible individual”(a)(ii)

Recovery

- labour-sponsored funds tax credit, *see* Labour-sponsored funds tax credit: recovery
- limit, *see* Recovery limit

Recovery limit

- defined, for non-resident trusts, 94(8)

Recovery tax (CCUS credit), 211.92

- assessment, objection and appeal, 211.94
- partnership liability, 211.92(12)–(15)

Recovery taxation year

- defined, for CCUS credit, 211.92(1)

Recovery wage subsidy rate

- defined, for Canada Recovery Hiring Program, 125.7(1)

Recreation program

- youth boarding allowance non-taxable, 6(1)(b)(v.1)

Recreation vehicle service technician

- apprenticeship job creation credit, 127(9)“investment tax credit”

Recreational club

- non-profit, exempt, 149(1)(l), 149(5)

Recreational facilities

- use of, expense not deductible, 18(1)(l)(i)

Recreational program for children, *see* Children’s Arts Tax Credit (pre-2017)**Recreational property**

- capital cost allowance, Reg. 1102(17)

Rectification, 169(1) (Notes)**Record suspension**

- defined, 149.1(1.01)
- effect on entitlement to operate charity, 149.1(1)“ineligible individual”(a)(ii)

Red Seal trade

- defined, for labour requirements for ITCs, 127.46(1)

Red Seal trade (cont'd)

- prescribed, for apprenticeship credit, Reg. 7310

Red Seal worker

- defined, for labour requirements for ITCs, 127.46(1)

Redeeming entity

- defined, 135.1(7)

Redemption of shares by corporation

- capital loss denied, 40(3.6)
- deemed dividend of excess over paid-up capital, 84(3)

Redetermination, see Determination**Reduced tax credit rate**

- defined, for labour requirements for ITCs, 127.46(1)

Reduction of tax, see Abatement of tax**Reed Stenhouse Companies Ltd.**

- Class I shares, no deemed dividend on redemption, 84(8), Reg. 6206

Reference security

- defined, 18.3(1)“stapled security”(a)

Refinery

- capital cost allowance, Reg. Sch. II:Cl. 10(u), Sch. II:Cl. 41

Refrigeration and air conditioning mechanic

- apprenticeship job creation credit, 127(9)“investment tax credit”

Refugee

- entitled to Canada Child Benefit, 122.6“eligible individual”(e)(iii)

Refund

- after normal reassessment period, 152(4.2), 164(1.5)
- assignment of, by corporation, 220(6), (7)
- capital gains
 - mutual fund corporation, to, 131(2), (3)
 - mutual fund trust, to, 132(1), (2)
- Crown royalty, income inclusion, 12(1)(x.2)
- dividend
 - mutual fund corporation, to, 131(5)
 - private corporation, to, 129(1)
- duty of Minister, 164(4.1)
- employees profit sharing plan, to former beneficiary, 144(9)
- fraudulently obtained, offence, 239(1.1)
- included in income, 12(1)(x)(iv)
- interest on, 164(3)–(4)
- labour-sponsored funds tax credit clawback, 211.82
- non-resident tax, of, 227(6)–(7)
- of payments, *see* Refund of payments
- overpayment of tax, of, 164
 - application to other taxes, 164(2)
- Part I tax, 164
- partial refundable investment tax credit re scientific research and development, 164(1)
- premiums, of, *see* Registered retirement savings plan: refund of premiums
- provincial portion of income tax, 164(1.4)
- RRSP premiums, of, 146(1)“refund of premiums”
 - deemed receipt of, 146(8.1)
- reassessment to give rise to, 152(4.2)
- refundable dividend tax, 129
 - application to other liability, 129(2)
 - repayment on objections and appeals, 164(1.1)
 - returns must be filed before payable by Minister, 164(2.01)
- tax, of
 - deferred profit sharing plan, to, 202(2)
 - application to other taxes, 203
 - excessive, 160.1(1)
- tax on non-qualified investment, of
 - on disposition, 198(4), 199(2)
 - on recovery of security, 198(5)

Refund benefit

- defined, Reg. 8300(1)

Refund interest

- defined
 - for M&P credit on resource income, Reg. 5203(4)
 - for corporate interest offset, 161.1(1)
- payable to taxpayer, 164(3)
- rate of interest, Reg. 4301(b)

Refund of payments

- defined, for education savings plan, 146.1(1)

Refund of premiums, see Registered retirement savings plan: refund of premiums**Refund Set-Off program, 164(2)****Refundable capital gains tax on hand**

- mutual fund corporation, of, 131(6)“refundable capital gains tax on hand”
 - carryover to mutual fund trust on qualifying exchange, 132.2(3)(i)
 - reduction of, 131(9)
- mutual fund trust of, 132(4)“refundable capital gains tax on hand”
 - addition to following reorganization, 132.2(3)(i)

Refundable credits

- Air Quality Improvement Tax Credit, 127.43
- CCUS credit, 127.44
- Canada Carbon Rebate, 122.8
- Canada Child Benefit, 122.61(1)
- Canada Training Credit, 122.91
- Canada Workers Benefit (former Working Income Tax Benefit), 122.7
- Canadian film/video production credit, 125.4
- carbon capture, use and storage credit, 127.44
- carbon tax rebate
 - for farmers, 127.42
 - for individuals (Canada Carbon Rebate), 122.8
 - for small business, 127.421
- clean electricity tax credit, 127.491
- clean hydrogen tax credit, 127.48
- clean technology investment tax credit, 127.45
- clean technology manufacturing investment tax credit, 127.49
- child fitness credit (2015-2016), 122.8
- Climate Action Incentive (now called Canada Carbon Rebate), 122.8
- dividend refund, 129(1)
- EV battery technology credit, 127.492 [expected]
- film or video production services credit, 125.5
- GST credit, 122.5(3)
- greenhouse gas tax rebate, 122.8
- individual resident in Quebec, 120(2)
- investment tax credit, 127.1(1)
- journalism labour credit, 125.6
- medical expenses, 122.51
- Multigenerational Home Renovation Tax Credit, 122.92
- qualifying environmental trust credit, 127.41(3)
- school supplies tax credit, 122.9
- U.S. social security tax adjustment due to treaty amendment, Canada-U.S. Tax Treaty:Art. XVIII:5

Refundable dividend tax on hand, see also Dividend refund

- aggregate investment income, defined, 129(4), 248(1)
- amalgamation, on, 87(2)(aa)
- deemed, 186(5)
- defined, 129(3) [repealed], 129(4)“eligible refundable dividend tax on hand”, “non-eligible refundable dividend tax on hand”
- foreign investment income, defined, 129(4)
- “income” or “loss” defined, 129(4)
- meaning of certain expressions, 129(8)
- parent’s, after subsidiary wound up, 87(2)(aa), 88(1)(e.2)
- refund of, 129(1)

Refundable dividend tax on hand (*cont'd*)

- taxable dividend, defined, 129(7)

Refundable federal sales tax credit, 122.4 [repealed]

Refundable goods and services tax credit, 122.5, *see also* Goods and services tax (GST): refundable credit

Refundable investment tax credit

- deemed deduction from tax otherwise payable, 127.1(3)
- defined, 127.1(2)
- partial refund in respect of, 164(1)

Refundable medical expense credit, 122.51

Refundable Part IV tax, 186

- refund of, 129(1)

Refundable Part VII tax

- defined, 192(3), 248(1)

Refundable Part VIII tax on hand

- defined, 194(3), 248(1)

Refundable taxes

- investment income of CCPC, 123.3, *see also* Dividend refund
- Part IV tax, 186(1)
- prohibited investments for RRSP, RRIF, TFSA, RESP or RDSP, 207.04
- retirement compensation arrangement arrangement, 207.5(1)

Refurbishment

- defined, for clean electricity credit, 127.491(1)
- property incorporated into clean electricity property as part of, 127.491(1)“clean electricity property”(e)(x)

Refurbishment credit, *see* CCUS refurbishment tax credit

Registered animal

- defined, Reg. 1802(5)

Registered Canadian amateur athletic association

- business activities of, 149.1(6.01)
- constitutes qualified donee for donations, 149.1(1)“qualified donee”(c)
- defined, 248(1)
- donation to, 149.1(1)“qualified donee”(c)
 - by corporation, deduction, 110.1(1)(a)
 - by individual, tax credit, 118.1(1)“total charitable gifts”
- exempt from tax, 149(1)(g)
- gift to, *see* donation to (above)
- information return required from, 149.1(14)
- penalties, 188.1
 - penalty reduced by giving funds to another RCAA, 188(1.4), 189(6.3)
- political activities of, 149.1(6.201)
- public disclosure of information about, 149.1(15), 241(3.2)
- receipts, Reg. 3500, 3501
- records to be kept, 230(2)
- refusal by CRA to register, 149.1(22)
 - appeal from, 172(3)(a)
 - objection to, 168(4)
- revocation of registration, 149.1(4.2), 168
 - appeal from, 172(3)(a)
 - objection to, 168(4)
- suspension of receipting privileges, 188.2(1)

Registered charity, *see also* Charity

- accumulation of property, 149.1(8), (9)
- annulment of registration, *see* registration (below)
- bequest to, *see* Enduring property [repealed]
- books and records, 230(2)
- charitable activities, *see* Charitable activities
- communication of information by Minister, 149.1(15)
- constitutes qualified donee for donations, 149.1(1)“qualified donee”(b)
- controlled by person with criminal record, *see* Ineligible individual
- corporate tax return not required, 150(1.1)(a)
- criminal offence by director, *see* Ineligible individual

- defined, 248(1)
- designation as foundation or organization, 149.1(6.3)
 - objection to, 168(4)
- designation of, by Minister, as public foundation etc., 149.1(6.3)
 - appeal from, 172(3)(a.1)
- director committing offence, *see* Ineligible individual
- disbursement excess, 149.1(20)
 - defined, 149.1(21)
- disbursement quota, *see* Disbursement quota (of charity)
- donations to, *see* Gifts and donations (charitable)
- employee of, penalty for false statement in receipt, 188.1(9), (10)
- endowment to, *see* Enduring property [repealed]
- exemption for, 149(1)(f)
- false statement to obtain registration, revocation, 149.1(4.1)(c)
- fund-raising event
 - exempted from general limitation on entertainment expense deduction, 67.1(2)(b)
- gift to another registered charity
 - revocation of registration, 149.1(4.1)
- gifts to, 118.1(1), (3)
- information returns, 149.1(14), Reg. 204(3)(c)
- investment assets, disbursement requirement, *see* Disbursement quota (of charity)
- loan to donor, 118.1(16)
- non-qualified investment, tax re, 189
- officer of, penalty for false statement in receipt, 188.1(9), (10)
- option granted to, 110.1(10)–(13), 118.1(21)–(24)
- partnership look-through rule, 149.1(11)
- penalties, 188.1, 189(6.3)
 - appeal of penalty, 189(8), 169(1)
 - carrying on business, 188.1(2)
 - conferring undue benefit on any person, 188.1(4), (5)
 - failing to file information return, 188.1(6)
 - false statement in receipt, 188.1(9), 10
 - foundation acquiring control of corporation, 188.1(3)
 - incorrect receipt, 188.1(7)–(10)
 - making gift to delay charitable expenditures, 188.1(11)
 - objection to penalty, 189(8), 165(1)
 - penalty reduced by giving funds to another charity, 189(6.3)
- penalty taxes, 188, 189
- political activities of, *see* Political activity
- public information return, 149.1(14), (15)
- receipts issued by
 - penalty for incorrect or false information, 188.1(7)–(10)
 - revocation for incorrect or false information, 168(1)(d)
- requirements, Reg. 3501
- registration of, 248(1)“registered charity”
 - annulment of registration, 149.1(23), (24)
 - appeal from, 172(3)
 - objection to, 168(4)
 - refusal by Minister to register, 149.1(22)
 - appeal from, 172(3)
 - objection to, 168(4)
 - revocation of, 149.1(2)–(4.1), 168
 - appeal from, 172(3)
 - deemed year-end, 188(1)
 - grounds for, 149.1(2)–(4.1), 168
 - objection to, 168(4)
 - returns required, 189(6.1)
 - tax on, 188(1.1)
 - reduction of revocation tax liability, 189(6.2)
- remainder interest in real property, disposition to, 43.1(1)
- returning gift to donor, 110.1(14)–(17), 118.1(25)–(28), Reg. 3501.1
- specified gift, defined, 149.1(1)
- suspension of receipting privileges, 188.2
 - appeal of suspension, 189(8), 169(1)

Registered charity (*cont'd*)

- objection to suspension, 189(8), 165(1)
- tax re, 188, 189
- taxation year, 149.1(1)
- ten-year gift to, *see* Enduring property [repealed]
- terrorism, supporting, *see* Charities Registration (*Security Information*) Act
- transfer of property
 - tax on, 188(3), (4)

Registered disability savings plan (RDSP), 146.4

- advantage, 207.01(1)“advantage”, 207.05
- attribution rules do not apply, 74.5(12)(a.2)
- cessation of eligibility for disability tax credit
 - RDSP can stay open indefinitely, 146.4(4)(p)(ii)
- conditions, 146.4(2)–(4)
- defined, 146.4(1)
- disposition of property to, capital loss nil, 40(2)(g)(iv)(A)
- election on ceasing to be DTC-eligible, 146.4(4.1), (4.2)
- emigration from Canada, no tax on, 128.1(10)“excluded right or interest”(a)(iii.1)
- exempt from tax, 146.4(5)
- holder of, *see* Holder
- information return
 - required for payments to non-residents, Reg. 202(2)(n)
 - required for payments to residents, Reg. 200(1)
 - whether required for RDSP, Reg. 204(3)(g)
- interest on money borrowed for, not deductible, 18(11)(i)
- issuer extending advantage, 207.01(1)“advantage”
- non-compliant, 146.4(10)–(12)
- non-qualified investment
 - defined, 207.01(1)
 - tax on, 207.04
- payment from
 - not counted for purposes of Canada Child Benefit, 122.6“adjusted income”
 - not counted for purposes of GST/HST Credit, 122.5(1)“adjusted income”
 - not counted for purposes of Old Age Security clawback, 180.2(1)“adjusted income”
 - tax on, 56(1)(q.1), 146.4(6)
 - withholding tax
 - non-resident, 212(1)(r.1)
 - resident, 153(1)(i), Reg. 103.1
- prohibited investment, tax on, 207.04
- qualifying family member
 - becoming holder of RDSP, 146.4(1)“disability savings plan”(a)(ii)(B.1), (B.2)
 - defined, 146.4(1)
 - rules governing, 146.4(1.5)–(1.7)
- Quebec, in, deemed to be trust, 248(3)(c)
- reversionary trust rules do not apply, 75(3)(a)
- rollover to
 - from RRSP, RRIF or RPP, 60.02
 - RESP investment income, 146.1(1.1), (1.2)
- shortened life expectancy rules, 146.4(1.1)–(1.4)
- tax payable by
 - borrowing money, 146.4(5)(a)
 - carrying on business, 146.4(5)(b)
 - non-qualified investments, 146.4(5)(b)
 - on acquisition of shares not at fair market value, 207.1(5)
 - on non-qualified or prohibited investment, 207.04
- transfer to another RDSP, 146.4(8), (9)
- withholding, *see* payment from (above)

Registered education savings plan, 146.1, *see also* Education savings plan

- accumulated income payment
 - defined, 146.1(1)
 - included in income, 146.1(7.1)
- restrictions on making, 146.1(2)(d.1)

- rollover to registered disability savings plan, 146.1(1.1), (1.2)
- advantage, 207.01(1)“advantage”, 207.05
- amendments to, 146.1(4.1)
- amounts received, income, 56(1)(q)
- annual limit, *see* RESP annual limit
- annuities, holding of, 146.1(1)“qualified investment”(c)
- beneficiary under
 - amount included in income, 146.1(7)
 - defined, 146.1(1)
- conditions for registrations, 146.1(2)
- contribution limits, *see* RESP annual limit; RESP lifetime limit
- defined, 146.1(1)
- distance education programs, 146.1(2)(g.1)
- educational assistance payment, *see* Educational assistance payment
- emigration of beneficiary, no deemed disposition, 128.1(10)“excluded right or interest”(a)(iii)
- “excess amount” defined, 204.9(1), (2)
- excluded amount, 146.1(7.2)
- excluded from various trust rules, 108(1)“trust”(a)
- family plan, 146.1(2)(j)
- information returns
 - by promoters, 146.1(15)
 - by trustees, 146.1(13.1)
- interest on money borrowed to contribute to, not deductible, 18(11)(h)
- locked-in annuities, 146.1(1)“qualified investment”(c)
- money borrowed for contribution to
 - limitation on deductibility, 18(11)(g)
- non-qualified investment
 - defined, 207.01(1)
 - tax on acquiring, 207.04
 - tax on holding before 2017, 207.1(3)
- notice of intent to revoke registration, 146.1(12.1)
- appeal from, 172(3)(e.1)
- notice of revocation, 146.1(12.2)
- notification to beneficiaries, 146.1(2)(l)
- overcontributions to, tax on, 204.9–204.93 (Part X.4)
- payments out of
 - non-residents, to, 212(1)(r)
 - residents, to, 56(1)(q), 146.1(7)
- prohibited investment, tax on, 207.04
- promoter extending advantage, 207.01(1)“advantage”
- qualified investment
 - defined, 146.1(1)
 - holding non-qualified investment
 - revocation of plan, 146.1(2.1), (12.1)
 - tax on, 207.1(3)
 - Quebec, in, deemed to be trust, 248(3)(c)
- refund of payments under, 146.1(1)
- registration
 - conditions for, 146.1(2)
 - deemed date of, 146.1(12)
 - revocation of, 146.1(12.1), (12.2), (13), (14)
- reversionary trust rules do not apply, 75(3)(a)
- revocable, 146.1(2.1)
- revocation, 146.1(13)
- notice of, 146.1(12.1), (12.2)
- rollover of investment income to RDSP, 146.1(1.1), (1.2)
- subscriber not taxable, 146.1(6)
- tax payable by
 - on acquisition of shares not at fair market value, 207.1(5)
 - on non-qualified or prohibited investment, 207.04
- tax payable by subscribers, 204.91
- transfer of property to another plan, 146.1(2)(g.2), (j)(ii)(B), 146.1(6.1), 204.9(5)
- trust
 - rollover to new trust, 248(1)“disposition”(f)(vi)

Index

Registered education savings plan (*cont'd*)

- trust not taxable, 146.1(5), 149(1)(u)
- withholding of tax from payments, 153(1)(t), Reg. 103(6)(g), 103(8)

Registered foreign charity

- defined, 149.1(1)
- information return required, 149.1(14.2)
- penalty for failure to file, 188.1(6)
- registration of, by CRA, 149.1(26)
- revocation of registration, 168(1)(c)
- suspension of registration, 188.2(2.1)
- treated as charity, 149.1(1)“qualified donee”(a)(v)

Registered home ownership savings plan, 146.2 [repealed]

Registered investment

- defined, 204.4(1), 248(1)
- list of, 204.5
- qualifies for RDSP or RESP, Reg. 4900(5)
- qualifies for RRSP, Reg. 4900(1)(a)
- tax on
 - on holding certain property, 204.6

Registered journalism organization, *see also* Qualified Canadian journalism organization; Qualifying journalism organization

- defined, 248(1)
- exempt from tax, 149(1)(h)
- information return required, 149.1(14.1)
- qualifies for charitable donations, 149.1(1)“qualified donee”(b.1)

Registered labour-sponsored venture capital corporation, *see* Labour-sponsored venture capital corporation (LSVCC): registered

Registered life insurance policy

- defined, 211(1)

Registered mail

- no longer needed, for notice of objection, 165(2)

Registered national arts service organization

- benefits from, included in income, 56(1)(z.1)
- deemed to be registered charity, 149.1(6.4)
- defined, 248(1)
- exempt from tax, 149(1)(l)
- prescribed conditions, Reg. 8700
- receipts issued by, Reg. 3500“registered organization”
- registration, 149.1(6.4)
- revocation of designation, 149.1(6.5)

Registered non-resident insurer

- defined, Reg. 804
- withholding requirements, Reg. 800–805.1

Registered organization

- defined, for donations and gifts, Reg. 3500

Registered pension plan, 147.1–147.3, Reg. Part LXXXIII–LXXXV

- actuarial report, 147.2(3), Reg. 8410
- actuary, defined, 147.1(1)
- administrator, 147.1(6)–(7)
 - defined, 147.1(1)
 - obligations, 147.1(7)
 - requirement, 147.1(6)
 - separate liability, 147.1(16)
- amendments to, 147.1(4), (15), 172(3), (5), Reg. 8511, 8512(3)
- annuity, rollover from RPP, 147.4
- appeal
 - refusal to accept amendment, from, 172(3)(f.1), 172(5)
 - refusal to register, from, 172(3)
- application for registration, 147.1(2), Reg. 8512(1)
- “as registered” meaning, 147.1(15)
- average wage, defined, 147.1(1)
- balance of annuitized voluntary contributions, 60.2(2)

- benefit provisions, transfer between, 147.3(14.1)
- benefits from
 - association of, with employers, Reg. 8305
 - during phased retirement, Reg. 8503(16)–(25)
 - flowed through trust, 104(27)
 - unauthorized, 147.3(10), (12)
- maximum, Reg. 8504
- rollover for financially dependent child, 60(1)(v)(B.01)
- taxable, 56(1)(a)(i)
- borrowing restrictions, Reg. 8502(i), (i.1)
- bridging benefits, pension income credit, 118(8.1)
- buy-out annuity, 147.4(1)
- COVID-19 relief for 2020–22, *see* COVID-19
- certification of past service benefit, *see* Past service event
- communication of information re, 241(4)(d)(vii)
- commutation of benefits, Reg. 8503(2)(m), (n), 8503(2.1)
- compensation, defined, 147.1(1)
- conditions, 147.1(2), (5), Reg. 8501–8506
- continuation of, in amalgamation, 87(2)
- contract under, 254
- contribution error correction, *see* Pension adjustment correction; Permitted corrective contribution (to pension plan)
- contribution made in error, repayment of, 56(1)(a)(i)(G), 147.1(19)
- contribution, prescribed, 147.2(2), Reg. 8516
- death of contributor, amount deductible, 147.2(6)
- defined, 248(1); ITAR 17(8)
- defined benefit provision, defined, 147.1(1)
- definitions, 147.1(1)
- designated plan, Reg. 8515
 - special rule, Reg. 8515
- eligible contribution, defined, 147.2(2), Reg. 8515(5), 8516
- emigration of member, no deemed disposition, 128.1(10)“excluded right or interest”(a)(viii)
- employee’s contribution deductible, 147.2(4), Reg. 8502(b)(i), 8503(4)(a), (b)
- employer’s contribution
 - deductible, 20(1)(q), (s), 147.2(1), Reg. Part XXVII
 - defined benefit provision, 147.2(2)
 - filing of actuarial report, 147.2(3)
 - limits, 147.1(8), (9), Reg. 8506(2)
 - not taxable benefit, 6(1)(a)(i)
- exempt from tax, 149(1)(o), (o.1)
- excluded from various trust rules, 108(1)“trust”(a)
- filing annual return, Reg. 8409
- fixing contribution errors, *see* Pension adjustment correction; Permitted corrective contribution (to pension plan)
- foreign plan, *see* Foreign plan (pension plan)
- foreign service, *see* Foreign service
- grandfathered plan
 - complying before March 1996 budget date, Reg. 8509(13)
 - defined, Reg. 8500(1)
 - includes references to “approved” plan, ITAR 17(8)
- income accruing in
 - not taxed by U.S., Canada–U.S. tax treaty Canada–U.S. Tax Treaty:Art. XVIII:7
- information return, Reg. 8409
- insolvent employer, commutation of benefits
 - rollover to RRSP, 146(5.2), (5.201)
 - transfer to another RPP, Reg. 8517(3)–(3.02)
- insurance corporation demutualization conversion benefit, 139.1(12), (14)
- limits on contributions, 147.1(8), (9), 147.2(4), Reg. 8506(2)
- member of plan, defined, 147.1(1)
- Minister to obtain advice of Superintendent of Financial Institutions, 147.1(17)
- money borrowed for contribution to
 - limitation on interest deductibility, 18(11)(c)
- money purchase limit, defined, 147.1(1)

Registered pension plan (*cont'd*)

- money purchase provision
 - benefits permissible, Reg. 8506(1)
 - contributions eligible, Reg. 8506(2)
 - defined, 147.1(1)
 - minimum amount, Reg. 8506(5), (7), (7.1)
 - transfer from RRIF, 146.3(14.1)(b)
- multi-employer plan
 - anti-avoidance, 147.1(14)
 - becoming revocable plan, 147.1(9)
 - defined, 147.1(1), Reg. 8500(1)
 - pension adjustment limits, 147.1(9)
 - registration requirements, Reg. 8510(7)
 - specified
 - defined, 147.1(1), Reg. 8510(2)
 - rules, Reg. 8510(3), (5)–(7)
 - no tax payable by, 149(1)(o), (o.1)
 - non-member benefits, Reg. 8500(8)
 - non-residents
 - payment under, withholding tax, 212(1)(h)
 - participating employer, defined, 147.1(1)
 - past service benefits, determination of, 147.1(10)
 - past service contributions
 - additional voluntary contributions, deductible for 1986, 8(1.1)
 - by employer
 - deductible, 147.2(2), Reg. 8516(2)
 - past service event
 - defined, 147.1(1), Reg. 8300(1), (2)
 - restrictions on pension funding and benefits, 147.1(10), Reg. 8306, 8307(2)
 - past service payments into, 57(4)
 - payment under, taxable, 56(1)(a)(i), 212(1)(h), 254
 - pension adjustment, *see* Pension adjustment
 - pension adjustment limits, *see also* Pension adjustment
 - phased retirement, Reg. 8503(16)–(25)
 - plan as registered, 147.1(15)
 - pooled, *see* Pooled registered pension plan
 - prohibited investments, Reg. 8502(h), 8514(1)
 - refund of undeducted past service additional voluntary contributions, 60.2(1)
 - registration of, 147.1(2), (3)
 - additional conditions, 147.1(5)
 - amendments, conditions for acceptance of, 147.1(4)
 - deemed from time of application, 147.1(3)
 - regulations, 147.1(18), Reg. Part LXXXIII–LXXXV
 - revocation of, 147.1(13), 147.3(12)
 - notice, 147.1(12)
 - notice of intention, 147.1(11)
 - reorganization of money purchase plan, 147.3(7.1)
 - repayment of post-1989 benefits, 60(j.04)
 - reporting requirements, Reg. 8400–8410
 - retiring allowances transferred to, 60(j.1)
 - reversionary trust rules do not apply, 75(3)(a)
 - rollover, *see* transfer from; transfer to
 - salary deferral leave plan, Reg. 8508
 - shared-funding arrangement, Reg. 8501(6.1)
 - single amount, defined, 147.1(1)
 - specified multi-employer plan
 - defined, 147.1(1), Reg. 8510(2)
 - rules, Reg. 8510(3), (5)–(7)
 - spouse, defined, 147.1(1)
 - successor plan, Reg. 8308(8)
 - termination of, Reg. 8409(3)
 - transfer of members to new plan, Reg. 8500(9)
 - transfer of property between benefit provisions, 147.3(14.1)
 - transfer to, Reg. 8502(b)(iv)
 - another RPP, from, 147.3
 - DPSP, from, 147(19)(d)(i)

- PRPP, from, 147.5(21)(c)(iii)
- RRIF, from, 146.3(14)(b)(iii), 146.3(14.1)(b)
- RRSP, from, 146(16)(a)
- transfer from
 - ALDA (advanced life deferred annuity), to, 147.3(1)(c)(iv)
 - actuarial surplus, of, 147.3(4.1), (7.1)
 - annuity, to, 147.4
 - another RPP, to, 147.3(1)–(8), Reg. 8517
 - death, on, 147.3(7)
 - deemed, 147.3(14)
 - division of amount transferred, 147.3(11)
 - excess, 147.3(13)
 - lump sum on death, 147.3(7)
 - marriage breakdown, on, 147.3(5)
 - money purchase plan to money purchase plan, 147.3(7.1)
 - pre-1991 contributions, 147.3(6)
 - RRIF, to, 146.3(2)(f)(v), (vi), 147.3(1), (4)–(7), (10)
 - RRSP, to, 147.3(1), (4)–(7), (10)
 - registered disability savings plan, to, on death, 60.02
 - restrictions re, 147.3(12)
 - taxation of amount transferred, 147.3(9)
- transfers to
 - actuarial surplus, of, 147.3(4.1), (7.1)
 - another RPP, from, 147.3, Reg. 8517
 - deferred profit sharing plan, from, 147(19)
 - via a trust, 104(27.1)
 - marriage breakdown, on, 147.3(5)
 - money purchase plan from money purchase plan, 147.3(7.1)
 - pension benefits received through trust, of, 60(j)(ii)
 - RRSP, from, 146(16)
 - retiring allowance, 60(j.1)
 - unregistered plan, from, 60(j)(i)
- United States tax treatment of, *see* Qualifying retirement plan
- variable benefits, Reg. 8506(1)(e.1)
- wage measure, defined, 147.1(1)

Registered plan

- defined, 207.01(1)

Registered plan strip

- constitutes advantage, 207.01(1)“advantage”(d)
- defined, 207.01(1)
- 100% tax on, 207.05(2)(c)

Registered retirement income fund

- acceptance for registration, 146.3(2)
- administration fees, non-deductible, 18(1)(u)
- advantage, 207.01(1)“advantage”, 207.05
- amended
 - deemed receipt, 204.2(1.4)
- amounts received, income, 56(1)(t)
- annuitant
 - defined, 146.3(1)
 - emigration from Canada, no deemed disposition, 128.1(10)“excluded right or interest”(a)(ii)
- annuities, holding of, 146.3(1)“qualified investment”(b.1), (b.2)
- benefits taxable, 146.3(5)
- business carried on by, 146.3(3)(c)
- carrier, defined, 146.3(1)“annuitant”
- change in fund after registration, 146.3(11)–(13)
- common-law spouse, breakdown of relationship, 146.3(14)(a)
- death of last annuitant, 146.3(6)–(6.2)
 - carryback of losses, 146.3(6.3), (6.4)
- defined, 146.3(1), 248(1)
- depository, 146.3(1)“carrier”(d)
 - conditions for registration, 146.3(2)(c)
 - exempt from tax on amounts added or earned, 146.3(15)
- designated benefit
 - amount deductible, 146.3(6.2)
 - deemed received, 146.3(6.1)
 - defined, 146.3(1)“designated benefit”

Index

Registered retirement income fund (*cont'd*)

- • transfer of, to spouse, child or grandchild, 146.3(6.11)
- designation of charity as beneficiary, 118.1(5.2)(b)
- disposition of property to, capital loss nil, 40(2)(g)(iv)(A)
- eligible amount, 146.3(6.11)
- emigration of annuitant, no deemed disposition, 128.1(10)“excluded right or interest”(a)(ii)
- excessive small business property holding, tax, 207.1(5) (repealed retroactively)
- excluded from various trust rules, 108(1)“trust”(a)
- exempt from tax, 146.3(3), 149(1)(x)
- fair market value of plan to be reported to CRA, Reg. 215(2.1)
- income accruing in
 - • not taxed, 146.3(3), (15), 149(1)(x)
 - • not taxed by U.S., Canada–U.S. tax treaty Canada–U.S. Tax Treaty:Art. XVIII:7
- income not subject to annual accrual, Reg. 7000(6)
- information returns, Reg. 215
- insurance corporation demutualization conversion benefit, 139.1(12), (14)
- interest income deemed not received by annuitant, 146.3(15)
- investment counselling fees, non-deductible, 18(1)(u)
- life income fund, treated as RRIF (no legislative provisions, *see* 147.3(1) Notes)
- locked-in annuities, 146.3(1)“qualified investment”(b.2)
- losses after death, 146.3(6.3), (6.4)
- minimum amount
 - • defined, 146.3(1), Reg. 7308(3), (4)
 - • • for 2008, 146.3(1.1), (1.2)
 - • • for 2020, 146.3(1.4), (1.5)
 - • • recontribution due to reduced 2008 minimum, 60.021
 - • • recontribution due to reduced 2015 minimum, 60.022
 - • requirement to pay out annually, 146.3(1)“retirement income fund”
- non-qualified investment
 - • defined, 146(1), 207.01(1)
 - • tax on, 207.04
- non-resident, payment to, 212(1)(q)
- payments under
 - • attributed to spouse, 146.3(5.1)
 - • joint and several liability for tax on, 160.2(2)–(4)
 - • non-resident, to, 212(1)(q)
 - • • election to file return, 217
 - • taxable, 146.3(5)
 - • withholding of tax, 153(1)(l), Reg. 103(4), 103(6)(d.1)
- plan fees paid by owner, not an advantage conferred on plan, 207.01(1)“advantage”(b)(i)
- prohibited investment, tax on, 207.04
- property
 - • disposition or acquisition, 146.3(4)
 - • transfer of, 146.3(14)–(14.2)
 - • used as security, recovery of, 146.3(10)
- “property held” in connection with the fund, 146.3(1)
- qualified investment, defined, 146.3(1)
- Quebec, in deemed to be trust, 248(3)(c)
- recontribution of amounts withdrawn for 2015 when minimum amount reduced, 60.022
- registration of, 146.3(2)
- retirement income, defined, 146(1)
- retirement income fund, defined, 146.3(1)
- reversionary trust rules do not apply, 75(3)(a)
- revocation of registration, 146.3(11)–(13)
- rollover, *see* see transfer from; transfer to
- services in respect of, non-deductible, 18(1)(u)
- tax-paid amounts, *see* Tax-paid amount
- tax payable by
 - • on acquisition of shares not at fair market value, 207.1(5)
 - • on non-qualified or prohibited investment, 207.04
- transfer from

- • another RRIF, to, 146.3(2)(e)–(e.2), 146.3(14)(b)(i)
- • marriage breakdown, on, to spouse’s RPP, RRSP or RRIF, 146.3(14)
- • money purchase RPP, to, 146.3(14.1)(b)
- • PRPP, to, 146.3(14.1)(a)
- • registered disability savings plan, to, on death, 60.02
- transfer to
 - • ALDA (advanced life deferred annuity), from, 146.3(2)(f)(ix)
 - • amount to be included in income, 146.3(5.1)
 - • another RRIF, from, 146.3(14)(b)(i)
 - • balance of annuitized voluntary contributions, pre-10/9/86, 60.2(2)
 - • deceased spouse’s RRSP, from, 60(1)
 - • PRPP, from, 147.5(21)(c)(iv)
 - • RPP, from, 146.3(2)(f)(v), (vi), 147.3(1), (4)–(7), (10)
 - • RRSP, from 146(16), 146.3(5.1)
 - • rules, 146.3(5.1)–(5.5)
 - • unregistered pension plan, from, 60(j)(i)
 - • trust, not taxed, 146.3(3), 149(1)(x)
 - • value of plan to be reported to CRA, Reg. 215(2.1)
 - • withholding of tax, 153(1)(l), Reg. 103(4), 103(6)(d.1)

Registered retirement savings plan

- administration fees, non-deductible, 18(1)(u)
- advantage, 207.01(1)“advantage”, 207.05
- age 71 maturity, 146(2)(b.4)
- amended plan, 146(12)
- deemed receipt, 204.2(1.4)
- payments out of, subject to withholding of tax, 153(1)(j)
- amount deductible
 - • excess premiums, 146(8.2)
 - • • deemed not premiums, 146(8.21)
- amount included in computing income, 146(8.3)–(8.7)
- amounts received from, income, 56(1)(h), 146(8)
- annuitant
 - • defined, 146(1)
 - • emigration from Canada, no deemed disposition, 128.1(10)“excluded right or interest”(a)(i)
- annuities, holding of, 146(1)“qualified investment”(c.1), (c.2)
- annuity acquired or provided under, pre-Oct9/86
 - • balance of annuitized voluntary contributions to RPP, 60.2(2)
- attribution rule re payments from spousal plan, 146(8.3)
- benefits from, 146(8)–(8.91)
- rollover for financially dependent child, 60(1)(v)(B.01)
- spousal plan, attribution to spouse, 146(8.3)
- taxable, 146(8)
- where plan not registered at end of year entered into, 146(15)
- borrowing against,
 - • income inclusion, 146(10)(b)
 - • prohibited for depositary plan, 146(2)(c.3)(ii)
- borrowing from
 - • to finance education, *see* Lifelong Learning Plan
 - • to purchase a home, *see* Home Buyers’ Plan
- business carried on by, 146(4)(b)
- change in, after registration, 146(12), (13)
- common-law spouse, breakdown of relationship, 146(16)
- contributions, *see* premiums (*below*)
- cumulative excess amount re, 204.1(2.1), 204.2(1.1)
- death, effect of, 146(8.8)–(8.91)
- • carryback of losses, 146(8.92), (8.93)
- • refund of premiums to child or grandchild, rollover to new RRSP, 60(1)(v)(B.1)
- • refund of premiums to spouse, child or grandchild, 146(1)“refund of premiums”
- deduction limit, 146(1)“RRSP deduction limit”
 - • defined, 248(1)
 - • defined, 146(1), 248(1)

Index

Registered retirement savings plan (*cont'd*)

- definitions, 146(1)
- designation of charity as beneficiary, 118.1(5.2)(b)
- disposition of property to, capital loss nil, 40(2)(g)(iv)(B)
- dollar limit, 146(1)“RRSP dollar limit”
 - defined, 248(1)
- emigration of annuitant, no deemed disposition, 128.1(10)“excluded right or interest”(a)(i)
- excess amount for a year re, 204.2(1)
- excess contributions
 - tax on, 204.1
 - withdrawal of, 146(8.2)
- excessive small business property holding, tax, 207.1(5) (repealed retroactively)
- excluded from various trust rules, 108(1)“trust”(a)
- exempt from tax, 146(4), 149(1)(r)
- fair market value of plan to be reported to CRA, Reg. 214(1.1)
- Home Buyers’ Plan, *see* Home Buyers’ Plan
- home mortgage as investment, Reg. 4900(1)(j)–(j.2)
- income accruing in
 - not taxed, 146(4), 149(1)(r)
 - not taxed by U.S., Canada-U.S. Tax Treaty:Art. XVIII:7, XXIX:5
- income not subject to annual accrual, Reg. 7000(6)
- information returns, Reg. 214, 214.1
- insurance corporation demutualization conversion benefit, 139.1(12), (14)
- interest on money borrowed to invest in, not deductible, 18(11)(b)
- investment counselling fees, non-deductible, 18(1)(u)
- investment in small businesses, Reg. 4900(6), (12)
- issuer extending advantage, 207.01(1)“advantage”
- “issuer” of, defined, 146(1)
- labour-sponsored venture capital corporation, 127.4(1)“qualifying trust”, 127.4(6)(a)
- labour-sponsored venture capital corporation shares, acquisition of, 127.4(1)“qualifying trust”, (3)
- life insurance policies, 146(11)
- Lifelong Learning Plan, *see* Lifelong Learning Plan
- losses after death, 146(8.92), (8.93)
- maturity by age 71, 146(2)(b.4)
- money borrowed to pay premium
 - limitation on interest deductibility, 18(11)(b)
- mortgage as investment, Reg. 4900(1)(j)–(j.2)
- net past service pension adjustment, meaning, 146(1)
- non-qualified investment
 - defined, 146(1), 207.01(1)
 - tax on, 207.04
- non-resident withholding tax, 212(1)(l)
- overcontribution to
 - no deduction for, 146(5)
 - non-deductible, withdrawal of, 146(8.2)
 - tax on, 204.1(2.1)
 - transfer from RPP, deduction if withdrawn, 147.3(13.1)
- payments under
 - joint and several liability for tax on, 160.2(1), (3), (4)
 - non-residents, to, 212(1)(l)
 - election to file return, 217
 - remuneration, Reg. 100(1)
 - taxable, 56(1)(h), 146(8), 212(1)(l)
 - withholding tax, 153(1)(j)
- plan fees paid by owner, not an advantage conferred on plan, 207.01(1)“advantage”(b)(i)
- pledging assets of, *see* borrowing against (above)
- premiums
 - amount deductible, 60(i), 146(5), (5.2), (6.1)
 - excess, refunded, deemed not premiums, 146(8.21)
 - minimum tax, 127.52(1)(a) [repealed]
 - paid before registration, 146(14)
 - refund of, on overcontribution, 146(8.2)
 - undeducted, 204.2(1.2)
- prohibited investment, tax on, 207.04
- property used as security for loan, recovery of, 146(7)
- qualified investments of, 146(1), Reg. 4900
- Quebec, in deemed to be trust, 248(3)(c)
- recontribution of certain withdrawals, deduction for, 146(6.1)
- refund of excess contributions, 146(8.2)
- refund of premiums, 146(1)
 - deemed receipt of, 146(8.1)
 - defined, 146(1)
 - estate, to, 146(8.1)
 - transferred to annuity, RRSP or RRIF, 60(l)
- registration of, 146(2), (3), (13.1)
 - change after, 146(12), (13)
- retiring allowance, transfer to, 60(j.1)
- reversionary trust rules do not apply, 75(3)(a)
- rollover, *see* transfer from; transfer to
- rules governing, 146
- security, not to be used as, 146(2)(c.3)(ii)
- services in respect of, non-deductible, 18(1)(u)
- spousal plan, 146(8.3)
 - attribution on withdrawals, 146(8.3)
 - defined, 146(1)
 - premiums
 - amount deductible, 146(5.1)
 - not subject to income attribution rules, 74.5(12)
- spouse
 - breakdown of relationship, on, 146(16)
 - transfer to, on death, 146(1)“refund of premiums”, 146(8.91)
- tax on over-contributions to, 204.1
- tax-paid amounts, *see* Tax-paid amount
- tax payable by
 - on acquisition of shares not at fair market value, 207.1(5)
 - on non-qualified or prohibited investment, 207.04
 - termination at age 71, 146(2)(b.4)
- transfer from
 - to ALDA (advanced life deferred annuity), 146(16)(a.1)
 - to another RRSP or RRIF, 60(l), 146(16)
 - amount to be included in income, 146.3(5.1)
 - rules, 146.3(5.1)–(5.5)
 - tracking of funds, 146(8.4)
 - to RDSP, on death, 60.02
 - to RPP, 146(16)(a)
- transfer to
 - another RPP, from, 147.3
 - another RRSP, from, 146(16)
 - capital loss deemed nil, 40(2)(g)(iv)(A)
 - capital loss denied, 40(2)(g)(iv)(B)
 - DPSP, from, 147(19)(d)(i)
 - deceased person’s RRSP, from, 60(l)
 - PRPP, from, 147.5(21)(c)(iv)
 - pension benefits received through a trust, 60(j)(ii)
 - RPP, from, 147.3(1), (4)–(7), (10)
 - division of amount transferred, 147.3(11)
 - taxation of amount transferred, 147.3(10)
 - RRIF, from, 146.3(14)(b)(ii)
 - RRSP, from, 146(16)(a)
 - retiring allowance, 60(j.1)
 - spouse, for, on marriage breakdown, 147.3(5)
 - unregistered pension plan, from, 60(j)(i)
- trust
 - disposition of property by, 146(9)
 - non-qualified investments acquired by, 146(10)
 - non-qualified investments held by
 - tax payable, 146(10.1)
 - not taxed, 146(4), 149(1)(r)

Registered retirement savings plan (*cont'd*)

- United States residents, deferral, Canada-U.S. Tax Treaty:Art. XVIII:7
- United States retirement plan, deduction limit applies, 146(1)“unused RRSP deduction room”(b)D(ii), Canada-U.S. Tax Treaty:Art. XVIII:11
- unused deduction room, meaning, 146(1)
- value of plan to be reported to CRA, Reg. 214(1.1)
- withdrawal of funds for education, *see* Lifelong Learning Plan
- withdrawal of funds to purchase home, *see* Home Buyers' Plan
- withholding on withdrawals of funds, Reg. 103(4)

Registered securities dealer, *see also* Broker; Investment dealer; Securities

- defined, 248(1)
- securities lending arrangement payments to non-residents
- information return required, 212(18)
- tax on excessive payments, 212(19)

Registered segregated fund trust

- excluded from various trust rules, 108(1)“trust”(a)

Registered supplementary unemployment benefit plan

- amendment of, amounts received, 145(4)
- benefits received, income, 56(1)(g)
- defined, 145(1)
- emigration of employee, no deemed disposition, 128.1(10)“excluded right or interest”(a)(xi)
- employer's contribution under, 20(1)(x), 145(5)
- excluded from various trust rules, 108(1)“trust”(a)
- reversionary trust rules do not apply, 75(3)(a)
- rollover to new trust, 248(1)“disposition”(f)(vi)
- trust not taxable, 145(2), 149(1)(q)
- winding-up of, amounts received, 145(4)

Registration

- business, *see* Business Number
- Canadian amateur athletic association, 248(1)“registered Canadian amateur athletic association”
- appeal from refusal or revocation by Minister, 172(3), (4)
- certificate in Federal Court, of tax owing to Crown, 223(3)
- charity, *see* Registered charity: registration of
- deferred profit sharing plan, 147(2)–(5), Reg. 1501
- education savings plan, 146.1(2), (4), (12)
- employees profit sharing plan, as DPSP, 147(3), (4)
- GST, *see* Business Number
- labour sponsored venture capital corporation, 204.81(1)
- multi-employer pension plan, Reg. 8510(7)
- national arts service organization, 149.1(6.4)
- appeal from refusal or revocation by Minister, 172(3), (4)
- pension plan, 147.1(2), (3), Reg. 8512(1)
- multi-employer plan, Reg. 8510(7)
- profit sharing plan, as DPSP, 147(2)
- registered education savings plan, *see* education savings plan (above)
- registered investment, deemed, 204.4(7)
- registered pension plan, *see* pension plan (above)
- registered retirement income fund, *see* retirement income fund (below)
- registered retirement savings plan, *see* retirement savings plan (below)
- retirement income fund, 146.3(2)
- retirement savings plan, 146(2), (3), (13.1)
- revocation of, *see* Revocation of registration
- tax shelter, 237.1, *see also* Tax shelter

Registration information

- defined, re disclosure of taxpayer information, 241(10)
- disclosure of, 241(4)(l)

Regular adjustment period

- defined, re indexed debt obligation, Reg. 7001(7)

Regular customers

- defined, for FAPI rules, 95(2.4)(b)

Regular eligible amount

- defined, for Home Buyers' Plan, 146.01(1)

Regular tax credit rate

- defined, for labour requirements for ITCs, 127.46(1)

Regulated energy utility business (for EIFEL)

- deeming rule for income from, 18.2(20)
- defined, 18.2(1)
- excluded from limitation, 18.2(1)“exempt interest and financing expenses”(c)

Regulated foreign financial institution, *see* Offshore regulated bank**Regulated innovative capital**

- defined, 122.1(1)
- excluded in determining whether trust is SIFT trust, 122.1(1)“investment”(b)(ii)

Regulated Investment Company (U.S.)

- dividend paid to Canadian resident, Canada-U.S. Tax Treaty:Art. X:7(b)

Regulations

- definitions in, *Interpretation Act* s. 16
- failure to comply with, penalty, 162(7)
- incorporating material amended from time to time, 221(4)
- Income Tax, reproduced after the *Income Tax Act* and *Income Tax Application Rules*
- judicial notice to be taken of, 244(12)
- meaning, 248(1)
- provision for, 147.1(18), 214(13), 215(5), 221(1)
- publication of, in *Canada Gazette*, 221(2)
- reducing amount of non-resident withholding tax, 215(5)
- residents in Canada, re, 214(13)
- retroactive effect, limitation on, 221(2)
- whether binding on Her Majesty, 221(3)

Regulatory innovative capital, *see* Regulated innovative capital**Rehabilitative therapy**

- for hearing/speech loss, medical expense, 118.2(2)(l.3)

Reimbursement

- alimony or maintenance payments, 56(1)(c.2), 60(c.2)
- disability insurance top-up paid by employer, 8(1)(n.1)
- election to offset against outlay or expense, 12(2.2)
- housing loss, by employer, 6(19)–(22)
- included in income, 12(1)(x)
- prescribed amount, Reg. 7300
- inducements, 20(1)(hh)
- legal expenses of collecting salary etc., re
- included in employee's income, 6(1)(j)
- loss in value of home, for, 6(19)–(22)
- medical expenses, 118.2(3)(b)
- motor vehicle expenses, in respect of, 6(1)(b)(xi)
- payments as
- election re adjusted cost base, 53(2)(s), 53(2.1)
- petroleum/natural gas etc. royalties included in income, for, 80.2
- received by beneficiary of trust, or partner, 12(2.1)
- salary or wages, of, 8(1)(n)
- support payments, 56(1)(c.2), 60(c.2)

Reimbursement payment

- defined (re top-up disability payments), 8(1)(n.1)(i)

Reinsurance arrangement

- defined, 211(1)

Reinsurance commission

- defined [repealed], Reg. 1408(1)
- exclusion from matchable expenditure rules, 18.1(15)
- whether deductible, 18(9.02)

Reinsurance contract held amount

- defined
- for determining insurer's capital, 138(12), 181(2), Reg. 8600
- for insurers' IFRS transition rules, 138(12), Reg. 2400(1)

Reinsurance contract held amount (*cont'd*)

- for insurers' policy reserves, Reg. 1408(1)

Reinsurance recoverable

- defined [repealed], Reg. 2400(1)

Reinsurance recoverable amount

- defined, Reg. 1408(1)

Reinsurance trust

- exemption from withholding tax, 212(9)(d)

Reinsurer

- sales commissions, excluded from matchable expenditure rules, 18.1(15)

Related, *see* Related persons

Related business

- defined, for income-splitting tax, 120.4(1)
- income derived from, income-splitting tax, 120.4(1)“split income”(b)(ii), (c)(ii)(C)
- of charity
- defined, 149.1(1)
- revocation of registration for carrying on other business, 149.1(2)(a)

Related entity

- defined, for Common Reporting Standard, 270(1)

Related group

- allocation of surtaxes on banks and life insurers, 123.6(3), 191.5(5)
- defined, 251(4)
- for surtaxes on banks and life insurers, 123.6(3), 191.5(5)

Related persons, *see also* Associated corporations

- deemed not to deal at arm's length, 251(1)(a)
- defined, 251(2)
- extensions to definition
- for butterfly transactions, 55(5)(e)
- for debt forgiveness rules, 80(2)(j)
- for financial institutions tax, 190.15(6)
- for foreign affiliates, 95(2.2)(b), 95(6)(a)(i)
- for loans to non-residents, 17(11), (11.1), (11.3)
- for transfer pricing, Canada-U.S. Tax Treaty:Art. IX:2

Related segregated fund trust, 138.1

- adjusted cost base of, 53(1)(l), 53(2)(q)
- application on qualifying disposition to trust, 107.4(3)(g)
- defined, 138.1(1)(a)
- minimum tax not payable by, 127.55(f)(i)
- rollover to new trust, 248(1)“disposition”(f)(vi)

Related transactions

- defined, for foreign tax credit, 126(7)

Relationship, defined, 251(6)

- for certain Part I.3 purposes, 181.5(6)

Relationship deposits

- defined, for FAPI of banks, 95(2.43)

Release or surrender, defined, 248(9)

Relevant activity

- defined, for digital platform operator reporting rules, 282(1)

Relevant affiliate interest and financing expenses

- defined, for interest deduction restrictions, 18.2(1)

Relevant affiliate interest and financing revenues

- defined, for interest deduction restrictions, 18.2(1)

Relevant assumption

- defined, FAPI partnership rules, 93.1(6)(b)

Relevant authority, *see also* Competent authority

- defined
- for IFRS transition for insurers, 138(12)
- for insurers' policy reserves regulations, Reg. 1408(1)
- for policy reserves in insurance business, Reg. 1408(1)
- for prescribed amount and recovery rate, Reg. 8006

Relevant census

- defined, for carbon tax refund, 122.8(1)

Relevant contribution (re eligible funeral arrangement)

- defined, 148.1(1)

Relevant conversion benefit

- defined, for insurance demutualization, 139.1(16)(a)

Relevant cost base

- defined, 95(4)

Relevant criminal offence, *see also* Relevant offence

- causing person to be ineligible to manage charity, 149.1(1)“ineligible individual”(a)
- defined, 149.1(1)

Relevant entity

- defined, for residence of international shipping corporation, 250(6.02)

Relevant factor

- defined, 248(1)

Relevant financial statements

- defined, for uncertain-tax-treatment rules, 237.5(1)

Relevant foreign income or profits

- defined, for hybrid mismatch arrangement rules, 18.4(1), 113(3)

Relevant foreign tax law

- defined, for artificial foreign tax credit generator rules, 91(4.1)(a)(i), (ii), 126(4.1f), Reg. 5907(1.03)(a), (b)

Relevant funder

- defined, for non-resident withholding tax back-to-back rules, 212(3.8)

Relevant funding arrangement

- defined, for non-resident withholding tax back-to-back rules, 212(3.8)

Relevant inter-affiliate interest

- defined, for EIFEL rules, 18.2(1)
- EIFEL adjustment for, 18.2(19)

Relevant licensor

- defined, for non-resident withholding tax back-to-back rules, 212(3.94)

Relevant limit (re debt forgiveness rules, partnerships)

- defined, 80(15)(b)
- limitation on deduction to partner, 80(15)(a)

Relevant loss balance (for debt forgiveness rules)

- application of, 80(3), (4)
- defined, 80(1)

Relevant non-arm's length entity

- defined, for FAPI rules, 95(1)

Relevant offence, *see also* Relevant criminal offence

- causing person to be ineligible to manage charity, 149.1(1)“ineligible individual”(b)
- defined, 149.1(1)

Relevant period

- defined
- for alternative interest-deduction restrictions, 18.21(1)
- for non-resident withholding tax on back-to-back loans, 212(3.1)(c)

Relevant person

- defined
- for acquisition of control of corporation from SIFT, 256(7)(c.1)(i)
- for FAPI rules re services, 95(3.02)
- for FAPL (loss) rules, Reg. 5903(7), *see also* Relevant person or partnership
- for private foundations, 149.1(1)

Relevant person or partnership

- defined, for foreign accrual property loss, Reg. 5903(6)

Relevant project period

- defined, for CCUS credit, 211.92(1)

Relevant proportion

- for carbon tax refund to farmers, 127.42(1)

Relevant province

- defined, for Canada Carbon Rebate, 122.8(4)A

Relevant provision

- defined
- FAPI partnership rules, 93.1(6)(a)
- trust transfer of farm/fishing property to settlor's children, 70(9.11)(c)

Relevant royalty arrangement

- defined, for non-resident withholding tax back-to-back rules, 212(3.94)

Relevant service

- defined, for digital platform operator reporting rules, 282(1)

Relevant spot rate

- defined, for functional currency rules, 261(1)

Relevant tax factor (for FAPI)

- defined, 95(1)

Religious order, members' charitable gifts, 110(2)**Religious organization, see** Communal organization; Registered charity**Relocation, see also** Moving expenses

- counselling, *see* Counselling services
- eligible, *see* Eligible relocation
- reimbursement for loss of value of home, *see* Housing loss

Remainder interest, disposition of, see Life estate in real property**Remission orders**

- text of, reproduced after the *Income Tax Regulations*

Remittance of taxes withheld, see also Withholding

- deemed remitted on day received by Receiver General, 248(7)
- interference with, by secured creditor, 227(5.2)–(5.4) (1995 draft, abandoned)
- large employers must remit through financial institution, 153(1), Reg. 110
- exception, 153(1.4)
- new small employers, quarterly remittance, Reg. 108(1.13)
- over \$10,000, must be electronic, 160.5(2), 162(7.4)
- small employers, quarterly remittance, Reg. 108(1.12)
- source withholdings, Reg. 108
- unclaimed dividends and interest, 153(4), Reg. 108(4)

Remote work site, employment at, 6(6), see also Northern Canada**Remuneration, see also** Salary

- defined
- for Canadian film/video tax credit, Reg. 1106(1)“remuneration”
- for source withholdings, Reg. 100(1)
- information returns, Reg. Part II
- ranges of, Reg. Sch. I
- total
- defined, Reg. 100(1)
- unpaid, 78(4)
- withholding of tax on, 153(1)(a)
- failure to remit amounts withheld, 227(9.5)
- failure to withhold, 227(8.5)

Renewable energy, see Energy: renewable**Renovation period**

- defined, for Multigenerational Home Renovation Tax Credit, 122.92(1)

Renovation period taxation year

- defined, for Multigenerational Home Renovation Tax Credit, 122.92(1)

Renovations

- disability-related
- deductible, 20(1)(qq)
- medical expense credit, 118.2(2)(1.2)

Rent

- accrual of, to date of death, 70(1)(a)

- deduction for, 9(1)
- future period, for
- not “outlay” or “expense”, 66(15)“outlay” or “expense”
- income
- taxable, 9(1)
- whether specified investment business, 125(7)“specified investment business”
- meaning of, 18(1)(d) (Notes)
- non-resident withholding tax, *see* paid to non-resident (below)
- office, paid by employee, 8(1)(i)(ii)
- certificate of employer, 8(10)
- paid on depreciable property before acquisition, deemed CCA, 13(5.2)
- paid to non-resident, 212(1)(d), 212(13)
- alternative tax, 216
- re railway rolling stock, exemption, 212(1)(d)(vii)
- prepaid, non-deductible, 18(9)
- scientific research expenditures, limitations, 37(8)(d)(ii)
- subsidy, *see* Canada Emergency Rent Subsidy
- treaty rules, Canada-U.S. Tax Treaty:Art. VI

Rent from real or immovable property

- defined, for SIFT trust and partnership distributions, 122.1(1)

Rent subsidy percentage

- defined, for COVID-19 Canada Emergency Rent Subsidy, 125.7(1)

Rent top-up percentage

- defined, for COVID-19 Canada Emergency Rent Subsidy, 125.7(1)

Rental cost

- defined, Reg. 5202

Rental housing, see Residential rental unit**Rental Housing Benefit Act**

- details of, 122.5(3.002) Notes
- disclosure of information for purposes of, 241(4)(d)(xxi), (xxii)

Rental or leasing property

- defined, 127.52(3)
- minimum tax, 127.52(1)(b), (c)(ii)

Rental properties

- capital cost allowance, Reg. 1100(11)–(14.2), 1101(1ac)–(1ae)
- non-arm's length exception, Reg. 1102(20)
- defined, Reg. 1100(14)–(14.2)
- minimum tax, 127.52(1)(b), (c.2)(ii), 127.52(3)“rental or leasing property”
- short-term, deductions disallowed if not compliant with local laws, 67.7

Renunciation, see Flow-through shares**Reorganization, see also** Amalgamation; Rollover; Winding-up

- butterfly, 55(3)(b)
- corporate, generally, 84–88
- divisive (butterfly), 55(3)(b)
- effect on stock options, 7(1.4), (1.5)
- mutual fund corporation or trust, 132.2
- of business, payment to shareholder deemed dividend, 84(2), (6)
- of capital, exchange of shares, 86(1); ITAR 26(27)
- property acquired in course of
- capital cost allowance, Reg. 1100(2.2)
- registered pension plan, members transferred, Reg. 8500(9)
- treaty protection, Canada-U.S. Tax Treaty:Art. XIII:8

Reorganization transaction

- defined, for stock buyback tax, 183.3(1)

Repaid amount (tax shelter investment)

- defined, 143.2(10)

Repair

- automobile, *see* Automobile: operating costs

Repayment, see also Reimbursement

- amount previously included in income, 20(1)(m.2)

Repayment (cont'd)

- application to other taxes, 164(2)
- employment insurance benefits, 60(n), (v.1)
- government assistance, *see* Assistance/government assistance: repayment of
- inducements, 20(1)(hh)
- overpayment of interest, by taxpayer, 164(3.1)
- deduction for, 20(1)(ll)
- pension benefits, 60(j.04)
- policy loan, 60(s)
- Quebec Parental Insurance Plan benefits, 60(g)
- shareholder's loan, 20(1)(j)
- tax, *see* Refund

Repayment period

- defined, for Lifelong Learning Plan, 146.02(1)

Repeal

- legislation, *Interpretation Act* s. 25(1)
- regulations, *Interpretation Act* s. 31(4)

Replacement cost of property

- value of inventory, 10(4)

Replacement obligation

- corporation in financial difficulty, exemption from non-resident withholding tax, 212(3)

Replacement property, *see also* Exchanges of property

- defined
- for capital property, 44(5)
- for depreciable capital property, 13(4), (4.1)
- for Home Buyers' Plan, 146.01(1)
- shares, *see* Replacement share
- taxable Canadian property
- capital property, 44(5)(c), (d)
- depreciable property, 13(4.1)(c), (d)

Replacement share

- defined, for small business investment capital gain rollover, 44.1(1)

Repo agreement, 260(1) "securities lending arrangement"**Reportable account**

- defined, for Common Reporting Standard, 270(1)

Reportable jurisdiction

- defined
- for Common Reporting Standard, 270(1)
- for digital platform operator reporting rules, 282(1)

Reportable jurisdiction person

- defined, for Common Reporting Standard, 270(1)

Reportable period

- defined, for digital platform operator reporting rules, 282(1)

Reportable person

- defined, for Common Reporting Standard, 270(1)

Reportable property

- defined, 128.1(10)
- reporting of, required, 128.1(9)

Reportable seller

- defined, for digital platform operator reporting rules, 282(1)

Reportable transaction

- mandatory disclosure rules
- defined, 237.3(1)
- information return required, 237.3(2)
- exception for clerical or secretarial services, 237.3(4)
- filing by one person before 2023 constitutes filing by all, 237.3(4)
- filing deadline, 237.3(5)
- penalty for failure to file, 237.3(8), (8.1)
- reassessment deadline 3 years after filed, 152(4)(b.5)
- transactions with non-residents
- defined, 233.1(1)
- information return required, 233.1(2), (3)

Reportable uncertain tax treatment

- defined, 237.5(1)
- requirement to report, 237.5(2)

Reported

- meaning of, for insurer, 138(12.3)

Reported reserve (of insurer)

- defined, Reg. 1408(1)

Reporting corporation

- defined, for uncertain tax treatment rules, 237.5(1)
- required to report uncertain tax treatment, 237.5(2)

Reporting-due day

- defined
- for CCUS knowledge sharing and climate risk disclosure, 211.92(1)

Reporting entity

- electronic funds transfer reporting
- defined, 244.1
- obligation to file, 244.2(1), 244.6
- foreign affiliate reporting
- defined, 233.4(1)
- obligation to file, 233.4(4)
- foreign property reporting
- defined, 233.3(1)
- obligation to file, 233.3(3)

Reporting financial institution

- defined, for Common Reporting Standard, 270(1)

Reporting fiscal year

- defined, for country-by-country reporting, 233.8(1)

Reporting of foreign owners of bank accounts, *see* Common Reporting Standard**Reporting partnership**

- defined, re transactions with non-residents, 233.1(1)

Reporting period

- defined
- for CCUS knowledge sharing, 211.92(1)
- for construction payment reporting, Reg. 238(3)
- for GST/HST-related provisions, *Excise Tax Act* 123(1)

Reporting person

- defined
- re transactions with non-residents, 233.1(1)
- re qualified investments, 221(1)

Reporting platform operator

- defined, for digital platform operator reporting rules, 282(1)

Reporting requirements, *see* Information return**Reporting taxation year**

- defined, for CCUS climate risk disclosure, 211.92(1)

Repossession of property

- effect on creditor, 79.1
- capital gains reserve, 79.1(3)
- deemed cost of seized property, 79.1(6)
- foreign resource property, 79.1(2.1)
- in same taxation year as sale, 79.1(5)
- inventory reserve, 79.1(4)
- effect on debtor, 79

Representation allowances, not income, 6(1)(b)(iii), (iv)**Representation expenses**

- deductible, 20(1)(cc)
- deemed deducted as depreciation, 13(12)
- election to defer, 20(9), Reg. 4100

Representative

- of deceased taxpayer, *see* Legal representative of deceased taxpayer
- of government entity, defined, 241(10)
- of taxpayer, disclosure of information to, 241(5)

Representative of deceased taxpayer, *see* Legal representative of deceased taxpayer

Repricing of stock options, 110(1.7), (1.8)

Repurchase of equity, *see* Stock buyback tax

Repurchase of shares, 260(1)“securities lending arrangement”

Required statement

- defined, Reg. 809(4)

Requirement, *see* Demand; Garnishment for taxes unpaid

Res judicata, 169(2)

Rescheduling of debt, expenses deductible, 20(1)(e)(ii.2), 20(1)(e.1)(iii)

Research and development, *see* Scientific research and experimental development

Research grant

- receipt of, income, 56(1)(o)
- refund of, 56(1)(p)
- repayment of, deductible, 60(q)

Reserve

- allowed, 20(1)(l)–(o)
- amalgamation, on, 87(2)(g), (i), (j)
- amount not due until later year, 20(1)(n)
- • no deduction in certain circumstances, 20(8)
- bond premium, *see* unamortized bond premium (below)
- capital gain, 40(1)(a)(iii), 40(2)(a)
- • 5-year reserve, 40(1)(a)(iii)
- • 10-year reserve
- • • intergenerational transfer of business, 40(1.2)
- • • transfer of farm property or small business shares to child, 40(1.1)
- • • transfer to employee ownership trust, 40(1.3)
- • • transfer to workers cooperative, 40(1.4)
- • donation to charity of non-qualifying security, 40(1.01)(c)
- • disallowed in year of death, 72(1)(c)
- • on exchange of property, 44(1)(e)(iii)
- • where property repossessed by creditor, 79.1(3)
- contingent account, limitation on deductibility, 18(1)(e)
- corporation that is member of partnership, 34.2(11)
- credit unions, Reg. Part VI
- debt forgiveness, 61.2–61.4
- defined
- • for capital gains, 40(1)(a)(iii)
- • for large corporations tax, 181(1)
- • for registered labour-sponsored venture capital corporations, 204.8(1)
- disallowed, 18(1)(e), 20(7)
- donation of non-qualifying security to charity, 40(1.01)(c)
- • disallowed in year of death, 72(1)(c)
- doubtful debts, 12(1)(d), 20(1)(l)
- exchange of property, 44(1)(e)(iii)
- foreign exchange restriction, 91(2), (3)
- goods not delivered, 12(1)(e), 20(1)(m)
- guarantees etc., for, 12(1)(d.1)
- impaired debts, 20(1)(l)(ii)
- imputed to spouse on death of taxpayer, 72(2)
- insurance agent or broker, 32
- insurer, *see* Insurance corporation: policy reserves; Insurance corporation: reserve for unpaid claims
- inventory, 20(1)(n)
- • where property repossessed by creditor, 79.1(4)
- life insurer’s, 138(3)
- limitation on deductibility, 18(1)(e)
- manufacturer’s warranty, 20(1)(l), (m), (m.1), (n), (o)
- maximum cumulative, of credit union, 137(6)“maximum cumulative reserve”
- negative, of insurer, 20(1)(e.1), 20(22), Reg. 1400(2)
- not deductible, 18(1)(e), 20(7)
- quadrennial survey, 12(1)(h), 20(1)(o), Reg. 3600
- qualifying transitional income (corporate partner), 34.2(11)
- reported (insurer), Reg. 1408(1)
- sectoral, defined, 20(2.3)

- services not rendered, 12(1)(e), 20(1)(m)
- transportation tickets, 20(6)
- unamortized bond premium, 20(1)(m.3)
- • income inclusion in following year, 12(1)(d.2)
- undelivered food or drink, 20(6)
- unearned commissions, 32
- unpaid claims, *see* Insurance corporation: unpaid claims reserve adjustment
- unpaid insurance policy claims
- • deduction, life insurance business, 138(3)(a)(ii)
- • deduction, non-life insurance business, 20(7)(c)
- • limitation, 18(1)(e.1)
- unrealized receivables, 20(1)(n)
- wind-up, on, 88(1)(e.1)
- year of death, not deductible for, 72(1)

Reserve adjustment

- life insurance corporations capital tax, 190.11

Reserve amount

- re resource property, defined, 66(15)

Reserve deficiency

- defined, Reg. 1403(8)(c)
- revision of policy lapse rates, Reg. 1403(8)–(10)

Reserve transition amount

- defined, for IFRS transitional rules for insurers, 138(12)

Reservoir

- substances injected into, deduction for, 20(1)(mm)

Residence, *see* Home

Resident beneficiary

- defined, 94(1)

Resident compensation

- defined, Reg. 8300(1)

Resident contributor

- defined, 94(1)

Resident of Canada

- absent from Canada
- • child care, moving, and attendant expenses, 64.1
- becoming, *see* Becoming resident in Canada
- ceasing to be, *see* Ceasing to be resident in Canada
- corporate emigration, 219.1
- corporation, 250(4)
- deemed, 250
- • for capital gains exemption, 110.6(5)
- • tuition credit, 118.5(2)
- defined, 250
- • authorized foreign bank, 212(13.3)
- • non-resident trust, 94(3)(a); *Income Tax Conventions Interpretation Act* s. 4.3
- entitled to U.S. treaty benefits, Canada-U.S. Tax Treaty:Art. XXIX-A:2
- extended meaning of, 250(1), (2)
- former, *see* Former resident
- former, deemed employed in Canada, 115(2)(c)
- income earned in a province, Reg. 2601
- liability for tax, 2(1)
- ordinarily, meaning of, 250(3)
- part-year, *see* Part-year resident
- partnership, *Income Tax Conventions Interpretation Act* s. 6.2
- person deemed not due to tax treaty, 250(5)
- regulations re, 214(13)
- returning, 128.1(6), (7)
- short-term, 128.1(4)(b)(iv)
- treaty purposes, Canada-U.S. Tax Treaty:Art. IV
- trust, deemed, 94(3)(a); *Income Tax Conventions Interpretation Act* s. 4.3

Resident portion (of trust)

- defined, 94(1)
- included in deemed-resident trust’s income, 94(3)(f)(ii)

Residential property

- defined, for AirBNB rentals, 67.7(1)
- defined, for minimum tax purposes, 127.52(3)
- partnership investing in
 - capital cost allowance limitation, 127.52(2)

Residential rental unit

- defined
 - for capital cost allowance, Reg. 1104(2)
 - for excessive interest limitation (EIFEL), 18.2(1)

Residential schools settlement, *see* Indian Residential Schools Settlement trust

Residual balance (upon debt forgiveness)

- defined, 80(14)
- included into income, 80(13)

Residual portion (on disposition of specified debt obligation), *see also* Current amount (on disposition of specified debt obligation)

- application of, 142.4(4)
- defined, 142.4(8)
- re disposition by financial institutions, Reg. 9200(1)

Resman Holdings TCC case overruled, 66.1(6)“Canadian exploration expense”(d)(i), 66.1(9)(a)

Resource

- defined, Reg. 1206(1)
- mineral, *see* Mineral resource

Resource activity

- defined, for resource allowance claims, Reg. 1206(1)

Resource allowance, 20(1)(v.1) [repealed], Reg. 1210 [repealed]

Resource expenses, *see also* Canadian development expense; Canadian exploration expense; Canadian oil and gas property expense

- amounts recovered included in income, 59
- Canadian development expenses, 66.2
- Canadian exploration and development expenses, 66(1)
- Canadian exploration expenses, 66.1
- Canadian oil and gas property expenses, 66.4
- change of control, rules, 66.7(10), (11)
- flow-through shares, 66(12.6)–(12.74), *see also* Flow-through shares
- flow-through to shareholder, 66(12.6), (12.62), (12.64)
- foreign exploration and development expenses, 66(4)
- joint exploration corporation, 66(10)–(10.4)
- limited partner, at-risk rules, 66.8
- minimum tax, 127.52(1)(e), (e.1) [to be repealed]
- partnership, of, 96(1)(d)
- reduction of, on debt forgiveness, 80(8)
- successor rules, 66.7
- “warehousing” prohibited, 66(19)

Resource income

- manufacturing profits, Reg. 5203

Resource profits

- defined, Reg. 1204(1.1), 5202

Resource property

- Canadian, *see* Canadian resource property
- carved-out income, *see* Carved-out income
- deceased taxpayer’s, 70(5.2)
- disposition
 - consideration for, on amalgamation, 87(2)(p)
 - involuntary, 59.1
 - reserve for uncollected amount
 - income in later year, 59(2)
- expropriation, 59.1
- foreign, *see also* Foreign resource property
- proceeds of disposition, 59(1)
- partnership, of, 96(1)(d)
- rules for trusts, 104(5.2)
- timber, *see* Timber resource property

Respiratory aids

- medical expense, Reg. 5700(c), (c.1), (c.2)

Respite care, *see* Attendant; Nursing home

Restaurant relief (COVID), Reg. 8901.1(2)(b)(ii), *see also* Qualifying tourism or hospitality entity

Restricted farm loss

- addition to adjusted cost base of land, 53(1)(i)
- amalgamation, on, 87(2.1)
- carryover of, 111(1)(c)
- deduction by partner where partnership disposes of land, 101
- defined, 31(1), (1.1), 111(9), 248(1)
- determination of, by Minister, 152(1.1), (1.2), (1.3)
- limitation on deductibility, 31(1), 111(3)
- partnership, from, 96(1)
- reassessment, 152(6)(c)
- reduction of, on debt forgiveness, 80(3)(c)

Restricted financial institution, *see also* Financial institution; Taxable RFI share

- defined, 248(1)
- dividends received on term preferred shares, 112(2.1)
- receiving dividends on taxable RFI shares
 - where shares acquired under securities lending arrangement, 260(9)

Restricted financial institution (RFI) shares, taxable

- tax on dividends received by restricted financial institution, 187.3
 - information return, 187.5
 - partnership, 187.4

Restricted interest and financing expense

- carryforward, 111(1)(a.1)
- defined, 111(8), 248(1)

Restricted investment

- defined, for pooled registered pension plan, 147.5(1)

Restricted property (for non-resident trust rules)

- defined, 94(1), 94(14)
- deemed, on indirect transfer to trust, 94(2)(b)
- determination of value when contributed to deemed-resident trust, 94(9)
- FAPI on contribution of to certain trusts, 94.2(1)(b)(ii)

Restrictive covenant (or non-competition payment)

- allocation of price paid, 68(c)
- defined, 56.4(1)
- employment income from
 - taxable when receivable after 3 years, 6(3.1)
- income from
 - deduction for bad debt, 60(f)
 - bad debt recovered, 56(1)(m)
 - included in income, 56.4(2)
 - non-resident withholding tax, 212(1)(i), 212(13)(g)
- succession planning exclusion, 56.4(7)

Restructuring of debt, expenses deductible, 20(1)(e)(ii.2), 20(1)(e.1)(iii)

Retention of books and records, 230(4), (4.1)

Retirement benefits

- defined, Reg. 8500(1)
- while continuing employment (phased retirement), Reg. 8503(16)–(25)

Retirement compensation arrangement

- administration of, corporation exempt, 149(1)(o.1)(i)(B)
- advantage, tax on, 207.5(1)“advantage”, 207.62
- amount paid in respect of
 - withholding of tax, 153(1)(p)–(r)
- amount payable under trust, not income, 12(1)(m)(ii)
- amounts received by employer under, includable in income, 12(1)(n.3)
- amounts transferred under, deduction from income, 60(j.1)
- benefits under

Index

Retirement compensation arrangement (*cont'd*)

- • deduction from income re, 60(t)
- • includable in income, 56(1)(x), (z)
- • not includable in employee's income, 6(1)(a)(ii)
- • received by another
 - • • joint and several liability for tax on, 160.3
- • whether eligible for pension income splitting, 60.03(1)“eligible pension income”(b)(i)(A)
- contribution to
 - • tax on, 207.7(1)
 - • withholding, Reg. 103(7)
- creation of trust, 207.6(1)
- deduction for contributions to
 - • by employee, 8(1)(m.2), 60(t), (u)
 - • by employer, 18(1)(o.2), 20(1)(r)
- defined, 248(1), Reg. 6802
- disposition of interest in
 - • amount included in income, 56(1)(y)
 - • deduction from income re, 60(u)
- disposition of property by trust, 56(11)
- distribution by trust, 107.2
- emigration of employee, no deemed disposition, 128.1(10)“excluded right or interest”(a)(ix)
- employee benefit plan becoming
 - • deemed contribution, 207.6(4)
- employer contribution deductible, 20(1)(r)
- excluded from annual interest accrual rules, 12(11)“investment contract”(b)
- excluded from non-resident trust rules, 94(1)“exempt foreign trust”(e)
- exclusion for letter of credit or surety bond, 207.5(1)“excluded contribution”
 - • refund for pre-March 28/23 amounts, 207.71
- failure to withhold amounts in respect of, 227(8.2)
- foreign plan, *see* Foreign plan (pension plan)
- incorporated employee carrying on personal services business, 207.6(3)
- life insurance policies, 207.6(2)
- Member of Parliament, Reg. 6802.1
- money borrowed to make employee contributions
 - • limitation on interest deductibility, 18(11)(e)
- non-resident compensation plan not retirement compensation arrangement
 - • exception re “resident's arrangement”, 207.6(5)
- payment of tax, 207.7(3)
- pension income credit not available, 118(8)(e), (f)
- pension income splitting on income from, 60.03(1)“eligible pension income”(b)(i)(A)
- portion of benefits taxable, 56(1)(a)(i)
- prescribed plan or arrangement, 207.6(6), Reg. 6802
- prohibited investment, tax on, 207.5(1)“advantage”, 207.61
- purchase price of interest in, paid by non-resident, 212(1)(j)
- refund of tax, 207.7(2)
- refundable tax, 207.5–207.7
 - • defined, 207.5(1)
 - • election re, 207.5(2)
- resident's arrangement, 207.6(5)
- resident's contribution, defined, 207.6(5.1)
- reversionary trust rules do not apply, 75(3)(a)
- severability of plan, 56(10)
- subject property
 - • defined, 207.5(1)
- tax payable
 - • advantage, 207.62
 - • • waiver of tax, 207.64
 - • prohibited investment, 207.61
 - • • waiver of tax, 207.64
 - • refundable tax, 207.7(1)
- transfer to another RCA, 207.6(7)

- • no withholding, Reg. 103(7)(a)
- trust
 - • corporation administering, exempt, 149(1)(o.1)(i)(B)
 - • creation of, 207.6(1)
 - • defined, 207.5(1)
 - • exempt from tax, 149(1)(q.1)
- withholding tax, 153(1)(p)–(r), Reg. 103(7)

Retirement counselling, *see* Counselling services

Retirement income, defined, 146(1)

Retirement income fund, *see also* Registered retirement income fund

- registration of, 146.3(2)
- • appeal from refusal, 172(3)(g), 180
- • deemed refusal by Minister, 172(4)(f)
- • revocation of, 146.3(11)–(13)
- services relating to, non-deductible, 18(1)(u)

Retirement payment

- single, from deferred profit sharing plan, 147(10.1), (10.2), Reg. 1503

Retirement savings plan, *see also* Registered retirement savings plan

- appeal from refusal to register, 172(3)(b), 180
- deemed registered, when, 204.2(3)
- defined, 146(1)
- foreign, *see* Foreign retirement arrangement
- registration of, 146(2), (3)
- • deemed refusal by Minister, 172(4)(b)
- services relating to, non-deductible, 18(1)(u)

Retiring allowance

- defined, 248(1)
- emigration, no deemed disposition of right, 128.1(10)“excluded right or interest”(d)
- income, 56(1)(a)(ii)
- legal costs of collecting or establishing right to
 - • deduction for, 60(o.1)
 - • income when recovered, 56(1)(l.1)
- paid to non-resident, 212(1)(j.1)
- election to file return, 217
- repayment of, deductible, 60(n)(iii)
- spread retroactively over prior years, 110.2, 120.31
- transferred to RRSP or RPP, 60(j.1)
- unpaid, 78(4)
- withholding tax, 153(1)(c), Reg. 103(4), (6)(e)

Retroactive effect, *see also* Grandfathering

- of amendments to pre-RSC 5th Supp. Act, ITAR 79
- of interest, to date of effect of amendment, 221.1
- of regulations, to date of public announcement, 221(2)

Retroactive legislation

- GAAR amendments, 245(4)
- GST disallowed as moving expense, 62(3)(f)

Retroactive lump-sum payment, *see* Lump-sum payment

Retrospection, ITAR 17(4)

Return of income

- defined
 - • for GST Credit, 122.5(1)
 - • for OAS clawback, 180.2(1)
 - • for teacher school-supplies credit, 122.9(1)

Returned property

- from charity to donor, 110.1(16), 118.1(27), Reg. 3501.1

Returning former resident, 128.1(6), (7)

Returns, *see also* Information return

- alternative to withholding tax, 216(1), 217
- amended, 152(6)
- bankrupt individual, 128(2)(e), (f)
- carved-out income, tax on, 209(3)
- corporation, 150(1)(a)
- • electronic filing mandatory, 150.1(2.1), (2.3)

Returns (*cont'd*)

- death of beneficiary, 104(23)(d)
- death of partner or proprietor, 150(4)
- deceased taxpayer, 150(1)(b), (e)
- deferred income plans
 - over-contributions, 204.3
 - property held by, 207.2
- demand for, by Minister, 150(2)
- designated persons, 150(1)(e)
- due date, 150(1)
- electronic filing of, 150.1
 - mandatory, 150.1(2.1), (2.3)
- employee's declaration, 227(2)
 - when to be filed, Reg. 107
 - where not filed, 227(3)
- estates, 150(1)(c)
- estimate of surtax, 180.1
- estimate of tax, 151
- excessive eligible dividend designation, 185.2(1)
- extension of time for filing, 220(3)
- failure to file, penalty
 - demand by Minister, 150(2)
 - penalty, 162(1)
 - repeated, 162(2)
 - trustees etc., 162(3)
 - false
 - penalty for, 163(2)
 - "understatement of income", 163(2.1)
- films, Reg. 225
- guardian, etc., 150(1)(d), (e)
- home insulation program, Reg. 224
- incomplete, penalty, 162(5)
- individual, 150(1)(d), (e)
 - in bankruptcy, 128(2)(e)
- information, *see* Information return
- late filing, penalty, 162(1)
- Minister not bound by, 152(7)
- non-profit organization, 149(12)
- omission in, penalty, 163(2)
- Part I, 150
- Part I.2, 180.2(5)(a)
- Part I.3, 181.6
- Part II, 183(1)
- Part II.1, 183.2
- Part II.2, 183.4
- Part III.1, 185.2(1)
- Part IV, 187(1)
- Part IV.1, 187.5
- Part V, 189(6), (6.1)
- Part VI, 190.2
- Part VI.1, 191.4
- Part VI.2, 191.5(8)
- Part IX, 196(2)
- Part IX.1, 197(4), (5)
- Part X, 202(1)
- Part X.1, 204.3
- Part X.2, 204.7
- Part X.3, 204.86
- Part X.4, 204.92
- Part XI.01, 207.07(1)
- Part XI.1, 207.2
- Part XI.2, 207.4
- Part XI.3, 207.7(3)(a)
- Part XI.4, 207.8(5)
- Part XII.1, 209(3)
- Part XII.2, 210.2(5)
- Part XII.3, 211.2
- Part XII.4 (qualifying environmental trust), 211.6(3)

- Part XII.5, 211.8(2), 211.82
- Part XII.6, 211.91(2)(a)
- Part XII.7 tax, 211.94
- Part XIII.1, 218.2(5)
- Part XIII.2 (optional), 218.3(3)–(9)
- Part XIV, 219(3)
- proof of, 244(17)–(19)
- public authorities (Part XI.2), 207.4
- refunds not payable until all filed, 164(2.01)
- registered investment, 204.7
- repeated failures to report an amount of income, penalty for, 163(1)
- required of employee, 227(2)
- where not filed, 227(3)
- separate
 - amounts receivable on death, 70(2)
 - bankrupt individual, 128(2)(e), (f)
 - death of beneficiary, 104(23)(d)
 - death of partner or proprietor, 150(4)
 - off-calendar year adjustment, 34.1(9)
 - deductions in computing taxable income, 114.2
 - minimum tax carryover not applicable, 120.2(4)
 - minimum tax not applicable, 127.55
 - tax credits, 118.93
 - trustees etc., 150(3)
 - failure to file, penalty for, 162(3)
 - in bankruptcy, 128(2)(e)
 - trusts, 150(1)(c)
 - understatement of income, 163(2.1)

Revenue Canada, *see* Canada Revenue Agency

Revenue guarantee

- creates tax shelter, Reg. 3100(1)(b)(ii)

Revenue reduction percentage

- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)

Reverse attribution, 74.5(11)**Reverse takeover**, 256(7)(c)–(c.2)**Reversionary trust**, 75(2), (3)

- non-resident trust, 94(8.1), (8.2)

Reversionary year

- defined, for functional currency rules, 261(1)

Revised Statutes of Canada, 1985 (5th Supp.)

- amendments to previous Act, ITAR 79
- continuity of previous versions of Act, ITAR 75, 77
- effective dates, ITAR 73

Revocable living trust

- excluded from qualifying disposition, 107.4(1)(e)

Revocable plan

- defined
- for DPSP, 147(21), Reg. 8408(2)
- for PRPP, 147.5(3), (4)
- for RPP, 147.1(8), (9), 147.3(12), Reg. 8301(14)(a), 8305(2)(a), 8408(2), 8501(2), 8503(11), (15), 8506(4), 8511(2), 8515(9)

Revocable trust, 75(2), (3)**Revocation of Canadian film/video production certificate**, 125.4(6)

Revocation of charity, *see* Registered charity: registration of: revocation of

Revocation of designation

- as qualified Canadian journalism organization, 168.1(2), (3)

Revocation of elections, 220(3.2)

- COVID-19 Canada Emergency Wage Subsidy and Canada Emergency Rent Subsidy, 125.7(10)
- election by mutual fund trust for December 15 year-end, 132.11(1.1)
- election to trigger capital gains exemption, 110.6(25)

Revocation of film/video production services certificate, 125.5(6)**Revocation of registration,** *see also* Notice of intent

- amateur athletic association, 149.1(4.2), 168
- appeal from, 172(3), 180(1), 204.81(9)
- charity, 149.1(4.1), 168, 188, 188.1
- deferred profit sharing plan, 147(14)–(15)
- education savings plan, 146.1(12.1), (12.2), (13), (14)
- labour-sponsored venture capital corporation, 204.81(6)–(9)
- national arts service organization, 149.1(6.5)
- pension plan, 147.1(11)–(13)
- pooled registered pension plan, 147.5(24)–(28)
- profit sharing plan, 147(14)–(15)
- qualified donee, 149.1(4.3), 168
- retirement income fund, 146.3(11)–(13)
- retirement savings plan, 146(12)

Revocation tax, charities, 188**Revoked corporation (registered labour venture capital)**

- defined (RLSVCC), 204.8(1), 211.7(1)

Revoked plan, *see* Deferred profit sharing plan**Rider**

- deemed to be separate life insurance policy
- • for insurer's reserves, Reg. 1408(5), (6)
- • when added to pre-1990 policy, 12.2(10)

Riding horses

- eligible for children's fitness credit, Reg. 9400(5)

Right of use or habitation (Quebec)

- deemed to be trust, 248(3)

Right to receive an amount

- cost amount of, 248(1)“cost amount”(e)

Right to receive production

- deduction of matchable expenditure prorated, 18.1(4)
- defined, 18.1(1)
- disposition of, income inclusion, 12(1)(g.1), 18.1(6)

Right to reduce

- defined, for limitations on contingent expenditures, 143.4(1)

Rights

- exchange of, on amalgamation, 87(4.3)

Rights or things

- acquired by beneficiary
- • deemed cost, 69(1.1)
- exclusions, 70(3.1)
- transferred to beneficiaries, 70(3)
- value of, included in income at date of death, 70(2)

Rights to drill or explore, *see* Exploration and drilling rights**Rights to income**

- transfer of, 56(4)

River improvements

- capital cost allowance, Reg. 1102(7)

River rafting relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(V), *see also* Qualifying tourism or hospitality entity**Road,** *see also* Specified temporary access road

- capital cost, 13(7.5)(b), Reg. 1102(14.3)

Roadways

- capital cost allowance, Reg. Sch. II:Cl. 1(g), Sch. II:Cl. 17
- • for mine, Reg. Sch. II:Cl. 10(l), Sch. II:Cl. 41

Robinson case overruled, 253.1(1)**Rocking bed, as medical expense,** 118.2(2)(i)**Rockmore Investments case overruled,** 125(7)“active business carried on by a corporation”**Rogers Enterprises case paras. 46–49 overruled,** 245(1)“tax benefit”(c)**Roller skating rink floor,** Reg. Sch. II:Cl. 10(i)**“Rolling start” rule,** 13(27)(b), 13(28)(c), 13(29)**Rollout**

- from trust, 107(2)
- on partnership ceasing to exist, 98(3)

Rollover, *see also* Transfer of property

- accounts receivable, 22
- amalgamation, on, 87
- bare trust, to or from, 248(1)“disposition”(e)(i)
- convertible debentures, 51
- convertible property, 51
- corporation, to, 85(1)
 - • by partnership, 85(2)
 - • capital property, 85(1)(c.2)
 - • depreciable property, 85(1)(c)
 - • farming inventory, 85(1)(c.2)
 - • from shareholder, 85(1)
 - • • eligible property, 85(1.1)
 - • • inventory, 85(1)(c.1)
 - • • wholly-owned corporation, 85(1)(e.2), 85(1.3)
- death, on
 - • registered retirement savings plan, 60(1)(v)(B.1), 146(8.8)–(8.91)
 - • to registered disability savings plan, 60.02
 - • to spouse or spouse trust, 70(6), (6.1)
- debt, in settlement of commercial debt obligation, 80(2)(h)
- demutualization of insurance corporation, 139.1(4)(a), (d)
- distress preferred share, converted to or from debt, 80.02(3)–(5)
- effect on shares held by former resident of Canada, 128.3
- exchange of property, 13(4), (4.1), 44
- exchange of shares, 51(1)
- exchange of shares on reorganization of capital, 86
- farm property, of, 70(9)–(9.31), 73(3)–(4.1)
- farming inventory, transfer to corporation, 85(1)(c.2)
- fishing property, of, 70(9)–(9.31), 73(3)–(4.1)
- foreign share for foreign share exchange, 85.1(5), (6)
- foreign spin-off, 86.1
- insurance business, 138(11.5), (11.94)
- insurer policyholder's rights, on demutualization, 139.1(4)(a), (d)
- internal reorganization, 86
- life insurance policy
 - • to child, 148(8)
 - • to spouse
 - • • inter vivos, 148(8.1)
 - • • on death, 148(8.2)
- mark-to-market property prohibited, 85(1.1)(g)(iii)
- mutual fund trust or corporation, 132.2
- net income stabilization account/NISA Fund No. 2
 - • to corporation, 85(1)(c.1), 85(1.1)(i)
 - • to spouse or spouse trust, 70(6.1)
- non-resident insurance business, of, 138(11.5)
- parent, to
 - • on death of individual, 70(9.6)
 - • on wind-up of corporation, 88(1)
- partnership, from
 - • to new partnership, 98(1)
 - • to partners on windup, 98(3)
 - • to proprietorship, 98(5)
- partnership, to, 97(2)
- qualifying disposition to a trust, 107.4
- registered disability savings plan, to, on death, 60.02
- registered education savings plan, investment income to RDSP, 146.1(1.1), (1.2)
- registered pension plan to RPP annuity, 147.4
- registered retirement savings plan, on death, 60(1)(v)(B.1), 146(8.8)–(8.91)
- reorganizations, 84–88
- replacement property, 13(4), (4.1), 44
- reserves for year of death, 72(2)

Rollover (cont'd)

- retiring allowance, to RRSP, 60(j.1)
- rights or things transferred to beneficiary, 69(1.1)
- SIFT units exchanged for shares of corporation, 85.1(7), (8)
- share for share exchange, 85.1
- shareholder, from, to corporation, 85(1)
- • eligible property, 85(1.1)
- small business investments, 44.1
- spouse or spouse trust, to
- • death, on, 70(6), (6.1)
- • inter vivos, 73(1)
- life insurance policy
- • • *inter vivos*, 148(8.1)
- • • on death, 148(8.2)
- registered retirement savings plan, 146(8.8)–(8.91)
- stock options, of, on corporate reorganization, 7(1.4), (1.5)
- taxable Canadian property, 85(1)(i)
- transaction, *see* Rollover transaction
- transfer of insurance business by non-resident insurer, 138(11.5)
- treaty protection, Canada-U.S. Tax Treaty:Art. XIII:8
- trust, from
- • to beneficiary, 107(2)
- • to new trust, 107.4, 248(1)“disposition”(e), (f)
- trust, to, 107.4
- winding-up, on, 88(1)
- winding-up of partnership, on, 98(3)

Rollover period

- defined, re death of TFSA holder, 207.01(1)“exempt contribution”(a)

Rollover transaction, *see also* Rollover

- acquisition of specified debt obligation by financial institution, 142.6(5)
- defined, 142.6(6)

Roofer

- apprenticeship job creation credit, 127(9)“investment tax credit”

Roth IRA

- conversion from regular ITA, whether taxable in Canada, 56(12), Canada-U.S. Tax Treaty:Art. XVIII:7
- included in definition of pension, Canada-U.S. Tax Treaty:Art. XVIII:3(b)
- not subject to non-resident trust rules, 94(1)“exempt foreign trust”(h)(ii)(D)

Rounding of amounts

- Child Tax Benefit, 122.61(7)
- inflation indexing, 117.1(3)
- pension calculations, Reg. 8311
- TFSA, 207.01(1)“TFSA dollar limit”(d)

Rousseau-Houle case overruled, 34.2, 245(4)**Rowboats**

- capital cost allowance, Reg. Sch. II:Cl. 7

Royal Assent

- amendments in force, *Interpretation Act* s. 6(3)

Royal Bank v. Sparrow Electric case overruled, 227(4)**Royal Canadian Mint, subject to tax, 27(2), Reg. 7100****Royal Canadian Mounted Police, *see also* Police officer**

- disability pension exempt, 81(1)(i)
- provision of charity information to, for security purposes, 241(9), (9.1)

Royalties

- accrual to date of death, 70(1)(a)
- based on production or use, income, 12(1)(g)
- copyright, paid to non-resident, exempt, 212(1)(d)(vi)
- Crown, *see* Crown royalty
- defined, Canada-U.S. Tax Treaty:Art. XII:4, 6
- income from

- • whether specified investment business, 125(7)“specified investment business”
- motion picture films, paid to non-residents, 212(5)
- paid to non-resident, 212(1)(d)
- • back-to-back royalties, 212(3.9)–(3.94)
- • to U.S. resident, Canada-U.S. Tax Treaty:Art. XII
- paid to trust for non-resident, exemption, 212(9)(b)
- petroleum, natural gas, minerals
- • reimbursement for, 80.2
- prepaid, non-deductible, 18(9)
- production, defined, Reg. 1206(1)
- timber, 212(1)(e)
- • alternative tax, 216

Runway, *see* Aircraft: runway**S****S corporation, *see* United States: S corporation****SBB, *see* Small business bond [repealed]****SBDB, *see* Small business development bond [repealed]****SBITC, *see* Small business investment tax credit****SCI, *see* Specified corporate income****SCP, *see* Shared-custody parent; Solicitor-client privilege****SDA, *see* Salary deferral arrangement; Synthetic disposition arrangement****SDO, *see* Specified debt obligation****SDSP, *see* Specified disability savings plan****SEA, *see* Synthetic equity arrangement****SEP, *see* Surplus entitlement percentage****SERP, *see* Supplemental employee retirement plan****SHT, *see* Specified hedging transaction****SIB, *see* Specified investment business****SIFT, *see* Specified investment flow-through****SIFT partnership, *see also* SIFT trust**

- defined, 197(1), (8), 197.1, 248(1)
- distributions to partners
- • taxed in partnership at corporate rate, 197(2)
- • how taxed at partnership level, 96(1.11)
- instalments of tax, 157(1), 197(6)
- required to file information return, Reg. 229
- required to file Part IX.1 partnership distributions tax return, 197(4)
- requirement to post income information on CDS Innovations website, Reg. 229.1(2)
- tax on buying back units, 183.3(1)“covered entity”(b)(iii)(A), 183.3(2)

SIFT partnership balance-due day

- defined, 248(1)

SIFT trust, *see also* SIFT partnership

- conversion to corporate form, *see* SIFT wind-up entity
- defined, 122.1(1), (2), 248(1)
- distributions to unitholders
- • deemed to be taxable dividend, 104(16)
- • reduced deduction to trust, 104(6)(b)B(ii)
- • taxed in trust at corporate rate, 122(1)(b)
- • • not taxed provincially, 120(3)(d)
- instalments of tax, 157(2)
- province of residence, Reg. 2608
- requirement to post income information on CDS Innovations website, Reg. 204.1(2)
- tax on buying back units, 183.3(1)“covered entity”(b)(ii)(A), 183.3(2)

SIFT trust wind-up event, *see also* SIFT wind-up entity

- deemed settlement of debt, 80.01(5.1)
- defined, 248(1)
- no Part XIII.2 tax, 218.3(1)“assessable distribution”
- wind-up into corporation, 88.1
- • other wind-up, 107(3), (3.1)

SIFT wind-up corporation

- amalgamation of, 87(2)(s.1)
- defined, 248(1)

SIFT wind-up entity

- defined, 248(1)
- exchange of employee stock options, 7(1.4)(b)(vi)
- rollover on exchange of units for shares before 2013, 85.1(7), (8)
- wind-up into corporation, 88.1
- other wind-up, 107(3), (3.1)

SIFT wind-up entity equity

- defined, 248(1)

SIN, see Social insurance number**SLA compensation payment**

- deductibility, 260(6)
- defined, for securities lending arrangement, 260(1)

SLES, see Significantly lacking in economic substance, GAAR test**SNQII, see** Specified non-qualified investment income (of registered plan)**SPDRs, see** Standard & Poor 500 Depositary Receipts**SPI, see** Specified participating interest**SPLC, see** Special purpose loss corporation**SPTC, see** Share-purchase tax credit**SR&ED, see** Scientific research and experimental development**SR&ED form**

- defined, 162(5.3)
- no deduction if prescribed information not provided, 37(11.1)
- requirement to disclose claim preparer information on, 37(11)(b)
- penalty for not disclosing, 162(5.1)

SR&ED qualified expenditure pool

- defined, 127(9)
- investment tax credit for, 127(5)(a)(i), (ii)(A), 127(9)“investment tax credit”(a.1), (f)
- additional, for Canadian-controlled private corporation, 127(10.1)(b)
- transfer to other taxpayer, 127(13)–(17)

SRA, see Specified retirement arrangement**SRTC, see** Scientific research tax credit (expired)**SSHRC, see** Social Sciences and Humanities Research Council**Sabbatical arrangement, Reg. 6801(a)**

- COVID-19 relief for 2020–22, Reg. 6801.1
- effect on pension plan, Reg. 8508
- exemption for recontributed amount received from plan, 81(1)(s)

Sabel Investments case overruled, 160(5)(a)**Sable Island**

- prescribed intermediate zone for northern residents' deduction, Reg. 7303.1(2)

Safe harbour capital return

- defined, for income-splitting tax, 120.4(1)

Safe harbour price

- defined, for CTM investment tax credit, 127.49(1)

Safe income, 55(5)(b), (c)

- effect of, 55(2)

Safe-income determination time

- defined, 55(1)

Safety deposit box

- no deduction for use of, 18(1)(1.1)

Salaries and Wages, see Salary**Salary, see also** Office or employment; Salary or wages

- accrued to date of death, 70(1)(a)
- defined, 248(1)
- for manufacturing and processing credit, Reg. 5202

- garnishment of, *see* Garnishment for taxes unpaid
- legal expenses of collecting or establishing right to, 8(1)(b)
- paid by employee, to assistant or substitute, 8(1)(i)(ii)
- certificate of employer, 8(10)
- reimbursement of, 8(1)(n)
- tax to be withheld from, 153(1)(a)
- failure to withhold, 227(8.5)
- unpaid, 78(4)

Salary deferral arrangement

- benefit from, income, 56(1)(w)
- deduction to employer, 20(1)(oo), (pp)
- limitation, 18(1)(o.1)
- defined, 248(1)
- emigration or immigration, no deemed disposition, 128.1(10)“excluded right or interest”(a)(vii), (b)
- excluded from annual interest accrual rules, 12(11)“investment contract”(a)
- forfeited amounts
- deductible from income, 8(1)(o)
- includable in employer's income, 12(1)(n.2)
- inclusion in income from employment, 6(1)(a)(v), 6(1)(i), 6(11), (12), (14)
- exception for non-residents, 6(13)

Salary deferral leave plan, Reg. 6801(b), Reg. 8508**Salary or wages**

- defined, 248(1)
- re Canadian film/video tax credit, 125.4(1)
- re film/video production services credit, 125.5(1)
- journalist or editor, refundable credit, 125.6
- taxable, 5(1)

Sale

- accounts receivable, 22
- bond, by conversion, 51.1
- business, of, *see also* Ceasing to carry on business; Rollover
- taxation year-end, 25(1)
- to corporation for shares, 85(1)
- to partnership, 97(2)
- to spouse or controlled corporation, 24(2)
- defined, for information returns on securities transactions, Reg. 230(1)
- depreciable property, *see* Capital cost allowance: recapture; Depreciable property
- mortgage included in proceeds of disposition, 20(5), (5.1)
- shares, not at arm's length, 84.1
- by non-residents, 212.1

Sales suppression software, see Zapper software (or hardware)**Sales tax, federal, see** Federal sales tax credit**Salesperson**

- automobile
- reasonable standby charge for use of, 6(2.1)
- automobile or aircraft
- capital cost allowance, 8(11)
- deemed, 13(11)
- costs, deduction, 8(1)(j), 8(9)
- expenses, deduction, 8(1)(f)
- certificate of employer, 8(10)
- limitation, 8(4)

Same-sex marriage, see also Common-law partner

- religious charity entitled not to perform, 149.1(6.21)

Same-sex partner, see Common-law partner**Sand, 248(1)“mineral”**

- tar, *see* Tar sands, defined; Tar sands ore

Saskatchewan, see also Province

- labour-sponsored venture capital corporation of
- prescribed, Reg. 6700(a)(iv), (ix)
- northern, *see* Northern Canada
- Pension Plan, *see* Specified pension plan

Saskatchewan (*cont'd*)

- prescribed stock savings plan, Reg. 6705(b)
- tax rates, *see* introductory pages

Saskatchewan Pension Plan, *see* Specified pension plan**Satisfaction of obligation**

- deemed not to be disposition, 49.1

Savings and credit unions, 137**Scale, metric, for retail use**

- capital cost allowance, Reg. Sch. II:Cl. 10(p)

Scandium, *see* Critical mineral**Scholarship**

- employer-provided, whether taxable, 6(1)(a)(vi)
- receipt of, income, 56(1)(n)
- exemption, *see* Scholarship exemption
- refund of, 56(1)(p)
- repayment of, deductible, 60(q)
- reportable on information return, Reg. 203

Scholarship exemption, 56(3), (3.1)

- defined, 56(3), (3.1)
- exempt from tax, 56(1)(n)(ii)
- not for post-doctoral students, 118.6(1)“qualifying educational program”
- only if scholarship intended to support studies, 56(3.1)(a)
- part-time students, limited to cost of program and materials, 56(3.1)(b)

School

- attendance at, child care deduction, *see* Secondary school

School board

- allowance from, exempt, 81(3) [before 2019]
- exempt from tax, 149(1)(c)

School fees, *see* Tuition fees**School supplies credit**, *see* Teacher school-supplies credit**School trustee**

- expense allowance exempt, 81(3) [before 2019]

Schooling allowance, provincial tax reduction, 120(2)**Scientific research and experimental development**

- assistance, *see* Assistance/government assistance
- available-for-use rules, 37(1.2), 248(19)
- buildings
 - do not qualify as R&D expenditure, 37(8)(d)(i), Reg. 2900(11)
- Canadian employees outside Canada, 37(1.4), (1.5)
- claim preparer information, *see* Claim preparer information (SR&ED claim)
- contingency fees not required to be reported, 237.3(1)“reportable transaction”(a)
- contracted out to non-arm's length person, 127(9)“qualified expenditure”(f)
 - transfer of investment tax credit, 127(13)–(16)
- credit for, *see* investment tax credit (below)
- debt forgiveness, effect of, 37(1)(f.1)
- deduction for, 37
 - amount included in income, 12(1)(v)
 - defined, 37(8), (13), 248(1), Reg. 2900(1)
 - election to use proxy amount for overhead, 37(8)(a)(ii)(B), 37(10), Reg. 2900(4)
 - expenditure pool, *see* SR&ED qualified expenditure pool
 - expenditures, 37(1)–(2), Reg. 2900(2)–(4)
 - change of control, 37(1)(h)
 - computation, 37(6.1)
 - deduction for, 37(1), (2)
 - election for alternative calculation, 37(8)(a)(ii)(B), 37(10)
 - excluded, 37(8)(d)
 - on amalgamation, 87(2)(l)–(l.2)
 - stock options, whether excluded, 143.3
 - filing deadline, 37(11), 220(2.2)

- financial institution, by, 248(1)“scientific research and experimental development”
- form required, *see* SR&ED form
- investment tax credit
 - basic 20% credit, 127(9)“investment tax credit”(a.1)
 - extra 15% credit, 127(10.1)
 - refundable, 127.1
- linked work, 37(13), Reg. 2900(1)(d)
- meaning of, 37(9)(a)
- overhead expenses, election for prescribed proxy amount
- calculation of prescribed proxy amount, Reg. 2900(4)–(10)
- exclusion of proxy amount from expenditure pool, 37(8)(a)(ii)(B)
- filing of election, 37(10)
- investment tax credit, 127(9)“qualified expenditure”
- partnership, of
 - no carryforward, 96(1)(e.1)
 - no losses for passive partners, 96(1)(g)
- performed outside Canada, 37(1.4), (1.5), (2)
- pilot plants, qualify for investment tax credits, Reg. 2900(11)(c), (d)
- prescribed form required, 37(11), 127(9)“investment tax credit”(m)
- provincial super-allowance, 127(9)“super-allowance benefit amount”
- proxy amount, prescribed, Reg. 2900(4)
 - reduction in, 127(11.1)(f) [repealed], 127(18)
- qualified expenditure
 - defined, 127(9)
 - prescribed, Reg. 2902
 - subsidiary's, on winding-up, 88(1.4)
- related corporations, of, 37(1.1)
- rent for buildings, does not qualify as R&D expenditure, 37(8)(d)(ii)
- salaries, directly engaged in SR&ED, Reg. 2900(4)
- sole-purpose R&D performer, Reg. 2902(a) (closing words)
- specified employee, paid to, 37(9.1)–(9.5)
- stock option cost, whether disallowed, 143.3
- super-allowance, 127(9)“super-allowance benefit amount”
- third party payment, 37(1)(a)(i.1), (ii), (iii)
- exclusion from prepaid expense rules, 18(9)(d)(i)

Scientific research and experimental development financing contract

- defined, 194(6), 248(1)

Scientific research corporation (non-profit)

- annual information return, 149(7)
- exemption for, 149(1)(j), 149(2)
- rules as to control, 149(8)
- rules as to income, 149(9)

Scientific research tax credit (expired), 127.3**Scott case (1975) overruled**, 64.1**Scow, capital cost allowance**, Reg. Sch. II:Cl. 7**Screenwriter (for Canadian film/video tax credit)**

- principal, whether Canadian, Reg. 1106(8)(c)

Script material

- defined, for Canadian film tax credit, 125.4(1)

Sculptor, *see* Artist**Sculpture**, *see also* Cultural property; Listed personal property

- Canadian, CCA claims allowed, Reg. 1102(1)(e)

Search-and-rescue volunteer

- exemption from employment income, 81(4)
- tax credit if performs 200 hours per year, 118.06(2)

Search warrant

- compliance required, 231.51
- covert investigation authorized, 231.31
- issue of, 231.3(1)–(4)

Second affiliate, *see* Foreign affiliate: second affiliate

Second instalment base

- of corporation, 157(4), Reg. 5301(2)

Second project period

- defined, for CCUS credit, 211.92(1)

Second recovery taxation year

- defined, for CCUS credit, 211.92(1)

Second term shared-use-equipment, for R&D investment tax credit

- defined, 127(9)

Second-tier financing structures

- application of FAPI, 95(6)

Secondary adjustment (transfer pricing), 247(12)–(16)**Secondary earner exemption (Canada Workers Benefit), 122.7(1.3)****Secondary recovery method, defined, Reg. 1206(1)****Secondary school**

- attendance at, child care deduction, 63(2)(b)(iii), 63(2.2)(a)

Secondary unit

- defined, for Multigenerational Home Renovation Tax Credit, 122.92(1)

Secrecy provision, 241**Secretarial services, see Clerical or secretarial services****Secretary, see Officer: corporation, of****Section 160 avoidance planning**

- defined, 160.01(1)
- penalty for, 160.01(2)

Section 160 avoidance transaction

- defined, 160.01(1)

Sectoral reserve

- defined, 20(2.3)

Secured creditor

- defined, 224(1.3)
- garnishment of property of, 224(1.2)
- interference with taxpayer's remittances, 227(5.2)–(5.4) (1995 draft, abandoned)
- withholding tax, liability for, 227(5), (5.1)(h)

Securities

- amalgamation, acquired in, 87(2)(e.2)
- Canadian, *see* Canadian security
- dealer, trader or agent, *see also* Broker; Registered securities dealer
 - fees of, deduction for, 20(1)(e), (bb)
 - ineligible for Canadian securities election, 39(5)(a)
 - return re securities lending arrangements and non-residents, 212(18)
 - tax re interest paid under securities lending arrangements to non-residents, 212(19)
- fair market value, ITAR 26(11)
- lending arrangements, *see* Securities lending arrangement
- prescribed, Reg. 6200
- publicly-traded, Reg. 4400
 - V-day values, Reg. Sch. VII
- received for income debt, 76
- small business, Reg. 5100(2)
- transactions
 - information returns, Reg. 230
- used or held in insurance or moneylending business
 - “eligible property” for transfer to corporation by shareholder, 85(1.1)(g)

Securities lending arrangement, 260, see also Dividend rental arrangement

- amount received deemed to be a dividend, 260(4)–(7)
- anti-avoidance rule, *see* Specified hedging transaction
- compensation payment
 - deductible, conditions, 260(6)
 - defined, 260(1)“SLA compensation payment”
 - no deduction generally, 18(1)(w)

- deemed dividend, 260(5)
- dividend refund, 260(7)
- no deduction for, 260(6)
- deemed not disposition, 260(2)
- defined, 260(1)
- disposition of right under, 260(3), (4)
- dividend compensation payment
 - deemed to be eligible dividend, 260(1.1), (5)
 - non-deductible, 18(1)(w)
- lender non-resident, effect, 260(8)
- non-resident withholding tax
 - amounts deemed to be interest, 260(8)
 - special tax on securities dealers, 212(19)
 - return required, 212(18)
- qualified security, defined, 260(1)
- restricted financial institution receiving dividend on shares acquired under, 260(9)
- specified, *see* Specified securities lending arrangement

Security, see also Securities

- defined
 - for Part I.3 large corporation tax, Reg. 8605(4)
 - for stapled-security rules for SIFT trusts, 18.3(1)
 - for winding-up rules, 88(1) opening words
- granting of, not a disposition, 248(1)“disposition”(j), (k)
- non-qualifying, *see* Non-qualifying security
- qualified, *see* Qualified security

Security distribution

- defined, 260(1)

Security for tax, 220(4)–(4.4)

- defined, *Interpretation Act* 35(1)
- departure tax, 220(4.5)–(4.71)
- discharge, Reg. Part XXII
- extends 10-year collection limitation period, 222(8)(b)
- taxpayer becoming non-resident, 220(4.5)–(4.71)

Security interest

- defined
 - for garnishment rules, 224(1.3)
 - for thin capitalization rules, 18(5)

Seeing Eye dog, see Guide dog expenses**Segregated fund (of life insurer)**

- defined, 138.1(1), 211(1), Reg. 1408(1)
- merger of, 138.2
- related, *see* Related segregated fund trust
- rules re, 138.1
- trusts, 138.1
 - election, Reg. 6100
 - interest in, adjusted cost base, 53(1)(l), 53(2)(q)

Segregated fund policies

- defined, 138.1(1)(a)

Seismic testing

- off-the-shelf data, no renunciation of cost of, 66(12.6)(b.1)

Seizure

- chattels, of, 225
- documents, of, 231.3(5)–(8)
 - compliance required, 231.51, 232(15)
 - copies, 231.5
 - where privilege claimed, 232(3), (4)–(7)
- property, for non-payment of debt
 - effect on creditor, 79.1
 - deemed cost of property, 79.1(6)
 - foreign resource property, 79.1(2.1)
 - no deduction for principal portion of bad debt, 79.1(8)
 - effect on debtor, 79

Select Luxury Items Tax, see Luxury Items Tax**Self-benefit trust, see Alter ego trust****Self-contained domestic establishment, defined, 248(1)**

Self-employed person

- Canada Pension Plan contributions, credit, 118.7:B(c)
- home office expenses, conditions for deductibility, 18(12)

Seller

- defined, for digital platform operator reporting rules, 282(1)

Selling cost, *see* Adjusted selling cost (re investment tax credits)

Senate Appointment Consultations Act

- candidates and parties under
 - political contribution credit, 127(3)
 - records re monetary contributions, 230.1
- nominee under
 - political contribution credit, 127(3)
 - records re monetary contributions, 230.1

Senegal

- Canadian Forces personnel and police serving in, no tax on income, 110(1)(f), Reg. 7500(g) [repealed]

Senior citizen, *see* Age

Separate business

- deemed
 - for CCA, life and non-life insurance businesses, Reg. 1101(1a)
 - for FAPI, 95(2)(a.1)(iii), (a.2)(iv), (a.3)(iii), (a.4)(iii), (b)(i), (b)(ii), (k)(i)
- separate CCA classes for each business, Reg. 1101(1)

Separate classes for capital cost allowance, Reg. 1101

- automobile costing over \$24,000, Reg. 1101(1af)
- buildings, Reg. 1101(1ac)–(1ae), (5b), (5b.1)
- Canadian film or video production, Reg. 1101(5k.1)
- certified productions, Reg. 1101(5k)
- combustion turbines, Reg. 1101(5t)
- computer equipment and software, Reg. 1101(5p), 1103(2g)
- computer software tax shelter property, Reg. 1101(5r)
- computer tax shelter property, Reg. 1101(5r)
- deemed depreciable property, 13(5.2)(c), 13(21.2)(e)(ii), Reg. 1101(5g)
- different businesses, properties for, Reg. 1101(1)
- different mines, properties for, Reg. 1101(4a)–(4d)
- excavating or moving equipment, Reg. 1101(5l)
- exempt properties, Reg. 1101(5o)
- fax machine, Reg. 1101(5p), 1103(2g)
- industrial mineral mines, Reg. 1101(4)
- leasehold interest in real property, Reg. 1101(5h)
- leasing properties, Reg. 1101(5c), (5n)
- life insurance and other insurance business, Reg. 1101(1a)
- manufacturing and processing property, Reg. 1101(5s)
- mine property, Reg. 1101(4g), (4h)
- outdoor advertising sign, Reg. 1101(5l)
- partnership and non-partnership property, Reg. 1101(1ab)
- photocopier, Reg. 1101(5p), 1103(2g)
- pipeline costing over \$10,000,000, Reg. 1101(5i), (5j)
- railway assets, Reg. 1101(5d)–(5e)
- rental and non-rental property, Reg. 1101(1ae)
- scientific research expenditures, 37(6)
- software, Reg. 1101(5p), 1103(2g)
- telecommunication spacecraft, Reg. 1101(5a)
- telephone equipment, Reg. 1101(5p), 1103(2g)
- timber limits and cutting rights, Reg. 1101(3)
- vessels, Reg. 1101(2), (2a), (2b)
 - conversion cost, 13(14), (17)

Separate return, *see* Returns: separate

Separate school board, *see* School board

Separated organics

- defined, Reg. 1104(13)
- gas produced by, Reg. 1104(13)“biogas”

Separation agreement

- defined, 248(1)
- payments under

- deductible by payor, 60(b), (c)
- taxable to recipient, 56(1)(b), (c)

Series

- of shares, 248(6)
- of transactions, 248(10)

Servant

- defined, 248(1)“employment”

Service

- proof of, 244(5), (6)

Service animal

- disability supports deduction, 64(a)A(ii)(Y)
- medical expense credit, 118.2(2)(l)

Service cost, *see* Adjusted service cost (re investment tax credits)

Service pension

- exemption, 81(1)(d)
- other country, from, 81(1)(e)

Service-related injuries, payments exempt, 81(1)(d.2)

Services

- defined, for FAPI, 95(3)
- not rendered, reserve for, 20(1)(m), 20(24), (25)
- provision of, along with property disposed of
 - allocation rule, 68
- rendered, amounts receivable for, 12(1)(b), 12(2)
- to be rendered
 - amount received for, income, 12(1)(a)(i), 12(2)
 - repayment of, deductible, 20(1)(m.2)
 - consideration for, not “outlay” or “expense”, 66(15)“outlay” or “expense”

Servitude

- ecologically sensitive land, value when donated, 110.1(5), 118.1(12)
- valuation applies for capital gains purposes, 43(2)

Set-off

- debt owing by Crown, against taxes owing, 224.1
- communication of information to facilitate, 241(4)(d)(xiii)
- interest, on instalment payments, 161(2.2)
- refund of tax, against other debt owing to Crown or province, 164(2)
- Part X refunds, 203
- transfer pricing adjustments, *see* Transfer pricing capital setoff adjustment; Transfer pricing income setoff adjustment

Set-top box, *see* Television set-top box

“Settled” (debt)

- deemed, 80.01
- defined, 80(2)(a)
 - for distress preferred shares, 80.02(2)(c), 80.02(7)(a)

Settlement, structured, *see* Structured settlement

Settlement of debt, *see also* Debt forgiveness

- deemed, 80.01
 - on amalgamation, 80.01(3)
 - on debt becoming statute-barred, 80.01(9)
 - on debt parking, 80.01(6)–(8)
 - on share ceasing to be distress preferred share, 80.02(7)
 - on winding-up, 80.01(4)
- distress preferred share, on winding-up, 80.01(5)
- effect of, 80(3)–(13)
- foreign affiliate’s gain or loss on, 95(2)(i)
- simultaneous, 80(2)(i)
- subsequent payment following deemed settlement, 80.01(10)

Settlement of litigation

- property transfer, 49.1
- Tax Court appeal, 169(3)
- wrongful dismissal, 248(1)“retiring allowance”

Settlor (of trust)

- defined
- for loan by corporation to non-resident, 17(15)

Index

Settlor (of trust) (*cont'd*)

- for T3 Schedule 15 reporting, Reg. 204.2(3)
- for trust income rules, 108(1)
- reported to CRA on T3 Schedule 15, Reg. 204.2(1)(a)

Severance pay, *see* Retiring allowance

“Shall”

- meaning of, *Interpretation Act* s. 11

Share

- acquired before 1976
- cost base, deductions from, 53(2)(e)
- acquisition of
 - by corporation, deemed dividend, 84(3), (6)
 - deemed, 256(8)
- “actual cost”, ITAR 26(15)–(17)
- agreement to issue, to employees, 7(1)
- average annual rate of return, capital gains deduction, 110.6(9)
- bankrupt corporation, of
 - deemed disposition of, 50(1)
- block of, defined, Reg. 4803(1)
- bought back by corporation
 - amount paid for unpaid dividends deemed dividend substitute, 183.1(4)
- cancellation, deemed dividend, 84(3), (6)
- capital property, deemed, 39(4)
- capital stock of family farm corporation, of, 110.6(1)“share”
- capital stock of family fishing corporation, of, 110.6(1)“share”
- class of, series of, 248(6)
- common, defined, 248(1)
 - for mutual fund rollover rules, 132.2(2)
- controlled corporation, of
 - disposition of, 40(2)(h)
- convertible, exchanged for other shares, 51; ITAR 26(24)
- cost base of
 - additions to, 53(1)(b)–(d), (f.1)
 - deductions from, 53(2)(a)
 - deemed dividend added to, 53(1)(b)
- deemed benefit from
 - cost base, addition to, 53(1)(j)
- deemed disposition of, to corporation, 84(9)
- deemed interest on, 258(5)
- deemed receipt of, on merger, 87(1.1)
- defined, 248(1)
 - for insurance demutualization, 139.1(1)
 - for non-resident corporation with no share capital, 93.2(2)
- disposition of
 - capital gain or loss, 40(1)
 - deemed, on death, 70(5)
 - for insurance demutualization, 139.1(1)
 - order of, for employee stock option benefit, 7(1.3)
 - subsequent to debt forgiveness, deemed capital gain, 80.03(2), (4)
 - where dividend previously paid, stop-loss rules, 112(3)
- distribution of, by corporation, 84(5)
- donation of or donation after sale of, capital gain exempted, 38(a.1)
- “equity” defined, 204
- exchanged for shares, 85.1; ITAR 26(26)
 - amalgamation, on, 87(4.1), (4.2)
 - computation of paid-up capital, 85.1(2.1)
 - reorganization of capital, 86(1); ITAR 26(27)
 - rules, 7(1.5), 112(7)
- “excluded” defined, 204
- expense of issuing, 20(1)(e)
- exploration and development, 66.3(1)
- fair market value, ITAR 26(11.1), (11.2)
- flow-through, 66(12.6)–(12.75), Reg. 6202.1
- foreign affiliate, of, *see also* Foreign affiliate
- fractional interest, *see* Fractional share

- grandfathered
 - defined, 248(1)
- guaranteed, *see* Guaranteed shares
- held by trustee for employee, 7(2)
- included in single payment under DPSP, 147(10.1), (10.2)
 - deduction re amount, 110(1)(d.3)
- disposal of, 147(10.4), (10.5)
- interest paid on money borrowed to purchase, 20(1)(c)
- issued in exchange for property, rollover, 85(1)
- issued in settlement of debt, 80(2)(g), (g.1)
- issued to avoid tax, by foreign affiliates, 95(6)(b)
- loan to shareholder/employee to purchase, 15(2.4)(c)
- loss on, 112(3), (3.1), (3.2), (4.3)
- mark-to-market rules, *see* Mark-to-market property
- non-arm’s length sale of, 84.1
 - by non-resident, 212.1
- non-capital property of partnership
 - loss on, 112(4.2)
- “non-participating, defined, 204“non-participating share”
- non-resident corporation, of
 - cost base, deductions from, 53(2)(b)
- not capital property
 - fair market value of, 112(4.1)
 - loss on, 112(4)
- paid-up capital in respect of class of, 84.2
- paid-up capital value, defined, 204
- payment for, no capital cost allowance, 18(1)(y)
- predecessor corporation, on amalgamation, 87(4)
- preferred, *see also* Preferred share; Term preferred share
 - deemed interest on, 258(3)
 - defined, 248(1)
 - prescribed, Reg. 6201–6207
 - flow-through, Reg. 6202.1
 - publicly-traded, Reg. 4400
 - V-day value, Reg. Sch. VII
- purchase of
 - through series of transactions/events
 - tax on distribution of corporate surplus, 183.1(4)
 - trustee, by, for employees of corporation, 7(6)
- qualified small business corporation
 - capital gains deduction, 110.6(2.1)
 - defined, 110.6(1)
 - related person, 110.6(14)
 - rules re, 110.6(14)
- received on amalgamation, ITAR 26(21)
- redemption, deemed dividend, 84(3), (6)
- registered charities, held by, 189(3)–(5)
- right to acquire
 - shares deemed owned, where, 95(6)(a)
- sale of
 - non-arm’s length, 84.1
- short-term preferred, defined, 248(1)
- specified shareholder’s
 - adjusted cost base, 53(1)(d.3)
- subsidiary, of
 - cost of, 52(7)
- tax-deferred preferred, amalgamation where, 83(7)
- taxable preferred, *see* Taxable preferred share
- term preferred, *see* Term preferred share
- value, whether deductible to issuer, 143.3(3)
- where deemed capital property, 54.2

Share buybacks, *see* Stock buyback tax

Share for share exchange, 85.1

Share-funding arrangement (registered pension plan), Reg. 8501(6.1)

Share of the capital stock of a family farm or fishing corporation

- defined, 70(10)

Share of the capital stock of a family farm or fishing corporation (*cont'd*)

- rollover to children/grandchildren, 70(9)–(9.31), 73(3)–(4.1)

Share options

- employee, 7
- where person ceases to be employee, 7(4)

Share-purchase tax credit, 127.2, 192–193 [expired]

Share repurchase transaction, anti-avoidance rule, 112(5.2)B(a)

Share transfer fees, deduction, 20(1)(g)

Shared-custody parent, *see also* Splitting, sharing or apportionment

- defined
- for Canada Child Benefit, 122.6
- for GST Credit, 122.5(3.01)
- division of Canada Carbon Rebate, 122.8(4.1)
- division of Canada Child Benefit, 122.6(1.1)
- division of GST/HST Credit, 122.5(3.01)–(3.04)
- division of Universal Child Care Benefit, *UCCB Act* s. 4(1)(a) [see Notes to 56(6)]
- is eligible individual for Canada Child Benefit, 122.6“eligible individual”

Shared-use-equipment

- defined, 127(9)

Shareholder

- appropriation of property to, 15(1), 69(4), (5), 84(2)
- automobile available to, 15(5), (7)
- benefit from corporation, 15(1), (7), (9)
- GST portion included, 15(1.3)
- loan forgiven, 15(1.2)
- deemed disposition of share to corporation, 84(9)
- defined, 248(1)
- disclosure of identity to CRA and the public, *see* Individuals with Significant Control (of corporations)
- exchange of shares in course of reorganization, 86(1)
- issue of stock rights to, 15(1)(c)
- loan to, by corporation, *see* Loan: shareholder, to, by corporation
- non-resident
- interest paid to, not deductible, 18(4)–(6)
- persons connected with, 15(2.1), 80.4(8)
- prospective
- benefit conferred on, by corporation, 15(1)
- share for share exchange, 85.1
- specified
- adjusted cost base of share, 53(1)(d.3)
- defined, 248(1)
- transfer of property by, to corporation, 85(1), (1.1)

Shareholder corporation

- “agreed portion” in respect of, 66(15)
- defined, 66(15)
- election by joint exploration corporation to renounce expenses to, 66(10)–(10.3) [repealed]
- payment made to joint exploration corporation
- reduction in adjusted cost base of property received as consideration, 53(2)(f)

Shareholder loan, *see* Loan: shareholder to, by corporation

Shareholder's equity

- determination of, for LSVCC investment shortfall, 204.82(2.2)(b), (c)

Sharing, *see* Splitting, sharing or apportionment

Sheep

- basic herd maintained since 1971, deduction, 29
- breeding, 80.3(1)“breeding animals”

Sheet metal worker

- apprenticeship job creation credit, 127(9)“investment tax credit”

Sheitel, *see* Wig, medical expense

Shelf, continental, *see* Continental shelf

Shell Canada case overruled, 20.3

Shellfish, *see* Ammonite gemstone

Shelter, *see* Tax shelter

Sherman case overruled, 127.531(b)

Sherway Centre case overruled, 20(1)(e)(iv.1)

Ship, *see also* Vessel

- non-resident's income from, exempt, 81(1)(c)
- operators, taxable income earned in a province, Reg. 410
- resident corporation's income from, exempt, 81(1)(c.1)
- treaty provisions, Canada-U.S. Tax Treaty:Art. VIII:1–3, Canada-U.S. Tax Treaty:Art. XV:3, XXIII(3)
- used in international traffic, *see* International shipping

Shipping, *see* International shipping

Shoes/boots

- orthopaedic etc., medical expense, Reg. 5700(e)

Shopping, *see* Treaty shopping

Short-form amalgamation, 87(1.1), (2.11)

Short sale

- dividend paid on borrowed securities not deductible, 260

Short taxation year

- causes
- becoming or ceasing to be CCPC, 249(3.1)
- becoming or ceasing to be exempt, 149(10)
- becoming or ceasing to be financial institution, 142.6(1)
- change in control of corporation, 249(4)
- charity given notice of revocation, 188(1)
- reduction in (foreign affiliate) surplus entitlement percentage, 91(1.1)–(1.5)
- inclusion of FAPI, 91(1), (1.1)
- prorating of \$1 million threshold for Part II.2 stock buyback tax, 183.3(4)
- prorating of bank and life insurer surtax \$100m deduction, 123.6(2)B(a)(ii)C
- prorating of base level deduction, 18(2.5)(b)
- prorating of capital cost allowance, Reg. 1100(3)
- prorating of deduction for injection substances, 20(1)(mm)(iii)
- prorating of farmer's animal valuation rules, 28(1.3)
- prorating of financial institutions capital tax, 190.1(2)
- prorating of ITC expenditure limit, 127(10.6)(b), (c)
- prorating of Part VI.1 tax dividend allowance, 191.1(6)(a)
- prorating of Part VI.2 tax on banks and life insurers for 2022, 191.5(4)
- prorating of refundable investment tax credit, 127.1(4)
- prorating of resource deductions, 66(13.1)
- prorating of small business deduction, 125(5)(b)
- prorating of tax on investment income of life insurer, 211.1(4)
- instalments, 211.3(2)A(b)

Short-term preferred share

- defined, 248(1)

Short-term rental

- defined, for AirBNB rentals, 67.7(1)
- deductions disallowed if not compliant with local laws, 67.7(2)

Shower

- mechanical aid for getting into and out of, medical expense, Reg. 5700(g)

Shutdown of business, *see* Ceasing to carry on business; Winding-up

Sickness and accident insurance

- benefits taxable, 6(1)(f); ITAR 19
- employee contributions to employee life and health trust deemed to be premiums if identified as such, 144.1(10)
- employer's contribution a taxable benefit, 6(1)(e.1)

Sidewalks, capital cost allowance, Reg. Sch. II:Cl. 1(g)

- for mines, Reg. Sch. II:Cl. 10(1)

Siemens-OSRAM spinoff, Reg. 5600(h)

Sift trust, *see* SIFT trust [at beginning of “S” listings]

Sight impairment

- devices to assist person with, business expense, 20(1)(rr)

Sightseeing tours relief (COVID), Reg. 8901.1(2)(b)(vi), *see also* Qualifying tourism or hospitality entity

Sign language

- interpretation service
- disability supports deduction, 64(a)(A)(ii)(A)
- medical expense credit, 118.2(2)(l.4)
- training, medical expense credit, 118.2(2)(l.3)

Signalling device

- visual or vibratory, for person with hearing impairment, Reg. 5700(q.1)

Significant interest

- corporation, in a partnership
- defined, 34.2(1)
- debt settlement rules
- defined, 80.01(2)(b)
- financial institutions
- defined, 142.2(2), (3)
- financial institution holding, excluded from mark-to-market rules, 142.2(1)“mark-to-market property”(d)
- pooled registered pension plan rules
- defined, 147.5(30)
- RCA
- defined, 207.01(4), 207.5(1)
- registered plan advantage rules
- defined, 207.01(4)

Significant part of exempt capital gain attributable to unpaid dividends, 110.6(8)

Significant reduction in capital gain resulting from dividend, 55(2)

Significantly lacking in economic substance, GAAR test, 245(4.1), (4.2)

Signing bonus, 6(3), 115(2)(c.1), 115(2)(e)(v)

- athlete or artist, Canada-U.S. Treaty Art. XVI:4

Signs, outdoor advertising, *see* Outdoor advertising structures

Silden case confirmed, 15(2.4)(e)

Silica, included in definition of “mineral”, 248(1)

Silicon Graphics Ltd. case overruled, 95(1)“controlled foreign affiliate”(b), 125(7)“Canadian-controlled private corporation”(b)

Silver, *see* Precious metals

Simser case offset by deduction, 64

Simultaneous

- dividends, designation of order, 89(3), 133(7.2)
- settlement of debt obligations, designation of order, 80(2)(i)

Singapore, *see also* Foreign government

- stock exchange recognized, 262

Singer

- deduction from employment income, 8(1)(q)

Single amount

- defined
- for pooled registered pension plans, 147.5(1)
- for registered pension plans, 147.1(1)

Single mine property

- capital cost allowance, Reg. 1100(1)(y.2)
- separate prescribed class, Reg. 1101(4g)

Single purpose corporation

- whether use of corporate property taxable to shareholder, 15(1)

Single status, credit for, 118(1)(B)(c)

Single-tier alignment

- defined (for corporate inclusion of partnership income), 34.2(1)
- election by partnership, 249.1(8)

Singular includes plural, *Interpretation Act* s. 33(2)

Sister

- deemed not related on butterfly transaction, 55(5)(e)
- dependent, 118(6)(b)
- includes sister-in-law or in common-law, 252(2)(c)
- sharing of RESP assets, 204.9(5)(c)(ii)

Site, investigation of, 20(1)(dd)

Siwik case overruled, 80.4(1.1)

Six employees test

- FAPI active business, 95(1)“investment business”(c)(i), (ii)
- personal services business, 125(7)“personal services business”(c)
- specified investment business, 125(7)“specified investment business”(a), (b)

Ski operators relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(II), *see also* Qualifying tourism or hospitality entity

Skytrain trusts

- anti-avoidance rule, 106, 108(1)“income interest”

Sleights

- capital cost allowance, Reg. Sch. II:Cl. 10(d)

Small amounts owing (up to \$2) not payable, 161.4

Small business, investment in, by deferred income plans, Reg. 4900(6), Part LI

Small business bond [repealed], 15.2

Small business corporation

- attribution rules inapplicable, 74.4(2)(c)
- business investment loss on share or debt of, 39(1)(c)
- defined, 248(1)
- disposition to child, 10-year reserve, 40(1.1)(c)
- qualified, share of
- capital gains deduction, 110.6(2.1)
- defined, 110.6(1)
- transfer to child, grandchild or other relative, *see* Intergenerational transfer

Small business deduction, 125

- associated corporations, 125(3)–(5)
- “business limit”, 125(2)
- special rules for, 125(5)
- corporation deemed member of partnership, 125(6.1)
- credit union, 137(3), (4)
- definitions, 125(7)
- large corporation, restricted, 125(5.1)(a)
- multiple access, provisions preventing, 125(6)–(6.3)
- partnership, *see* Partnership
- passive income, reduces SBD, 125(5.1)(b)
- rules for business limit, 125(5)
- two taxation years ending in year, 125(5)

Small business deduction rate

- defined, 125(1.1)

Small business development bond [repealed], 15.1

Small business investment capital gain rollover, 44.1

Small business investment corporation

- defined, Reg. 5101(1)
- exemption from tax, 149(1)(o.3)
- qualifies as RRSP or RRIF investment, Reg. 4900(6)(a)

Small business investment limited partnership

- defined, Reg. 4901(2), 5102
- eligible for RRSP or RRIF investment, Reg. 4900(6)(b)

Small business investment tax credit

- calculation of, 127(9)“qualified small-business property” [repealed], 127(9)“specified percentage”(i)
- not refundable, 127.1(2)“refundable investment tax credit”(d)(i)

Small business investment trust

- defined, Reg. 4901(2), 5103
- eligible for RRSP or RRIF investment, Reg. 4900(6)(c)
- information return where interest claimed to be qualified investment, Reg. 221

Small business property, Reg. Part LI**Small business security**

- defined, Reg. 4901(2), 5100(2)

Small-CCPC

- defined, 157(1.2)–(1.4)
- instalment obligation, 157(1.1), (1.5)

Small employer

- quarterly remittance of source deductions, Reg. 108(1.12)

Small manufacturers' rule, Reg. 5201**Small modular nuclear reactor**

- defined, for clean technology investment tax credit, 127.45(1)

Social assistance payment

- deduction from taxable income, 110(1)(f)(iii)
- foster child, for, exempt, 81(1)(h)
- inclusion in income, 56(1)(r), (u)
- information return, Reg. 233
- supplementing employment income, 56(1)(r)
- • eligible for child care deduction, 63(3)“earned income”(b)

Social benefits repayment, 180.2**Social club**

- dues not deductible, 18(1)(l)
- exemption for, 149(1)(l), 149(2)
- • deemed a trust, 149(5)

Social insurance number, *see also* Business Number

- application for, 221(1)(d.1), Reg. 3800
- failure to provide, penalty, 162(5)(b), 162(6)
- information return requiring
 - • reasonable effort to obtain, 237(2)(a)
- RESP contributions, 146.1(2)(g.3)
- registration of RRIF under, 146.3(1)“registered retirement income fund”
- requirement to provide, 221(1)(d.1), 237(1), (1.1)
- • attendant care receipts, 64(a)A(iii), 118.2(2)(b.1)(iv), 118.2(2)(c)(iii)
- • child care receipts, 63(1)
- • farm support payment slips, for, Reg. 236
- • partnership information return, Reg. 229(1)(b)
- • penalty for failure to provide, 162(6)
- • tax shelter investor, 237.1(7)(a)
- use or communication of prohibited, 237(2)(b)
- • offence of, fine or imprisonment, 239(2.3)

Social Sciences and Humanities Research Council

- payments to, as R&D expenditures, 37(1)(a)(ii)(E), 37(7)“approved”
- research grants, taxable, 56(1)(o)

Social security

- benefits, Canada-U.S. Tax Treaty:Art. XVIII:5
- legislation
 - • pension plan under, excluded from RCA, Reg. 6802(g)
 - • social security taxes
 - • • paid to U.S., Canada-U.S. Tax Treaty:Art. XXIV:2(a)(ii)

Social Security Tribunal

- costs of appeal to
 - • deductible, 60(o)(ii)
 - • reimbursement of, taxable, 56(1)(l)(ii)

Société internationale de télécommunications aéronautiques

- employment income of non-Canadians, deduction for, 110(1)(f)(iv)

Societies

- exemption for, 149(1)(l), 149(2)
- • deemed a trust, 149(5)

Soft costs

- construction, 18(3.1)–(3.7), 20(29)

Software, *see also* Computer software tax shelter property [repealed]

- air navigation, withholding tax exemption on lease of, 212(1)(d)(xi)(D)

- capital cost allowance
 - • application software, Reg. Sch. II:Cl. 12(o)
 - • “computer software” defined, Reg. 1104(2)
 - • limitation where tax shelter, Reg. 1100(20.1)
 - • system software, Reg. Sch. II:Cl. 10(f), Sch. II:Cl. 29
 - • • defined, Reg. 1104(2)
 - • • separate class, Reg. 1101(5p)
- development by financial institution, no R&D credits, 248(1)“scientific research and experimental development”
- non-resident withholding tax, 212(1)(d)
- royalties paid to U.S. resident, Canada-U.S. Tax Treaty:Art. XII:3(b)
- sales suppression, *see* Zapper software (or hardware)
- tax shelters
 - • capital cost allowance limitation, Reg. 1100(20.1)
 - • registration requirements, 237.1
 - • voice recognition
 - • • disability supports deduction, 64(a)A(ii)(G)
 - • • medical expense credit, 118.2(2)(1.42)
 - • zapper, *see* Zapper software (or hardware)

Sojourning in Canada

- 183 days, deemed resident, 250(1)(a)

Solar heating equipment

- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(i), Sch. II:Cl. 43.2(b)

Solar panels, 9(1) (Notes)**Soldiers**, *see* Canadian Forces and veterans**Sole proprietorship**, *see* Proprietorship**Sole-purpose R&D performer**

- ITCs allowed for administrative costs, Reg. 2902(a) [closing words, repealed]

Solicitor-client privilege

- defence, 232(2)
- defined, 232(1)
- • for reportable-transaction rules, 237.3(1)
- definitions, 232(1)
- protection from notifiable-transaction rules, 237.4(15)
- protection from reportable-transaction rules, 237.3(17)
- rules governing, 232
- waiver of, 232(14)

Solid biofuel

- defined, Reg. 1104(13)
- • for clean technology credit, 127.45(1), Reg. 1104(13)

Solidarily liable, *see* Liability for tax: joint and several**Solution gas**

- CCA application, Reg. Sch. II:Cl. 43.1(c)(i)(B)
- defined, Reg. 1104(13)

Solway case overruled, 244(13.1) [repealed]**Sommerer case overruled**, 94(8.1), (8.2)**Son-in-law, as child of the taxpayer**, 252(1)(c)**Source**

- business or property, income or loss, 9–37
- capital gains and losses, 38–55
- deductions applicable to, 4(2), (3)
- employment income, 5–8
- income from, 4(1)
- other sources of income, 56–59.1
- withholding of tax at, 153(1)
- • non-residents, 215

Source deductions, *see* Withholding**Source individual**

- defined, for income-splitting tax, 120.4(1)

Source withholding, *see* Withholding**South Africa**, *see also* Foreign government

- stock exchange recognized, 262
- universities, gifts to, Reg. Sch. VIII, s. 19

Spacecraft, telecommunication, *see* Telecommunication spacecraft

Spain, *see also* Foreign government

- stock exchange recognized, Reg. 3201(1)
- universities, gifts to, Reg. Sch. VIII, s. 13

Sparrow Electric case overruled, 227(4)

Speaking aid, as medical expense, 118.2(2)(i)

Special Access Programme

- drugs, medical expense credit, 118.2(2)(s)
- medical devices, medical expense credit, 118.2(2)(t)

Special foreign tax credit

- allowed for minimum tax purposes, 127.5(a)(ii)
- carryforward to other years, 120.2(3)(c)(i)
- defined, 127.54(2)

Special-purpose building, defined, Reg. 2903

Special purpose loss corporation

- defined, for interest deduction restrictions, 18.2(1)

Special refundable tax

- under Part IID of former Act, ITAR 67

Special work site, employment at, 6(6)

Specific provisions

- defined, Reg. 8006

Specified active business

- defined
- for labour-sponsored venture capital corporations, 204.8(1)

Specified active member

- defined, Reg. 8306(4)(b)

Specified adjustment factor

- defined, FAPI rules, Reg. 5902(2)(b)

Specified affiliate

- for stock buyback tax
- acquisition of equity, may trigger tax, 183.3(5)
- defined, 183.3(1)

Specified amount

- defined
- re disposition of foreign resource properties, 66.7(13.2)
- re disposition of resource properties, 66.7(12.1)
- re flow-through share renunciations, 66(20)
- re indexing to inflation, 117.1(2)
- re loan from foreign affiliate, 90(15)
- re royalty reimbursements, 80.2(1)(a)
- re seizure of property by creditor, 79(1), 79.1(1)

Specified animal

- valuation of, 28(1.2)

Specified arrangement

- for retirement compensation arrangement, defined, 207.5(1)

Specified beneficiary

- re foreign reporting requirements
- defined, 233.2(1)
- re principal residence
- defined, 54“principal residence”(c.1)(ii)
- re retirement compensation arrangement (RCA)
- defined, 207.5(1)
- re thin capitalization
- defined, 18(5)

Specified Canadian entity

- defined, 233.3(1)
- reporting re distribution from foreign trust, 233.6(1)
- reporting re foreign property, 233.3(3)

Specified Canadian risk

- defined
- for FAPI insurance rules, 95(2)(a.3)
- for insurer's foreign branch, 95(2)(a.3), 138(12)

Specified child care start-up expenditure

- defined, 127(9)

Specified class

- defined
- associated-corporation rules, 256(1.1)
- capital gains strips, 55(1)
- wind-up of corporation, 88(1)(c.8)
- effect on corporations being associated, 256(1), (1.6)
- redemption of, 55(1)“permitted redemption”

Specified cooperative corporation

- defined, Reg. 4901(2)

Specified cooperative income (repealed)

- defined, 125(7)
- small business deduction for, 125(7)“specified corporate income”(a)(i)

Specified corporate income

- defined, for small business deduction, 125(7)
- excluded from eligibility for small business deduction, 125(1)(a)(ii.1)

Specified corporation

- defined
- re butterfly reorganization, 55(1)
- re FAPI stub-period election, 91(1.4)(c)
- re gold and silver investments by RRSPs, etc., Reg. 4900(1)(t)(iv)

Specified cost

- debt forgiveness rules
- application of, 79.1(6), (7)
- defined, 80.01(1)
- seizure of property by creditor
- cost of seized property includes, 79.1(6)
- defined, 79.1(1)

Specified counterparty

- defined, for synthetic equity arrangement rules, 112(2.32)(b)(ii)(A)(I)

Specified date

- defined, for rule on dispositions subject to warranty, 42(2)

Specified debt obligation, *see also* Lending asset; Mark-to-market property

- accrued return from, Reg. 9102(1), (3)
- amalgamation of holder, 87(2)(e.3)
- amortization date, Reg. 9200(2)
- cost amount of, 248(1)“cost amount”(d.2)
- credit-related gains and losses, 142.4(7)
- defined, 142.2(1), Reg. 9100, 9200(1)
- disposition of, 142.4, Reg. 9200–9204
- no capital gain, 39(1)(a)(ii.2)
- no capital loss, 39(1)(b)(ii)
- payment received after disposition, 142.4(11)
- early repayment of, 142.4(10)
- foreign exchange adjustment, Reg. 9104
- income inclusion and deduction prescribed, 142.3(1)
- mark-to-market property, 142.5(3)
- partial disposition of, 142.4(9)
- payment received after disposition, 142.4(11)
- prescribed obligations, Reg. 9202
- primary currency of, defined, Reg. 9100
- rollover of, 85(1.1)(g.1)
- superficial loss rule not applicable, 142.6(7)
- transfer of insurance business by non-resident holder, 138(11.5)(k.1)
- wind-up of holder into parent, 88(1)(a.3)

Specified debtor

- defined, re loan from foreign affiliate, 90(15)

Specified deposit

- defined, 95(2.5)
- excluded from FAPI, 95(2)(a.3)

Specified development phase (of oil sands project)

- defined, Reg. 1104(2)

Specified disability savings plan

- plan becoming, 146.4(1.1)
- plan ceasing to be, 146.4(1.2), (1.3)
- withdrawals permitted, 146.4(1)“specified year”(a), 146.4(4)(n)(i)

Specified disabled person

- defined, for Home Buyers' Plan, 146.01(1)
- loan from RRSP to acquire home for, 146.01(1)“supplemental eligible amount”

Specified discontinuance**Specified distribution**

- for registered pension plan
- defined, Reg. 8304.1(8)
- for TFSA
- defined, 207.01(1)
- does not increase unused contribution room, 207.01(1)“unused TFSA contribution room”(b)B(ii)
- does not reduce excess TFSA amount, 207.01(1)“excess TFSA amount”C(b), E(a)

Specified educational program

- defined, 118.6(1), 146.1(1)

Specified eligibility day

- defined, for phased retirement rules, Reg. 8503(16)

Specified employee

- defined, 248(1)
- of partnership, 15(2.7)
- remuneration of
- calculation of prescribed proxy amount for R&D investment tax credit, Reg. 2900(7), (8)
- excluded from R&D expenditure pool, 37(8)
- limitation on SR&ED deduction, 37(9.1)

Specified energy property

- defined, Reg. 1100(25), (27)–(29)
- limitation on capital cost allowance, Reg. 1100(24)
- separate class, Reg. 1101(5m)

Specified entity

- defined, for hybrid mismatch arrangement rules, 18.4(1), 18.4(17)

Specified event

- defined, re stock option deduction, 110(1.6)

Specified expense (re flow-through shares)

- defined, 66(12.6), (12.601)

Specified farming or fishing income

- allowed for small business deduction, 125(7)“specified corporate income”(a)(i)
- defined, 125(7)

Specified fixed interest

- defined, for FAPI rules, 95(1)

Specified foreign exploration and development expense

- country-by-country allocation, 66(4.1), (4.2)
- successor corporation, 66.7(2.1), (2.2)
- defined, 66(15)

Specified foreign property

- defined, 233.3(1)
- over \$100,000, reporting requirement, 233.3(1)“reporting entity”

Specified future tax consequence

- defined, 248(1)
- ignored for balance-due day of corporation, 248(1)“balance-due day”(d)(i)(C)
- ignored for instalment threshold
- corporation, 157(2.1)(a), 161(4.1)(a)
- farmers and fishermen, 161(4)(a)
- individuals, 156.1(1.1), (1.2), 161(4.01)(a)
- ignored for investment tax credit of small corporation, 127(10.2)A
- ignored for penalties, 162(11)

- ignored for refundable investment tax credit, 127.1(2)“qualifying corporation”

Specified gain

- defined, 93(2.02), (2.12), (2.22), (2.32)

Specified gift [repealed]

- registered charity, of
- defined, 149.1(1)
- excluded from charitable expenditures and qualified gifts, 149.1(1.1)

Specified greenhouse gas

- defined, for clean hydrogen tax credit, 127.48(1)

Specified hedging transaction

- deemed to be dividend rental arrangement, 248(1)“dividend rental arrangement”(b.1)
- intercorporate dividend deduction denied, 112(2.3)
- securities dealer allowed full deduction, 260(6.2)
- defined, 248(1)

Specified holding corporation

- defined, Reg. 5100(1)

Specified individual

- for income-splitting tax
- defined, 120.4(1), 248(1)
- tax on, 120.4(2)
- for LSVCCs
- defined, 204.8(1)
- ownership and transfer of labour-sponsored venture capital corporation shares, 204.81(1)(c)(v)–(vii)
- for pension regulations
- defined, Reg. 8515(4)

Specified insurance benefit

- defined, for insurance demutualization, 139.1(1)

Specified interest amount

- defined, for shareholder loans, 80.4(7)

Specified interest expense

- defined, for alternative interest-deduction restrictions, 18.21(1), (4)

Specified interest income

- defined, for alternative interest-deduction restrictions, 18.21(1), (4)

Specified investment business, *see also* Investment business

- defined, 125(7), 248(1)
- excluded from active business income, 125(7)“active business carried on by a corporation”
- included in base for dividend refund, 129(4)“income” or “loss”(a)
- included in property income, 129(4)“aggregate investment income”(b)

Specified investment flow-through

- distributions tax on income trusts and partnerships, *see* SIFT trust; SIFT partnership

Specified investment flow-through partnership, *see* SIFT partnership**Specified investment flow-through trust, *see* SIFT trust****Specified jurisdiction**

- defined, 93.3(1)(b)

Specified leasing property

- acquired in the year, Reg. 1100(2)C:F(b)(iii)
- addition or alteration to, Reg. 1100(1.19)
- amount deductible in respect of, Reg. 1100(1.1)
- defined, Reg. 1100(1.11)
- separate class, Reg. 1101(5n)

Specified licensee

- defined, for non-resident withholding tax back-to-back rules, 212(3.8)

Specified loan

- defined, Reg. 8006

Specified maximum amount

- defined, for RDSP, 146.4(1)

Specified member (of partnership), *see also* Limited partner

- anti-avoidance rule
- re alternative minimum tax, 127.52(2.1)
- re negative ACB triggering gain, 40(3.131)
- CNIL of, 110.6(1)“investment expense”, “investment income”
- deemed capital gain on negative adjusted cost base, 40(3.1)(a)
- defined, 248(1), (28)
- FAPI rules, 95(1)“investment business”
- investment tax credit of, 127(8)(b)
- minimum tax, 127.52(1)(c.1)
- R&D losses of, no deduction, 96(1)(g)
- real property of (capital gains exemption), 110.6(1)“non-qualifying real property”
- where interest in partnership loaned or transferred, 96(1.8)

Specified mineral processing activity

- defined, for CTM investment tax credit, 127.49(1)

Specified minimum tax regime

- defined, for hybrid mismatch arrangement rules, 18.4(1)

Specified Minister

- defined, for RDSPs, 146.4(1)

Specified multi-employer plan, *see also* Registered pension plan

- defined, Reg. 8510(2), (3)

Specified mutual fund trust

- defined, for synthetic equity arrangement rules, 248(1)

Specified natural gas energy system

- defined, for clean electricity credit, 127.491(1)

Specified non-member

- defined, for alternative interest-deduction restrictions, 18.21(1), (6)

Specified non-qualified investment income (of registered plan)

- CRA may notify that distribution required within 90 days, 207.06(4)
- benefit attributable to SNQII is advantage if not distributed after notice, 207.01(1)“advantage”(b)(iv)
- defined, 207.01(1)

Specified non-resident beneficiary

- defined, for thin capitalization rules, 18(5)

Specified non-resident shareholder

- defined, 18(5)
- loans by, thin capitalization rules, 18(4)–(6)

Specified obligation (re debt forgiveness rules)

- defined, 80.01(6)
- parking of, deemed settled, 80.01(7), (8)

Specified oil sands property

- defined, Reg. 1104(2)

Specified oil sands mine development expense

- defined, 66.1(6)
- excluded from EOSMDE, 66.1(6)“eligible oil sands mine development expense”A
- included in CEE, 66.1(6)“Canadian exploration expense”(g.2)(i)

Specified oil sands mine development project, *see also* Specified oil sands mine development expense

- completion of defined, 66.1(6)“completion”
- defined, 66.1(6)

Specified owner

- defined, for artificial foreign tax credit generator rules, 91(4.2), Reg. 5907(1.04)

Specified participating interest

- defined, 248(1)

Specified participating percentage

- defined, for interest deduction restrictions, 18.2(1)

Specified partnership business limit

- assignment of, 125(8)

- defined, for small business deduction, 125(7)

Specified partnership income

- defined, 125(6), (6.2), 125(7)“specified partnership income”
- small business deduction for, 125(1)(a)(ii)

Specified partnership loss

- defined, 125(7)
- reduces small business deduction, 125(1)(a)(iv)

Specified party

- defined, for non-resident trust rules, 94(1)

Specified pension plan

- defined, 248(1), Reg. 7800
- treated as RRSP for certain purposes, 146(21)–(21.3)

Specified percentage

- COVID-19 Canada Emergency Wage Subsidy
- defined, 125.7(1)
- Canadian oil and gas exploration expense, re, Reg. 1206(1)
- carbon capture, utilization and storage (CCUS) credit
- applied to create tax credit, 127.44(4), (5)
- defined, 127.44(1)
- clean electricity tax credit
- credit based on, 127.491(1)“clean electricity investment tax credit”(a)
- defined, 127.491(1)
- clean hydrogen tax credit
- credit based on, 127.48(1)“clean hydrogen tax credit”(a)
- defined, 127.48(1)
- clean technology investment tax credit
- defined, 127.45(1)
- clean technology manufacturing ITC
- credit based on, 127.49(1)“CTM investment tax credit”(a)
- defined, 127.49(1)
- corporation, in respect of partnership
- defined, 34.2(1)
- credit for northern residents
- application in calculation of credit, 110.7(1)(a), (b)(ii)
- defined, 110.7(2)
- EV supply chain investment tax credit
- defined, 127.492(1)
- impaired debts reserve
- defined, 20(2.4)
- investment tax credit, 127(9)
- application in calculation of credit, 127(9)“investment tax credit”(a), (a.3), (e.1)
- defined, 127(9)“specified percentage”
- long-haul truck driver meals
- allowed for consumption by driver, 67.1(1.1)
- defined, 67.1(5)
- manufacturing and processing credit — resource income
- application in calculation of credit, Reg. 5203(3)(d)
- defined, Reg. 5202
- trust distribution
- defined, 107(2)(b.1)

Specified period

- defined, for insurance demutualization, holding corporation, 141(4)

Specified person

- defined
- for attribution rules, 74.5(8)
- for dividend deductibility on guaranteed share, 112(2.22)(b)
- for First-Time Home Buyer's Credit, 118.05(1)
- for flow-through shares, Reg. 6202.1(5)
- for prescribed security for non-resident withholding tax, Reg. 6208(3)
- for prescribed share for capital gains exemption, Reg. 6205(5)
- for prescribed shares under stock option rules, Reg. 6204(3)
- for source withholdings, 227(5.1)
- for stock option limit rules, 110(0.1)

- Specified person (*cont'd*)
- for wind-up of corporation, 88(1)(c.2)
- Specified person or partnership**
- defined, 95(1)
- Specified personal corporation, defined, ITAR 57(11)**
- Specified place**
- defined, for long-haul trucker rules, 67.1(5)
- Specified plan**
- defined, 146.1(1)
- Specified portion**
- defined, for retroactive spreading of lump-sum payments, 110.2(1)
- Specified predecessor corporation**
- defined, 95(1)
- Specified predecessor, defined, 59(3.4)**
- Specified pre-regime loss**
- defined, for EIFEL rules, 18.2(1)
- Specified property**
- adjustment to adjusted cost base, 53(2)(g.1), 53(4)–(6)
 - child care space investment tax credit
 - defined, 127(9)
 - excluded, 127(9)“eligible child care space expenditure”(b)(i)
 - debt forgiveness rules
 - defined, 54
 - gain on disposition of, 80.03
 - option in respect of, when exercised, 49(3.01)
 - FAPI of banks
 - defined, 95(2.32)
 - excluded from FAPI rule, 95(2.31)
 - labour requirements for ITCs
 - defined, 127.46(1)
 - resource allowance
 - defined, Reg. 1206(1)
 - wind-up of corporation
 - defined, 88(1)(c.4)
 - whether subject to bump in cost based on wind-up, 88(1)(c.3)(i), (v)
- Specified proportion**
- for thin capitalization rules, defined, 18(5)
 - of partner, defined, 248(1)
- Specified provision**
- defined, for attribute trading restrictions on change in control, 256.1(1)
 - defined, for FAPI partnership rule where shares owned by partnership, 93.1(1.1)
- Specified publicly offered debt obligation**
- defined, 212(23)
- Specified purchaser**
- defined, for FAPI rules, 95(1)
- Specified purpose**
- defined
 - for Australian trust rules, 93.3(4)
 - for Canadian exploration expenses, 66.1(6)
- Specified RDSP payment**
- defined, for rollover to RDSP on death, 60.02(1)
- Specified reserve adjustment**
- defined, 20(30)
 - impaired debt reserve calculation, 20(1)(l)(ii)(D)(II)N
- Specified retirement arrangement**
- defined, Reg. 8308.3(1)
 - PSPA of, Reg. 8308.3(4)
 - information return, Reg. 8402(3)
 - pension credit under, Reg. 8308.3(2), (3)
- Specified right**
- defined
 - for back-to-back shareholder loan rules, 15(2.192)
 - for non-resident withholding tax back-to-back rules, 212(3.8)
 - for thin capitalization rules, 18(5)
 - for trust loss trading rules, 251.2(1)
 - for 1972 transitional rules for goodwill, ITAR 21(3)
- Specified royalty**
- defined, Reg. 1206(1)
- Specified royalty arrangement**
- defined, for non-resident withholding tax back-to-back rules, 212(3.8), (3.94)
- Specified sampling**
- defined, 127(9)
 - eligible for flow-through mining credits, 127(9)“flow-through critical mineral mining expenditure”(b)(ii), 127(9)“flow-through mining expenditure”(b)(ii)
- Specified section 93 election**
- defined, 92(1.3)
 - effect of, 92(1.2), (1.4)
- Specified securities**
- defined, for stock option grants deduction, 110(1.31)
- Specified securities lending arrangement**
- defined, 260(1)
- Specified share**
- defined
 - for non-resident trust rules, 94(1)
 - for non-resident withholding tax back-to-back rules, 212(3.8)
- Specified shareholder**
- defined, 18(5), 18(5.1), 55(3.2)(a), 88(1)(c.2)(iii), 248(1)
 - extension of definition to trusts and partnerships, *see* Specified unitholder
 - interest on debt relating to the acquisition of land, 18(3)“interest on debt relating to the acquisition of land”(b)
 - non-resident, loans by, thin capitalization rules, 18(4)
 - soft costs relating to construction, 18(3.1)(b), 18(3.2)(b)
- Specified small business corporation**
- defined, for RRSP etc. qualified investments, Reg. 4901(2)
- Specified subsidiary corporation**
- acquisition of share by, 88(1)(c.4)(i)
 - defined, 88(1)(c.5)
- Specified synthetic equity arrangement, *see also* Synthetic equity arrangement**
- defined, 248(1)
- Specified tax credit**
- defined, for labour requirements for ITCs, 127.46(1)
- Specified taxation year**
- defined, 95(2)(j.1), 95(2)(k), Reg. 5907(2.9)
- Specified taxpayer**
- defined, for look-through rule for certain trusts, 259(5)
- Specified temporary access road**
- defined, Reg. 1104(2)
- Specified tenant**
- defined, 125.7(1)“public health restriction”(e)
- Specified time**
- defined
 - for new employers remitting quarterly, Reg. 108(1.41)
 - for non-resident trust rules, 94(1)
- Specified transaction or event**
- defined, 211(1)
- Specified trust**
- defined
 - for Australian and Indian trusts, 93.3(1)
 - for prescribed annuity contracts, Reg. 304(1)(c)(iii)(A)
- Specified unitholder**
- defined, 248(1)

Specified value

- defined, for stock option deferral rules, 7(11)

Specified waste material

- defined, Reg. 1104(13)
- • for clean technology credit, 127.45(1), Reg. 1104(13)

Specified wholly-owned corporation

- defined, 55(1)

Specified year

- defined
- • for employee life and health trust carryforward, 111(7.5)
- • for registered disability savings plan, 146.4(1)
- • for registered pension plan maximum lifetime retirement benefits, Reg. 8504(1)(a)

Speech impairment

- Bliss symbol board for, disability supports deduction, 64(a)A(ii)(N)
- certification of
- • for disability credit, 118.3(1)(a.2)(ii)
- sign language interpretation services for, *see* Sign language: interpretation service

Speech-language pathologist

- certification of speech impairment
- • for disability credit, 118.3(1)(a.2)(ii)
- defined, 118.4(2)

Speech recognition software, *see* Voice recognition software**Speech synthesizer for mute person**

- disability supports deduction, 64(a)A(ii)(E)
- medical expense credit, Reg. 5700(p)

Speech therapy

- medical expense credit, 118.2(2)(1.3), (1.9)

Spent pulping liquor

- cogeneration system using, Reg. Sch. II:Cl. 43.1(c)(i)(A)
- defined, Reg. 1104(13)
- • for clean technology credit, 127.45(1), Reg. 1104(13)

Sperm

- cost of, medical expense credit, 118.2(2)(v)

Spinal brace, as medical expense, 118.2(2)(i)**Spinoff, *see* Foreign spin-off****Spire Freezers case overruled, 96(8)****Split income, 120.4**

- attribution rules do not apply, 56(5), 74.4(2)(g), 74.5(13)
- deduction from regular income, 20(1)(ww)
- defined, 120.4(1), 248(1)
- tax on children, 120.4(2)
- • minimum tax carryover not allowed, 120.2(1), 120.2(1)(b)(i)
- • parent jointly liable with child, 160(1.2)

Split-pension amount

- deduction to pensioner, 60(c)
- defined, 60.03(1)
- included in pension transferee's income, 56(1)(a.2)
- joint liability for tax, 160(1.3)

Split-receipting

- charitable gifts or political contributions, 248(30)–(33)

Splitting, sharing or apportionment

- adoption expense credit, 118.01(3)
- charitable donation super credit for first-time donors, 118.1(3.2)
- charitable donations, 118.1(1)“total charitable gifts”(c)(i)(A)
- child tax credit, where custody divided, 118(5.1)
- digital news subscription credit, 118.02(3)
- disability credit, 118.3(3)
- equivalent-to-spouse credit, where custody divided, 118(5.1)
- first-time home buyer's credit, 118.05(4)
- home accessibility tax credit, 118.041(5)
- income, *see* Income splitting
- medical expenses, 118.2(1)B

- pension income, 60.03

Sport centres or sport clubs relief (COVID), Reg. 8901.1(2)(b)(ix)(A)(I), (V), *see also* Qualifying tourism or hospitality entity**Sports event, *see also* Amateur athlete trust; Athlete**

- ineligible for Canadian film/video credit, Reg. 1106(1)“excluded production”(b)(iv)
- ineligible for film/video production services credit, Reg. 9300(2)(d)

Sports participation credit, *see* Children's Fitness Credit (pre-2017)**Sports program**

- youth boarding allowance non-taxable, 6(1)(b)(v.1)

Spousal bridging benefits

- for registered pension plan, Reg. 8503(2)(1.1)

Spousal education upgrade benefit

- paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(vii)(G)

Spousal equivalent credit, 118(1)B(b)**Spousal or common-law partner plan**

- defined, 146(1)

Spousal support, *see* Support payments (spousal or child)**Spousal trust, *see also* Trust (or estate): spouse**

- pre-1972
- • deemed disposition by, 104(4)(a.1)
- • defined, 108(1)

Spouse, *see also* Common-law partner

- alimony, *see* Support payments (spousal or child)
- common-law deemed spouse, *see* Common-law partner
- death
- • claim under provincial family law deemed to be transfer on death, 248(23.1)
- • rollover of property, 70(6)
- deemed benefits under plans, 146(8.91)
- defined, 252(3), (4)
- • re prescribed annuity contracts, Reg. 304(5)
- dividends received by, election re, 82(3)
- divorce, *see* Divorce and separation
- former
- • defined, 252(3)
- • transfer of property to, 73(1)
- income from property transferred to
- • joint liability for tax, 160(1)–(3)
- income splitting through RRSP transfers, 146(8.3), 146.3(5.1)–(5.5)
- joint and several liability for tax, 160
- living apart
- • commutation of RRSP, 146(8.3)
- • property transferred
- • • liability for tax on income or gain from, 160(4)
- • transfer to, 74.5(3)
- loans to, 74.1(1)
- • for value, 74.5
- • gain or loss, 74.2
- • repayment of, 74.1(3)
- maintenance, *see* Support payments (spousal or child)
- marriage breakdown, *see* Divorce and separation
- notch provision, 117(7), 118.2(1)D
- pension payments to widow(er) of contributor, 57(5)
- principal residence transferred to, 40(4)
- private health services plan premiums, medical expenses, 118.2(2)(q)
- property acquired from deceased taxpayer, 70(6)
- property in trust for, deemed disposition by trust, 104(4)(a)
- • deemed proceeds and cost, 104(5)
- property transferred between
- • valuation rules, 73

Spouse (cont'd)

- where transferee non-resident, Part XIII tax not exigible, 212(12)
- registered retirement savings plan for
 - amount of premiums deductible, 146(5.1)
 - meaning, 146(1)“spousal or common-law partner plan”
 - premiums not subject to income attribution rules, 74.5(12)
 - transfers to
 - income splitting via, 146(8.3), 146.3(5.1)–(5.5)
 - marriage breakdown, on, 146(16), 146.3(5.1), 147.3(5)
- reserves allowed to, for year of taxpayer's death, 72(2)
- rollover of property
 - death, on, 70(6)
 - generally, 70(6)
 - *inter vivos*, 73(1)
 - reserves for year of death, 72(2)
- separation, *see* Divorce and separation
- support of
 - when living together, 118(1)B(a)
 - when separated or divorced, *see* Support payments (spousal or child)
- surviving
 - as RRIF annuitant, 146.3(1)“annuitant”(b)
 - death benefit paid to, 248(1)“death benefit”
- transfer of business to, 24(2)
- transfer of property to, 74.1(1)
 - for fair market value, 74.5
 - gain or loss, 74.2, 74.5
 - RRSP on marriage breakdown, 146(16)(b)
 - repayment of, 74.1(3)
 - special rules, 160(4)
 - valuation rules, 73
- trust for, *see* Trust (or estate): spouse
- unused credits transferred to, 118.8

Sprinkler system installer

- apprenticeship job creation credit, 127(9)“investment tax credit”

St. Lawrence Seaway Authority, subject to tax, 27(2), Reg. 7100**Stabilization account, *see* Net income stabilization account****Stable equipment**

- capital cost allowance for, Reg. Sch. II:Cl. 10(c)

Stairs, power-operated climbing chair for, medical expense, Reg. 5700(f)**Stakeholder**

- defined, for insurance demutualization, 139.1(1)

Standard & Poor 500 Depositary Receipts

- qualified investments for deferred income plans, Reg. 4900(1)(n.1)

Standard amount

- defined, for northern residents' deduction, 110.7(6)

Standby charge

- automobile, 6(1)(e)
- car salesperson/lessor, reasonable amount, 6(2.1)
- operating costs, optional one-half, 6(1)(k)A(iv)
- partner or employee of partner, 12(1)(y)
- reasonable amount, 6(2)
- shareholder, 15(5)
- available money, for
 - non-resident tax, 214(15)

Standing therapy

- device for, medical expense credit, Reg. 5700(z.3)

Stapled security (re SIFT)

- anti-avoidance rule, 12.6
- defined, 18.3(1)
- limitation on deduction, 18.3(3)
- temporary unstapling, 12.6

Start-up date

- defined, for clean electricity credit, 127.491(1)

Start-up period

- defined, for LSVCCs, 204.8(1)

State

- defined, Canada-U.S. Tax Treaty:Art. III:1(i)

Stated capital, *see* Paid-up capital**Stated percentage**

- defined, 59(3.4)
- for resource allowance, Reg. 1206(1)
- variation of, 59(3.5)

Statistics, *see* Communication of information: statistical purposes**Status Indian, *see* Indian****Statute-barred debt, deemed settled, 80.01(9)**

- subsequent payment of debt, 80.01(10)

Statute-barred reassessments, 152(3.1), (4)**Statutory exemptions, 81(1)(a)****Stay of appeal during action to prosecute, 239(4)****Steam**

- deemed to be goods for M&P credit, 125.1(5)
- processing of, investment tax credit, 127(9)“qualified property”(c.1)
- production of, manufacturing and processing credit, 125.1(2)

Steamfitter/pipefitter

- apprenticeship job creation credit, 127(9)“investment tax credit”

Stepchild, dependent, 118(6)(a)**Stock, capital, *see* Capital stock; Share****Stock buyback tax, 183.3, 183.4**

- rate of tax, 183.3(2)
- return required, 183.4

Stock dividend, *see* Dividend: stock**Stock exchange**

- designated, *see* Designated stock exchange
- prescribed, grandfathered from before Dec. 14/07, Reg. 3200, 3201
- recognized, *see* Recognized stock exchange

Stock index participation trust

- qualified for deferred income plans, Reg. 4900(1)(n.1)

Stock option

- benefit from, 7(1)
- addition to adjusted cost base of share, 53(1)(j)
- Canadian-controlled private corporation (CCPC), 7(1.1)
- election where shares have dropped in value since exercise, 180.01 [repealed]
- emigration from Canada, no income inclusion, 7(1.6)
- offsetting 1/2 deduction, 110(1)(d), (d.1)
- withholding of tax at source, 153(1.01)
- cancellation of rights, deemed disposition, 7(1.7)
- cash-out, 7(1)(b.1), (d.1)
- death of employee, 7(1)(e), 164(6.1)
- deduction to employer, 110(1)(e)
- deferral, 7(8)–(16)
- information return, Reg. 200(5)
- donation of shares to charity, 110(1)(d.01)
- election by employer to forgo deduction for cash payment, 110(1.1), (1.2)
- no deduction to employer, 18(1)(m)
- emigration of employee, 7(1.6), 128.1(4)(d.1)
- employees, to, 7, 110(1)(d), (d.1)
- excluded from deemed disposition
 - on becoming non-resident, 128.1(10)“excluded right or interest”(c)
 - on becoming resident, 128.1(1)(b)(v)
- look-through rules, 7(2)
- non-qualified security, 110(1.31), (1.4), (1.41)

Stock option (*cont'd*)

- excluded from deduction to employee, 110(1)(d)
- notification to employee, 110(1.9)
- prescribed shares, Reg. 6204
- reduction in exercise price, 110(1.7), (1.8)
- repricing of, 110(1.7), (1.8)
- return of employee shares by trustee, 8(12)
- rights ceasing to be exercisable, deemed disposition, 7(1.7)
- stock split or consolidation, effect of, 110(1.5)
- United States interaction, Canada-U.S. Tax Treaty:Fifth Protocol (2007), Annex B, para. 6
- whether counted as SR&ED expenditure, 143.3(2)
- whether deductible to issuer, 143.3(2)

Stock purchase loan

- employee, to, 15(2.4)(c)

Stock rights

- issued to shareholder, 15(1)(c)

Stock savings plan, prescribed

- shares of
 - capital loss from disposition of, 40(2)(i)
 - prescribed assistance, deduction from cost base, 53(2)(k)(i)(C)

Stock split

- effect on stock option, rules, 110(1.5)

Stone quarry

- defined, Reg. 1104(8)

Stop International Tax Evasion Program, *see* Informant payments (for leads on international tax evasion)**Stop-loss rules**

- amalgamation, 87(2)(a), 87(2.1)
- change in control of corporation, 111(4)–(5.2)
- disposition by corporation of interest in trust, 107(1)(c)
- disposition by partner of interest in trust, 107(1)(d)
- disposition by partner of share on which dividends paid, 112(3.1)
- disposition of commercial obligation in exchange for another, 40(2)(e.2)
- disposition of debt owing by related person, 40(2)(e.1)
- disposition of partnership interest, 100(4)
- disposition of property
 - at less than FMV, 69(11)
 - to affiliated person, 40(3.3), (3.4)
 - to controller, 40(3.3), (3.4)
- disposition of share
 - held as inventory, 112(4)–(4.3)
 - in prescribed venture capital corporation or LSVCC, 40(2)(i)
 - of controlled corporation, 40(2)(h)
 - of corporation to itself, 40(3.6)
 - of foreign affiliate, 93(2)–(4)
 - on which dividend paid, 112(3)
 - received on reorganization, 112(7)
- dividend received by non-resident individual, 40(3.7)
 - credit where tax paid, 119
- exchanged shares, 112(7)
- foreign bank, on wind-up of affiliate, 142.7(13)
- losses following change of control of corporation, 111(4)–(5.2)
- mark-to-market property, 112(5.5), (5.6)
- non-resident individual, 40(3.7)
- post-emigration losses, 128.1(8)(f)
- pregnant losses, *see* Pregnant loss
- property transferred to trust, 107.4(3)(b)(ii)
- reverse takeover, 256(7)(c)–(c.2)
- shares held by financial institution, 112(5.2)
- wind-up of corporation, 88(1.1)

Stopping business, *see* Ceasing to carry on business; Winding-up**Storage area, capital cost allowance**, Reg. Sch. II:Cl. 1(g)

- for mine, Reg. Sch. II:Cl. 10(1)

Storage cost, underground

- capital cost allowance, Reg. Sch. II:Cl. 10(f.1), Sch. II:Cl. 41

Straddle transactions, 18(17)–(23)

- conditions for rules to apply, 18(18)
- deduction denied until offsetting position closed out, 18(19)
- different year-ends of taxpayer and connected person, effect of, 18(23)

Streamed income

- determination of, 66.7(2.3)(b)(ii)

Stretch credit

- for first-time charitable donor, 118.1(3.1), (3.2)

Strike pay

- not taxed (no legislative reference), *Fries* case [1990] 2 C.T.C. 439 (SCC)

Stripped bond

- cost of coupon excluded from income when sold, 12(9.1)
- interest taxable to holder, 12(1)(c)
 - annual accrual, 12(4), (9)
 - non-resident withholding tax on, 212(1)(b)(i)(B)

Stripping, *see* Capital gains stripping; Interest coupon stripping; Surplus stripping**Structured arrangement**

- defined, for hybrid mismatch arrangement rules, 18.4(1)

Structured settlement

- insurer's reserve for, Reg. 1400(3)E
- taxation of, 56(1)(d) (Notes), IT-365R2 para. 5

Structures G.B. Lée case overruled, 67.1(2)(c.1)**Stub-period end time**

- defined, for FAPI, 91(1.2)(a), Reg. 5907(8.1)

Stub period FAPI, 91(1.1)–(1.5)

- “stub period” defined, Reg. 5907(8.1)

Student

- commuting to U.S.
 - tuition fees, credit, 118.5(1)(c)
- deemed resident, credit for tuition fees, 118.5(2)
- disabled
 - eligible for RESP withdrawals, 146.1(2)(g.1)(i)(B)
 - waiver of RESP age requirements, 146.1(2.2)
- loan, *see* Student loan
- moving expenses, 62(2)
- part-year resident, credit for tuition fees, 118.91
- taxpayer supporting, 118.9
- tuition fees
 - ancillary fees, 118.5(3)
 - in Canada, credit, 118.5(1)(a)
 - outside Canada, credit, 118.5(1)(b)
 - U.S. resident, Canada-U.S. Tax Treaty:Art. XX
 - unused credits, transfers of, 118.8, 118.9

Student loan

- forgiven, to doctor or nurse practising in remote region, no tax, Reg. 7300(c)
- interest paid on, tax credit, 118.62

Stursberg case confirmed, 40(3.13)**Subcontractors**

- construction, information return, Reg. 238

Subdivision of property, *see* Partition of property**Subject corporation**

- for associated corporations simultaneous-control rule, defined, 256(6.1)(b)
- for computation of contributed surplus, defined, 84(11)
- for foreign affiliate dumping rules
 - defined, 212.3(1)
 - investment in, defined, 212.3(10)
- for non-arm's length sale of shares by non-resident corporation, defined, 212.1(1)
- for non-arm's length sale of shares by resident corporation, defined, 84.1(1)

Subject corporation (*cont'd*)

- for Part IV refundable tax on intercorporate dividends
- defined, 186(3)
- tax on dividend received from, 186(1)(b)
- for private foundation penalty on holding corporate shares, defined, 188.1(3.3)(c)

Subject entity

- defined, for SIFT trust and partnership distributions, 122.1(1)

Subject subsidiary corporation

- defined, for foreign affiliate dumping rules, 212.3(16)(a)

Subleases, *see* Leasing properties**Subordinate**

- defined, for third-party penalty, 163.2(1)

Subordinate affiliate

- defined, for FAPI surplus rules, Reg. 5905(7.2)(c)

Subscriber

- defined, for RESPs, 146.1(1)

Subscriber's gross cumulative excess

- defined, for RESPs, 204.9(1)

Subscriber's share of the excess amount

- defined, for RESPs, 204.9(1)

Subsidiary, *see also* Parent (corporation)

- controlled corporation
- defined, 248(1)“subsidiary wholly-owned corporation”
- non-resident, *see also* Foreign affiliate
- loan to, 17(3), 247(7)
- cost of shares of, 52(7)
- defined, 88(1), Reg. 8605(4)
- for trust loss trading rules, 251.2(1)
- foreign, *see* Foreign affiliate; Controlled foreign affiliate
- 90% or more owned, winding-up of
- net capital losses, 88(1.2), (1.3)
- non-capital losses, 88(1.1)
- parent corporation continuation of, 88(1.5)
- qualified expenditure, 88(1.4)
- rules, 88(1)
- wholly-owned corporation, *see also* Control of corporation
- amalgamation, on, 87(1.2), (1.4)
- defined, 248(1)

Subsidiary trust

- deemed settlement on SIFT trust wind-up, 80.01(5.1)

Subsidy

- housing, provided by employer, 6(23)

Substantial contribution of capital to partnership

- meaning of, 40(3.16)

Substantial increase in indebtedness

- meaning of, re partnership interest, 40(3.16)

Substantial interest

- defined, for Part VI.1 tax, 191(2), (3)

Substantially all

- meaning of, 66.6 (Notes)

Substantive CCPC

- capital dividend account addition, 89(1)“capital dividend account”(h)
- defined, 248(1), 248(43)
- eligible portion of taxable capital gains for dividend refund, 129(4)“eligible portion”
- full rate taxable income of, 123.4(1)“full rate taxable income”(b)
- GRIP inclusion, 89(1)“general rate income pool”E(b)
- LRIP inclusion, 89(1)“low rate income pool”D(a)
- NERDTH of, 129(4)“non-eligible refundable dividend tax on hand”(a)
- refundable tax payable by, 123.3
- relevant tax factor of, 95(1)“relevant tax factor”(b)

Substantive debt

- defined, for stock buyback tax, 183.3(1)

Substantive gift

- selling property and donating proceeds, anti-avoidance rule, 248(39)

Substitute payment arrangement

- defined, for hybrid mismatch arrangement rules, 18.4(14)
- effect of, 18.4(15)

Substitute payment mismatch

- defined, 18.4(15)(a)

Substitute's salary paid by employee

- deduction, 8(1)(i)(ii)
- certificate of employer, 8(10)

Substituted property

- defined, 248(5)
- for matchable expenditure rules, 18.1(8)(b)
- for superficial loss definition, 54“superficial loss”(a)
- for wind-up of corporation, 88(1)(c.3)

Substitution (Quebec)

- deemed to be trust, 248(3)

Subway, capital cost allowance, Reg. Sch. II:Cl. 1(j)**Succession duties**

- applicable to certain property, deduction for, 60(m.1)
- interest on, deductible, 60(d)

Successor beneficiary

- defined, for non-resident trust rules, 94(1)

Successor corporation

- Canadian resource property acquired from predecessor, 66.7(9)
- cumulative Canadian development expense, deduction for, 66.7(4)
- cumulative Canadian oil and gas property expense, deduction for, 66.7(5)
- defined, 59(3.4)
- mining exploration depletion, Reg. 1203(3)
- resource and processing allowances, Reg. 1202(3)
- resource expenses, rules re, 66.7
- application of, 66.6
- exclusions from, 66.7(6)
- resource property acquired from predecessor, 66.1(10)
- resource property acquired from tax-exempt person, 66.6(1), (2)
- second
- resource and processing allowances, Reg. 1202(3)

Successor member

- defined, for pooled registered pension plan, 147.5(1)

Successor pool (re debt forgiveness rules)

- defined, 80(1)
- use of to limit reductions of resource expenditures, 80(8)(a)

Successor position

- defined, for straddle-transaction rules, 18(17)

Sulphur, *see also* Canadian field processing

- production of, Reg. 1206(1)“resource activity”(a)
- transporting, transmitting or processing, Reg. 1204(3)(a), 1206(1)“resource activity”(j)(i)(A)

Sunday, *see* Holiday**Super-allowance benefit amount**

- addition to investment tax credit, 127(10.1)(b)
- no direct ITC, 127(9)“investment tax credit”(a.1)
- defined, 127(9)

Super credit

- for first-time charitable donor, 118.1(3.1), (3.2)

Superannuation benefits, *see also* Pension

- defined, 248(1)
- estate receiving, 104(27)
- succession duties on, deduction for, 60(m.1)
- transferred to another plan, deductible, 60(j)

Superannuation benefits (*cont'd*)

- unpaid, 78(4)

Superficial loss, *see also* Pregnant loss

- added to adjusted cost base of property, 53(1)(f)
- capital loss deemed nil, 40(2)(g)(i)
- capital property, 40(3.3)–(3.5), 54“superficial loss”
- defined, for capital gains purposes, 54
- financial institution, of, 18(13)–(15)
- no application to specified debt obligations or mark-to-market property, 142.6(7)
- inventory held as adventure in nature of trade, 18(14)–(16)

Superior court

- defined, *Interpretation Act* 35(1)

Supplemental eligible amount

- defined, for Home Buyers' Plan, 146.01(1)

Supplemental employee retirement plan, 248(1)“salary deferral arrangement” (Notes)**Supplemental Pension Plans Act**, *see* Quebec: *Supplemental Pension Plans Act***Supplementary depletion base**

- capital cost of bituminous sands equipment added to
- proceeds of later disposition, 59(3.3)(c)
- capital cost of enhanced recovery equipment added to
- proceeds of later disposition, 59(3.3)(d)
- defined, Reg. 1212(3)

Supplementary unemployment benefit plans, 145

- amounts received under, income, 56(1)(g)
- benefits
- withholding tax, 153(1)(e)
- defined, 145(1)
- election to file return, 217
- employer's contribution
- limitation on deductibility, 18(1)(i)
- not includable in employee's income, 6(1)(a)(i)
- payments to non-resident, 212(1)(k)

Supplies

- deemed to be inventory, 10(5)
- paid for and used by employee, 8(1)(i)(iii)
- certificate of employer, 8(10)
- valuation of, 10(4)

Support amount, *see also* Child support amount

- defined, 56.1(4), 60.1(4)
- payments before agreement or court order, 56.1(3), 60.1(3)
- whether deductible, 60(b), 60.1
- whether taxable, 56(1)(b), 56.1

Support payments (farm)

- information slips required, Reg. 234–236

Support payments (spousal or child)

- “allowance” defined, 56(12)
- child support, agreement or order after April 1997
- non-deductible, 60(b), 56.1(4)“commencement day”
- non-taxable, 56(1)(b), 56.1(4)“commencement day”
- deductible when paid, 60(b), (c)
- enforcement of, *see Family Orders and Agreements Enforcement Assistance Act*
- income when received, 56(1)(b), (c)
- medical/educational payments, 56.1(2), 60.1(2)
- mortgage payments, 56.1(2), 60.1(2)
- no dependant credit for spouse or child when paid, 118(5)
- paid to non-resident, 212(1)(f), 217
- paid to third parties for benefit of spouse or children, 56.1, 60.1
- paid to U.S. resident, Canada-U.S. Tax Treaty:Art. XVIII:6
- reimbursement of, taxable, 56(1)(c.2)
- repayment of, deductible, 60(c.2)
- retroactive deductibility/taxability, 56.1(3), 60.1(3)
- taxable, 56(1)(b), (c)

Supporting person

- for child care expenses, defined, 63(3)
- liability for excess child tax credit refunded, 160.1(2)
- unused education credits transferred to, 118.9

Suppression election

- for foreign affiliate liquidation and dissolution, 88(3.3)–(3.4)

Supreme Theatres case overruled, 125(7)“active business carried on by a corporation”**Surcharge**, *see* Surtax**Surface construction**

- capital cost, 13(7.5)(b), Reg. 1102(14.3)

Surplus

- budget, *see* Budget surplus
- contributed
- computation of, on transfer of insurance business, 138(11.9)
- converted into paid-up capital, no dividend deemed, 84(1)(c.1)–(c.3)
- defined (re pension plan), Reg. 8500(1), (1.1)
- distribution of, by foreign affiliate, Reg. 5901
- exempt, *see* Exempt surplus (of foreign affiliate)
- funds derived, *see* Surplus funds derived from operations
- hybrid, *see* Hybrid surplus (of foreign affiliate)
- pre-acquisition, *see* Pre-acquisition surplus (of foreign affiliate)
- stripping, *see* Surplus stripping
- taxable, *see* Taxable surplus (of foreign affiliate)

Surplus entitlement percentage

- defined, 95(1), Reg. 5905(13)
- reduction in, deemed year-end and FAPI, 91(1.1)–(1.5)

Surplus funds derived from operations

- defined, 138(12)

Surplus stripping

- conversion of dividend to exempt capital gain, 110.6(8)
- non-resident former resident who will return to Canada, 128.1(6)(b), 128.1(7)(e)
- publicly-traded corporation, by, 183.1
- sale of shares by individual, 84.1
- sale of shares by non-resident, 212.1, 212.2

Surrender

- of property to creditor, *see also* Seizure: property
- defined, 79(2)
- does not constitute payment, 79(6)
- proceeds of disposition to debtor, 79(3)
- subsequent payment by debtor, 79(4)
- of share, partnership interest or trust interest
- deemed capital gain, 80.03(2)
- defined, 80.03(3)

Surrogacy expenses

- medical expense credit, 118.2(2.21)

Surrogate parent entity

- defined, for country-by-country reporting, 233.8(1)

Surrogatum principle, 9(1) Notes (“Damages”)**Surtax**, *see also* Additional tax

- banks and life insurers, 123.6
- corporation, 123.2 [repealed]
- credit against Part I.3 tax, 181.1(4)–(7)
- credit against Part VI tax, 190.1(3)–(6)
- health promotion, 182, 183
- individual, 180.1 [repealed]
- tobacco manufacturers, 182, 183

Survey, quadrennial, reserve for, 12(1)(h), 20(1)(o), Reg. 3600**Surveying costs**

- cost base of property, addition to, 53(1)(n)

Surveyor

- defined, for surveys under *Canada Shipping Act*, Reg. 3600(2)

Survivance case overruled, 256(9)

Surviving spouse

- as RRIF annuitant, 146.3(1)“annuitant”(b)
- death benefit paid to, 248(1)“death benefit”
- tobacco manufacturers, 182, 183

Survivor

- defined
- for FHSA, 146.6(1)
- for TFSA, 146.2(1)
- payment, *see* Survivor payment
- qualifying (PRPP), *see* Qualifying survivor
- subject to FHSA overcontributions tax, 207.022

Survivor payment

- defined, 207.01(1)“exempt contribution”(b)

Survivor's amount

- defined, for FHSA, 146.6(15)

Suspended losses, *see* Suspension of losses**Suspension of charity receipting privilege, 188.2**

- objection to suspension, 165(1), 189(8)
- Tax Court application for postponement of suspension, 188.2(4)

Suspension of losses

- capital losses, 40(3.3)–(3.5)
- depreciable property, 13(21.2)
- inventory held as adventure in nature of trade, 18(14)–(16)
- share or debt owned by financial institution, 18(13), (15)
- terminal losses, 13(21.2)

Svenska Cellulosa/Essity spinoff, Reg. 5600(k)**Swap agreement**

- deemed to be eligible derivative subject to mark-to-market election, 10.1(4)
- excluded from inventory writedown, 10(15), 18(1)(x)
- straddle transaction restrictions, 18(17)“position”(a)(vi), 18(9)

Swap transaction (for RRSP, RRIF, TFSA, RESP or RDSP)

- benefit attributable to, constitutes advantage, 207.01(1)“advantage”(b)(iii)
- defined, 207.01(1)

Sweden, *see also* Foreign government

- stock exchange recognized, Reg. 3201(w)

Swine

- basic herd maintained since 1971, deduction, 29

Switch fund, *see* Mutual fund corporation: switch fund**Switzerland, *see also* Foreign government**

- stock exchange recognized, Reg. 3201(m)
- universities, gifts to, Reg. Sch. VIII, s. 6

Sylvite

- extraction of, 248(1)“mineral resource”(d)(ii)

Synagogue, *see also* Charity

- rabbi employed by, *see* Clergy

Syndicate

- interest in
- expenses of selling, 20(1)(e)

Synthetic disposition arrangement

- deemed disposition and reacquisition of property, 80.6
- defined, 248(1)
- effect on dividend stop-loss rules, 112(8), (9)
- effect on foreign tax credit, 126(4.5), (4.6)

Synthetic disposition period

- defined, 248(1)

Synthetic equity arrangement

- constitutes dividend rental arrangement, 248(1)“dividend rental arrangement”(c)
- defined, 248(1)
- no deduction for intercorporate dividend, 112(2.3)

Synthetic equity arrangement chain

- defined, 248(1)
- effect of, 112(2.32)(d)

Synthetic equity arrangement party

- defined, 112(2.32)(a)

Synthetic long position

- defined, 248(1)“synthetic equity arrangement”(b)(i)(A)

Synthetic short position

- defined, 248(1)“synthetic equity arrangement”(b)(i)

Synthetic speech system etc.

- enabling blind person to use computer
- disability supports deduction, 64(a)(ii)(C)
- medical expense credit, Reg. 5700(o)

Syria, *see also* Foreign government

- Canadian Forces personnel and police serving in, no tax on income, 110(1)(f), Reg. 7500(e) [repealed]

System plan

- defined, for clean electricity credit, 127.491(1)

Systemic failure

- defined, for country-by-country reporting, 233.8(1)

Systems software, *see also* Software

- defined, Reg. 1104(2)

T**T1 returns, 150(1)(b), (d)****T2 returns, 150(1)(a)****T3 returns, 150(1)(c)****T4 information return**

- filing deadline (Feb. 28), Reg. 205(1)
- requirement for, Reg. 200(1)

T4 slips, Reg. 200(1), (3)

- sending to employees by email, Reg. 209(3), (5)

T4A slips, Reg. 200(2), 201**T5 slips, Reg. 201****T661 SR&ED claim, 37(11)****T778 child care expenses claim, 63(1)****T1044: NPO information return, 149(12)****T1134 foreign affiliate reporting, 233.4(4)****T1135 foreign property reporting, 233.3(3)****T2200 declaration of conditions of employment, 8(10)****T3010 charity information return, 149.1(14)****T5013 partnership information return, Reg. 229(1)****T5018 contract reporting, Reg. 238****TCC, *see* Tax Court of Canada; Taxable Canadian corporation****TCP, *see* Taxable Canadian property****TCP gains balance**

- defined
- for mutual fund corporation, 131(6)
- for mutual fund trust, 132(4)

TCP gains distribution

- mutual fund corporation
- deemed to be dividend to non-resident shareholder, 131(5.1), (5.2)
- defined, 131(6)
- mutual fund trust
- deemed to be dividend to non-resident shareholder, 132(5.1), (5.2)
- defined, 132(4)

TD1-IN: status Indian's employment income, 81(1)(a) Notes**TDD device, *see* Teletypewriter****TFSA, *see* Tax-Free Savings Account****TFSA dollar limit**

- defined, 207.01(1)
- contributions over, 207.01(1)“excess TFSA amount”D(a)

TIEA, *see* Tax information exchange agreement**TIN (Taxpayer Identification Number)**

- for Common Reporting Standard

Index

- TIN (Taxpayer Identification Number) (*cont'd*)
- defined, 270(1)
 - penalty for failure to provide to financial institution, 281(3)
 - requirement to obtain and provide to financial institution, 281(1)
 - for digital platform operator reporting rules
 - defined, 282(1)
 - must be kept confidential, 293(2)
 - reportable seller must provide to reporting platform operator, 293(1)
 - penalty for failure to provide, 293(3)
- TLOPA**, *see* Time Limits and Other Periods Act (COVID-19)
- TOSI (Tax On Split Income)**, *see* Income-splitting tax
- TPAR**, *see* Total pension adjustment reversal
- TPS**, *see* Taxable preferred share
- TRRP**, *see* Top-up revenue reduction percentage
- TSX**, *see* Toronto Stock Exchange
- TTY device**, *see* Teletypewriter
- T-Bill**, *see* Treasury bill
- “Tainted” spouse trust**, *see also* Pre-1972 spousal trust
- relieving rule, 70(7)
- Takeover**, *see also* Control of corporation: change of
- reverse, 256(7)(c)–(c.2)
- Talk show**
- ineligible for Canadian film/video credit, Reg. 1106(1)“excluded production”(b)(ii)
 - ineligible for film/video production services credit, Reg. 9300(2)(b)
- Talking textbooks**
- disability supports deduction, 64(a)(ii)(I)
 - medical expense credit, Reg. 5700(w)
- Tank, oil or water storage**
- capital cost allowance, Reg. Sch. II:Cl. 6, 8, 29, 40
- Tapestry**
- hand-woven, whether CCA allowed, Reg. 1102(1)(e)
- Tar sands, defined**, 248(1), *see also* Oil sands
- Tar sands ore**
- defined, Reg. 1104(2), 1206(1)
 - processing of, Reg. 1104(5)(a)(iii), 1104(5)(c)(iii), 1104(6)(a)(iii), 1104(9)(f)(iii), 1204(1)(b)(ii)(C), 1204(1)(b)(iii)(C), 1204(1)(b)(iv)(C), 5201(c.3)
 - excluded from M&P credit, 125.1(3)“manufacturing or processing”(f)(iii)
 - investment tax credit, 127(9)“qualified property”(c)(vi)(C)
- Tawich case overruled**, 149.1(1)“qualified donee”(a)(iii), 149(1)(d.5)
- Tax**
- abatement, *see* Tax abatement
 - addition to, for income not earned in a province, 120(1)
 - additional
 - on non-Canadian corporations carrying on business in Canada, 219
 - agreement, *see* Tax treaty
 - application of payments under collection agreement, 228
 - assets used as security by DPSP trust, on, 198
 - attempt by partners to reduce or postpone, 103
 - avoidance, *see* Anti-avoidance rules
 - branch, 219
 - “business-income tax” defined, 126(7)
 - carved-out income, on, 209
 - collection of, *see* Collection of tax
 - computation of, 117(5.2), Reg. Part I, *see also* Computation of tax
 - convention, *see* Tax treaty
 - corporate distributions, on, 183.1
 - indirect payments, 183.1(5)
 - limitation, 183.1(6)
 - stock dividends repurchased for excessive amount, 183.1(3)
 - subsec. 110.6(8) not applicable, 183.1(7)
 - corporations, 123–125.1
 - court, *see* Tax Court of Canada
 - credits, *see* Tax credits
 - debt to Her Majesty, 222(2)
 - deduction at source
 - amount of, deemed received by payee, 153(3)
 - required of payer, 153
 - tables, Reg. Sch. I
 - deduction from, *see* Tax credits
 - deduction of, Reg. Part I
 - deductions in computing, *see* Deductions in computing tax
 - deferred income plans, on, *see also* Deferred income plans
 - deferred profit sharing plans, on, 198–204
 - tax on non-qualified investments and assets used as security, 198
 - estimate to be made, 151
 - evasion, *see* Tax evasion, penalty for
 - excessive capital dividend or capital gains dividend elections, on, 184
 - failure to remit amounts withheld, 227(9)
 - salary or wages, from, 227(9.5)
 - failure to withhold, 227(8)
 - assessment for, 227(10)
 - salary or wages, from, 227(8.5)
 - foreign, *see* Foreign taxes
 - forfeiture under deferred profit sharing plan, 201
 - imposed, *see* Liability for tax
 - income from Canada of non-residents, on, 212–218
 - income from property transferred at non-arm’s length, on, 160(1)–(3)
 - interest on unpaid amount, 161(1)
 - investment income of life insurers, on, 211–211.5
 - large corporations, *see* Large corporations tax (Part I.3)
 - liability for, *see* Liability for tax
 - logging
 - deduction for, 127(1), Reg. Part VII
 - defined, 127(2)
 - manufacturing and processing deduction, 125.1
 - mining, deduction, 20(1)(v), Reg. 3900
 - “non-business-income tax” defined, 126(7)
 - non-deductible, 18(1)(t)
 - non-qualified investments of deferred profit sharing plan, on, 198, 199
 - non-residents, *see* Non-resident tax
 - otherwise payable
 - defined, 120(4)“tax otherwise payable under this Part”, 126(7)“tax for the year otherwise payable under this Part”
 - over-contributions to deferred income plans, on, 204.1–204.3
 - overpayment, defined, 164(7)
 - Part I.2, deduction for, 60(w)
 - Part II, 182(1)
 - Part II.1, 183.1
 - Part II.2, 183.3–183.4
 - Part IV
 - reduction in, re Part IV.1 tax payable, 186(1.1)
 - Part IV.1, 187.2, 187.3
 - reduction in Part IV tax re, 186(1.1)
 - Part VI.1, 191–191.4
 - Part VI.2, 191.5–191.6
 - Part XII.3
 - deductible from income of life insurer, 138(3)(g)
 - payable, *see also* Liability for tax
 - amount deemed to be, 20(1)(II)
 - corporations, 123
 - non-resident, on branch profits, 219
 - defined, 117(1), 248(2)
 - inter vivos trust, by, 122

Tax (cont'd)

- payment of, *see* Payment of tax
- property disposed of by public authorities, re, 207.3, 207.4
- property held by trusts governed by deferred income plans, re, 207.1, 207.2
- rates of, *see* Rates of tax
- recovery by deduction or set-off, 224.1
- refund of overpayment, *see also* Refund
- refundable, *see* Refundable Part IV tax
- registered charities, 188, 189
- registered investments, re, 204.4–204.7
- registered securities dealers, re securities lending arrangement payments to non-residents, 212(19)
- return, *see* Returns
- revoked plans, on, 198
- security for, 220(4)–(4.4)
- shelter, *see* Tax shelter
- small business deduction, 125
- surtax
 - individual (before 2001), 180.1
 - corporation (before 2008), 123.2
- taxable dividend received by private corporation, 186
- tobacco manufacturers, 182, 183
- tobacco manufacturing income, 182
- treaty, *see* Tax treaty
- unpaid, interest on, 227(9.3)
- withheld at source
 - deemed to discharge debt, 227(13)
 - failure to remit, 227(9)
 - held in trust, 227(4), (4.1)
 - not part of estate, 227(5)
- withholding of, *see* Withholding

Tax abatement

- corporations, 124
- individuals, Reg. 6401
 - prescribed dates, Reg. 6401
 - province providing schooling allowance, 120(2)
- manufacturing and processing, 125.1
- not available to Crown corporations, 124(3)
- small business, 125

Tax accounts

- transfer of instalments between, 221.2

Tax advisor

- penalty for misrepresentation by, 163.2

Tax agreement, *see* Tax treaty**Tax anniversary date**

- defined, Reg. 310

Tax attribute

- defined, for tax-debt avoidance penalty, 160.01(1)

Tax attribute transaction

- defined, 160.01(1)

Tax avoidance, *see* Anti-avoidance rules**Tax avoidance motive, *see also* Anti-avoidance rules****Tax avoidance policy**

- defined (life insurance policy), Reg. 310
- deemed not to be exempt policy, Reg. 306(1)

Tax basis

- defined, 142.4(1), Reg. 9100, 9200(1)
 - variation in, for certain insurers, 138(13)
- used as cost amount for specified debt obligation, 248(1)“cost amount”(d.2)

Tax benefit

- defined
 - for notifiable transactions, 237.3(1)
 - for reportable transactions, 237.3(1)
 - for tax-debt avoidance penalty, 160.01(1), 163.2(1)
 - general anti-avoidance rule (GAAR), 245(1)

- • transfer pricing documentation, 247(1)

Tax consequences, defined, 245(1)**Tax convention, *see* Tax treaty****Tax Court of Canada, *see also* Appeal**

- appeal from, to Federal Court of Appeal, *see* Federal Court of Appeal
- appeal to, 169
 - application to all taxpayers with common issue, 174
 - general procedure, 175
 - informal procedure, 170
 - only on grounds raised in objection, 169(2.1)
 - prohibited where right waived by taxpayer, 169(2.2)
 - settlement of appeal, 169(3)
 - time not counted, 174(5)
 - valuation of ecological property, 169(1.1)
- application for extension of time
 - for appeal, 167
 - for notice of objection, 166.2
- disposal of appeal, 171(1)
 - on specific issue, 171(2)–(4)
- reference to
 - common questions, 174
 - tax shelter appeal, common question, 174
 - where no reasonable grounds for appeal, 179.1

Tax credits, *see also* Deductions in computing tax

- adoption expenses, 118.01
- aged 65 and over, 118(2)
- apportionment of, *see* Splitting, sharing or apportionment
- basic minimum, 127.531
- basic personal, 118(1)B(c)
- CPP contributions, 118.7
- Canada employment, 118(10)
- caregiver (infirm dependant)
 - additional amount, 118(1)B(a)(ii)C(A), 118(1)B(b)(iv)D(A), 118(1)B(b.1), 118(1)B(c.1)E(a)
 - base amount
 - after 2016, 118(1)B(d)
 - before 2017, 118(1)B(c.1)
- charitable donations, 118.1
- child (pre-2015), 118(1)B(b.1)
- children's arts (pre-2017), 118.031
- children's fitness, 118.03 [before 2015], 122.8 [2015–16]
- dependants, 118(1)B(b), (c), (d)
 - support payments, effects of, 118(5)
- digital news subscriptions, 118.02
- disability, 118.3
- disability home buyer, 118.05
- employment, 118(10)
- employment insurance premiums, 118.7
- equivalent-to-married status, 118(1)B(b)
- family caregiver, *see* caregiver (above)
- first-time home buyer, 118.05
- First Nations tax paid, 120(2.2)
- fitness, 118.03 [before 2015], 122.8 [2015–16]
- foreign taxes, 126
- fraudulently obtained, offence, 239(1.1)
- GST/HST, 122.5
- gifts, 118.1
- home accessibility (senior or disabled person), 118.041
- individual, 118
- in-home care of relative
 - after 2016, no specific credit, *see* caregiver (above)
 - before 2017, 118(1)B(c.1)
- investment, 127(5)–(36), 127.1, *see also* Investment tax credit
- labour-sponsored funds, 127.4
- lump-sum averaging, 120.31
- manufacturing and processing, 125.1
- married status, 118(1)B(a)

Index

Tax credits (*cont'd*)

- medical expenses
 - non-refundable credit, 118.2
 - refundable credit, 122.51
- mental or physical impairment, expenses related to, 118.2(2)(b), (c)
- non-resident individual, 118.94
- online newspapers, 118.02
- ordering of, 118.92
- overseas employment (pre-2016), 122.3
- part-year resident, 118.91
- pension income, 118(3)
- personal, 118(1)
 - limitations, 118(4)
 - not available to trust, 122(1.1)
- political contributions, 127(3)–(4.2)
- public transit pass, 118.02 [pre-2018]
- research and development, *see* Investment tax credit
- school supplies, 122.9
- scientific research, *see* Investment tax credit
- separate returns, in, 118.93
- single status, 118(1)B(c)
- small business, 125
- splitting of, *see* Splitting, sharing or apportionment
- spousal, 118(1)B(a)
- teacher school supplies, 122.9
- textbook, 118.6(2.1)
- training credit, 122.91(1)
- tuition credit, 118.5
 - carryforward of unused portion, 118.61
 - transfer of unused portion, 118.8, 118.9
- unused
 - carryforward, 118.61
 - transfer to spouse, 118.8
 - transfer to supporting person, 118.9
- volunteer firefighter, 118.06

Tax debt

- action to commence, 10-year limitation period, 222(3)–(10)
- collection of, *see* Collection of tax
- defined, 222(1)
- recoverable by the Crown, 222(2)

Tax debtor

- transfer of property, by, transferee liable, 160

Tax deferral, *see also* Rollover

- agreement authorized by tax treaty, deemed valid, 115.1

Tax deferred cooperative share

- defined, for agricultural cooperatives, 135.1(1)

Tax-deferred patronage dividends, 135.1

Tax equity

- defined, ITAR 26(12)

Tax evasion, penalty for, 163, 238, 239

Tax-exempt income

- defined, for foreign tax credit, 126(7)

Tax-exempt person, *see* Exempt person

Tax factor

- relevant, defined, 95(1)

Tax for year otherwise payable under Part I

- defined, 126(7)

Tax-Free Savings Account, 146.2, 207.01–207.07

- administration fees, non-deductible, 18(1)(u)
- annuity from, not taxable, 56(1)(d)(iii)
- attribution rules do not apply, 74.5(12)(c)
- carrying on business, tax on, 146.2(6)
- liability of holder and trustee, 146.2(6.1)
- death of holder, 12(1)(z.5), 146.2(9), 207.01(3)
- defined, 248(1)“TFSA”

- depositary, 146.2(1)“qualifying arrangement”(b)(iii)
- designation of charity as beneficiary, 118.1(5.2)(b)
- disposition of property to, capital loss nil, 40(2)(g)(iv)(A)
- dollar limit, 207.01(1)“TFSA dollar limit”
- contributions over, 207.01(1)“excess TFSA amount”D(a)
 - tax on, 207.02
- election for proportional holdings in trust property, 259(1)
- emigration of holder, no deemed disposition, 128.1(10)“excluded right or interest”(a)(iii.2)
- excluded from annual interest accrual rules, 12(11)“investment contract”(d.1)
- excluded from various trust rules, 108(1)“trust”(a)
- exempt from tax, 146.2(6), (7), 149(1)(u.2)
- exemption-end time, defined, 146.2(9)(a)
- income from, not taxable, 146.2(6), (7)
- information return, Reg. 223
- interest on money borrowed to contribute to, not deductible, 18(1)(j)
- investment counselling fees, non-deductible, 18(1)(u)
- money borrowed to contribute to, no deduction, 18(1)(j)
- no tax on, 146.2(6), 149(1)(u.2)
- plan fees paid by owner, not an advantage conferred on plan, 207.01(1)“advantage”(b)(i)
- prohibited investments, *see* Prohibited investment
- qualified investments, 207.01(1)“qualified investment”
- Quebec, in, deemed to be trust, 248(3)(c)
- regulations, 146.2(13)
- reversionary trust rules do not apply, 75(3)(a)
- services in respect of, non-deductible, 18(1)(u)
- T3 trust return not required, Reg. 204(3)(f)
- tax on excess contributions, 207.02
- transfer to another TFSA
 - not a disposition, 248(1)“disposition”(f)(vi)
 - not counted as overcontribution, 207.01(1)“qualifying transfer”
- permitted, 146.2(2)(e)
- used as security for loan, 146.2(4)

Tax-free surplus balance

- of a foreign affiliate
 - amended bump designation, 88(1.8), (1.9)
 - defined, Reg. 5905(5.5)

Tax-free zone

- pre-1972 capital gains, ITAR 26(3)

Tax imposed, *see* Liability for tax

Tax-indifferent

- defined, for EIFEL rules, 18.2(1)

Tax-indifferent investor

- defined, 248(1)
- whether carries risk in dividend rental arrangement, 112(2.32)

Tax informant program, *see* Informant payments (for leads on international tax evasion)

Tax information exchange agreement, *see also* Tax treaty

- creates “designated treaty country”, Reg. 5907(11)
- demand for information relating to, 231.2(1)
- disclosure of taxpayer information for purposes of, 241(4)(e)(xii)
- dividends from country, deemed to be out of exempt surplus, Reg. 5907(1)“exempt earnings”(d), 5907(11)
- list of countries, 95(1)“non-qualifying country” (Notes)
- not present, income deemed FAPI, 95(1)“non-qualifying business”, “non-qualifying country”

Tax matters partner

- to file objections to determination of partnership income, 165(1.15)

Tax on split income, *see* Income-splitting tax

Tax otherwise payable

- defined, 120(4)

Tax-paid amount

- defined, 146(1)
- excluded from RRIF income
 - generally, 146.3(5)(c)
 - on death, 146.3(6.2)A(b), (c)
- excluded from RRSP income
 - generally, 146(1)“benefit”(c.1)
 - on death, 146(8.9)A(b), (c)

Tax paid balance

- defined, for agricultural cooperatives, 135.1(1)

Tax-paid earnings

- defined, for thin capitalization rules, 18(5)

Tax payable, *see also* Tax: payable

- defined, 248(2)
- determination of, by Minister, 152(1.11), (1.12)
- determined without reference to minimum tax, 117(1)

Tax preparer

- defined, 150.1(2.2)
- required to file electronically, 150.1(2.3), (2.4)
- penalty (filing fee) for non-compliance, 162(7.3)

Tax protestors, 2(1) (Notes), 248(1)“person” (Notes)**Tax rebate discounting, 220(6) (Notes)****Tax return, *see* Returns****Tax shelter**

- appeal of assessment, binding on all taxpayers in same shelter, 174
- art, *see* Art flips
- business does not entitle individual to June 15 filing deadline, 150(1)(d)(ii)(A)
- Canadian film credit not available, 125.4(4)
- charitable donations, 237.1(1)“gifting arrangement”
- collection of half of tax in dispute, 164(1.1)(d)(ii)(B), 225.1(7)
- computer equipment, *see* Computer tax shelter property
- computer software, *see* Computer tax shelter property
- cost of, 143.2
- deduction disallowed
 - where identification number not provided, 237.1(6)
 - where penalty unpaid, 237.1(6.1)
- defined, 237.1(1)
- film, *see* Motion picture film
- fiscal period, election for non-calendar year prohibited, 249.1(5)
- identification number
 - application for, by promoter, 237.1(2)
 - display of, required, 237.1(5)
 - issuance of, by Minister, 237.1(3)
 - penalty for false information in application, 237.1(7.4)
 - penalty for selling shelter before number issues, 237.1(7.4)
 - prerequisite for deduction, 237.1(6)
 - prerequisite of sale etc., 237.1(4)
 - provision of, to buyers, 237.1(5)
- information outside Canada, 143.2(13), (14)
- information return
 - promoter must file, 237.1(7)–(7.5)
 - extended reassessment deadline if not filed, 152(4)(b.1)
- tax shelter number to be included, 237.1(5)(c)
- investment, 143.2
 - defined, 143.2(1)“tax shelter investment”
 - matchable expenditure, 18.1(13)
 - reassessment, no limitation period, 143.2(15)
- matchable expenditure rules, 18.1
- minimum tax on deductions, 127.52(1)(c.3)
- Minister’s powers of investigation, 237.1(8)
- MURB, *see* Multiple unit residential buildings
- mutual fund limited partnership, 18.1
- prescribed benefit, Reg. 3100
- promoter

- application for identification number, 237.1(2)
- defined, 237.1(1)
- information return, 237.1(7)
- provision of identification number to buyers, 237.1(5)
- sales prohibited without identification number, 237.1(4)
- software, *see* Computer tax shelter property
- yacht, *see* Yacht

Tax shelter investment, *see* Tax shelter: investment**Tax sparing, pre-1976 investment, Reg. 5907(10)****Tax transfer payments to provinces, 154, Reg. 3300****Tax treatment**

- defined, for mandatory disclosure rules, 237.3(1), 237.4(1), 237.5(1)

Tax treaty, *see also* Tax information exchange agreement

- amounts exempt under, deduction for, 110(1)(f)(i)
- anti-treaty shopping rule, Canada-U.S. Tax Treaty:Art. XXIX-A
- Canada-U.K., *see* Table of Contents
- Canada-U.S., *see* Table of Contents
- competent authority agreement deemed valid, 115.1
- country with, foreign affiliate in, Reg. 5907(11)–(11.2)
- credit for departing resident to country with which Canada has, 126(2.21)
- deduction from income, 110(1)(f)(i)
- deemed resident in Canada due to family member, 250(1)(g)
- defined, 248(1)
- designated treaty country (FAPI rules), Reg. 5907(11), (11.1)
- disclosure of information as permitted by, 241(4)(e)(xii)
- dividend limitation in
 - applies for branch tax, 219.2
 - applies for corporate emigration tax, 219.3
- exempting Canadian person from tax, 250(5)
- gains deemed to arise in Canada, *Income Tax Conventions Interpretation Act* s. 6.3
- income exempt under, 126(7)“tax-exempt income”
- income exempt under, not earned income for RRSP, 146(1)“earned income”(c)
- interpretation of, *Income Tax Conventions Interpretation* (reproduced before the treaties)
- list of, *see* Table of Contents
- listed countries, Reg. 5907(11)–(11.2)
- non-resident under, deemed non-resident of Canada, 250(5)
- partners exempted by, new partner joining partnership, 96(8)
- property exempted under, 108(1)“exempt property”
- requirement to file return to claim exemption, 150(1)(a)(ii)
- tax on disposition of property by non-resident deferred under, 115.1
 - election, time of making, Reg. 7400(2)
 - prescribed provisions, Reg. 7400(1)

Taxable amount

- amount, *see* Taxable capital amount

Taxable benefits, *see* Benefit**Taxable Canadian business**

- defined, 95(1)
- application to FAPI rules, 95(2)(j.1), (k), (k.2)

Taxable Canadian corporation

- defined, 89(1)“taxable Canadian corporation”
- prescribed, for Canadian film/video credit, Reg. 1106(2)
- property disposed of to taxpayer
 - cost base, addition to, 53(1)(f.1)

Taxable Canadian life investment income

- defined, 211.1(2)

Taxable Canadian property, *see also* Property

- defined, 248(1)
- excludes shares of demutualized life insurer or holding corporation, 141(5)
- exclusions for branch tax purposes, 219(1.1)
- disposition of, by non-resident, 116

Index

Taxable Canadian property (*cont'd*)

- • purchaser liable for tax, 116(5)
- • taxable, 2(3)(c)
- distributed on foreign affiliate liquidation and dissolution, 88(3.5)
- distribution to non-resident beneficiaries
 - • tax on, 107(5)
 - • • security for tax, 220(4.6)–(4.63)
- excluded from deemed disposition
 - • on becoming resident, 128.1(1)(b)(i)
- foreign merger, rollover on, 87(8.4), (8.5)
- includes option, 248(1)“taxable Canadian property”(f)
- mutual fund, of, *see* TCP gains distribution
- prorating for gains before May 1995, 40(9)
- replacement of
 - • capital property, 44(5)(c), (d)
 - • depreciable property, 13(4.1)(c), (d)
- rollover of, 85(1)(i), 85.1(1)(a)
 - • on foreign merger, 87(8.4), (8.5)
- ship or aircraft used in international traffic, 248(1)“taxable Canadian property”(b)(ii)
- transitional rule re property not covered before April 26/95, ITAR 26(30)

Taxable capital

- for financial institutions tax
 - • defined, 190.12
- • employed in Canada, defined, 190.11
- for large corporations tax (pre-2006)
 - • defined, 181.2(2), 181.3(2)
 - • • tax on (pre-2006), 181.1(1)
- • employed in Canada, defined, 181.2(1), 181.3(1), 181.4, Reg. 8601

Taxable capital amount

- defined, 66(12.6011)
- limit of \$15 million for pre-2019 flow-through of CDE as CEE, 66(12.601)(a.1)

Taxable capital employed in Canada

- defined
 - • for financial institutions tax, 190.11
 - • for large corporations tax, 181.2(1), 181.3(1), 181.4
 - • for renunciation of pre-2019 CDE as CEE on flow-through shares, 66(12.6011)

Taxable capital gain, *see* Capital gain

Taxable conversion benefit, *see also* Conversion benefit

- defined, for insurance demutualization, 139.1(1)

Taxable deficit (of foreign affiliate)

- defined, Reg. 5907(1)

Taxable dividend

- deemed, *see* Dividend: deemed
- defined, 89(1), 112(6)(a), 129(1.2), 129(7), 133(8), 248(1)
 - • for purposes of debt forgiveness, 80.03(1)(b)
 - • for purposes of dividend refund, 129(7)
 - • for purposes of stop-loss rules, 112(6)(a)
 - • generally, 89(1), 248(1)
- partnership receiving, 186(6)

Taxable earnings (of foreign affiliate)

- defined, Reg. 5907(1)

Taxable income

- communal organization, election re, 143(2), (3)
- computation of, 110–114
- • deductions, *see* Deductions in computing taxable income
- • individual
 - • • order of application, 111.1(1)
 - • • resident for part of year, 114, 114.1
- deductions in computing, *see* Deductions in computing taxable income; Tax credits
- defined, 2(2)
- determination of, by Minister, 152(1.11), (1.12)

- earned in a province by a corporation, Reg. Part IV
- earned in Canada, *see* Taxable income earned in Canada
- earned in the year in a province, 124(4)
- life insurer, 138(7)
- non-resident, earned by in Canada, 115
- non-resident person, 115

Taxable income earned in Canada, 115

- defined, 115(1), 248(1)
- determination of, by Minister, 152(1.11), (1.12)
- foreign resource pool expenses, 115(4.1)

Taxable interest expense

- defined, 218.2(2)

Taxable life insurance policy

- defined, 211(1)

Taxable loss (of foreign affiliate)

- defined, Reg. 5907(1)

Taxable net gain

- from listed personal property, defined, 41(1), 248(1)

Taxable non-portfolio earnings

- defined, 197(1)
- reduced by Part IX.1 tax payable by SIFT partnership, 96(1.11)(b)

Taxable obligation

- defined, 240(1)

Taxable preferred share

- defined, 248(1)
- dividends excepted from tax, 187.1
- tax on corporation paying dividends on, 191–191.4
- • agreement to transfer tax liability to related corporation, 191.3
 - • • assessment by Minister, 191.3(3), (5)
 - • • payment by transferor corporation, 191.3(6)
 - • • where of no effect, 191.3(4)
- • amalgamation, 87(2)(rr)
- • associated corporations, 191.1(3)
- • • failure to file agreement, 191.1(5)
- • • total dividend allowance, 191.1(4)
- • dividend allowance, 191.1(2)
- • • short years, in, 191.1(6)
- • • total, for associated corporations, 191.1(4)
- • excluded dividend, defined, 191(1)
- • financial intermediary corporation, defined, 191(1)
- • information return, 191.4(1)
- • private holding corporation, defined, 191(1)
- • substantial interest, 191(2), (3)
- • tax payable, 191.1(1)
- • • election, 191.2
- • tax on dividends received by corporation, 187.2
- • information return, 187.5
- • partnerships, 187.4

Taxable RFI share

- amalgamation, effect of, 87(4.2)
- defined, 248(1)
- tax on dividend, 187.3(1)

Taxable SIFT distributions

- defined, Reg. 414(1), (2)

Taxable SIFT trust distributions

- defined, 122(3)
- excluded in determining province of residence of trust, Reg. 2608
- tax on, 122(1)(b)B

Taxable supplier

- defined, 127(9)

Taxable surplus

- election to come before hybrid surplus, Reg. 5901(1.1)
- portion of dividend deemed paid out of, Reg. 5900(1)(a)

Taxable surplus (of foreign affiliate)

- adjustment where gain deemed due to negative adjusted cost base, 93(1)(b)(ii)
- deduction for dividend paid out of, 113(1)(b), (c), Reg. 5900(1)(b)
- defined, 113(1)(b)(ii), Reg. 5907(1)

Taxation year, *see also* Fiscal period

- becoming or ceasing to be CCPC, deemed year-end, 249(3.1)
- becoming or ceasing to be exempt, deemed year-end, 149(10)
- becoming or ceasing to be financial institution, deemed year-end, 142.6(1)
- ceasing to carry on business, 25(1)
- change of control, deemed year-end, 249(4)
- company formed by amalgamation, of, 87(2)(a)
- corporation, of
 - longer than 365 days, 249(3)
- deemed “fiscal period”, 14(4) [before 2017]
- defined, 11(2), 142.6(1), 149(10), 149.1(1), 249, Reg. 1104(2), 1802(5), 3700
- of mutual fund following rollover, 132.2(3)(b), 132.2(3)(i)(ii)
- employees profit sharing plan trust, 144(11)
- first, of mortgage investment corporation, 130.1(8)
- fiscal period of business, and, 11(2)
- foreign affiliate, of, 95(1) “taxation year”
- individual, of, 11(2), Reg. 1104(2)
- less than 12 months, *see* Short taxation year
- mutual fund trust, election for December 15, 132.11
- non-resident, of, 250.1(a)
- partnership, of, 96(1)(b)
- reference to, 249(2), (3)
- registered Canadian amateur athletic association, of, 149.1(1) “taxation year”
- registered charity, of, 149.1(1) “taxation year”
- short, *see* Short taxation year

Taxed capital gains (of investment corporation, mutual fund corporation or mutual fund trust)

- defined, 130(3)(b), 131(7), 132(5)

Taxicabs, Reg. Sch. II:Cl. 16**Taxing country**

- defined
 - for FAPI, Reg. 5910(4)
 - for foreign tax credit, 126(7)

Taxpayer

- absconding, 226
- bankrupt, 128
- becoming Canadian resident, ITAR 26(10)
- ceasing to be resident, *see* Non-resident: becoming
- death of, *see* Death of taxpayer
- defaulting, 226
- defined, 248(1)
 - for interest deduction restrictions, 18.2(1)
- includes partnership for certain purposes, 18.1(1), 56.4(1), 96(2.01), 125.6(2.2), 143.2(1), 143.3(1), 143.4(1) “taxpayer”
- investigation, under
 - rights of, at inquiry, 231.4(6)
- leaving Canada, demand for amounts owing, 226
- not limited to person liable for tax, 248(1)

Taxpayer Identification Number, *see* TIN (Taxpayer Identification Number)**Taxpayer information**

- defined, 241(10)
- provision of
 - authorized, 241(4)
 - prohibition against, 241(1)

Taxpayer relief

- late elections, 220(3.2)–(3.7)
- reassessments after normal reassessment period, 152(4.2), 164(1.5)

- waiver of penalty and interest, 220(3.1)

Teacher

- contribution to teachers’ exchange fund, 8(1)(d)
- exemption for travel expenses, 81(3.1)(a)(ii)
- registered pension plan, contribution to, 147.2(5)
- sabbatical arrangement, Reg. 6801(a)
- exemption for recontributed amount received from plan, 81(1)(s)

Teacher school-supplies credit, 122.9(2)

- prescribed durable goods, Reg. 9600

Teaching supplies

- defined, for teacher school-supplies credit, 122.9(1)

Technical guide

- Natural Resources, *see* Department of Natural Resources

Teck-Bullmoose case overruled, 13(7.5)**Telecom NZ-Chorus Ltd. spinoff**, Reg. 5600(f)**Telecommunication spacecraft**

- capital cost allowance, Reg. Sch. II:Cl. 10(f.2), Sch. II:Cl. 30(a)
- separate classes, Reg. 1101(5a)

Telecommunications

- defined, *Interpretation Act* s. 35(1)

Teleglobe Canada, subject to tax, 27(2), Reg. 7100**Telegraph system**

- defined, Reg. 1104(2)

Telephone and telegraph equipment

- capital cost allowance, Reg. Sch. II:Cl. 3, Sch. II:Cl. 17

Telephone and telegraph systems

- capital cost allowance, Reg. Sch. II:Cl. 17
- defined, Reg. 1104(2)

Telephone cable

- capital cost allowance, Reg. Sch. II:Cl. 42(b)

Telephone ringing indicator

- disability supports deduction, 64(a)A(ii)(B)
- medical expense credit, Reg. 5700(k)

Teletypewriter

- disability supports deduction, 64(a)A(ii)(B)
- medical expense credit, Reg. 5700(k)

Television commercial message

- capital cost allowance, Reg. Sch. II:Cl. 12(m)
- defined, Reg. 1104(2)

Television decoder (to visually display vocal portion of signal)

- medical expense, Reg. 5700(q)

Television set-top box

- capital cost allowance, Reg. Sch. II:Cl. 30(b)

Tellurium, *see* Critical mineral**Temporary access road**, *see* Specified temporary access road**Temporary relocation deduction**

- defined, for labour mobility deduction, 8(14)(f)

Temporary wage subsidy (COVID-19), 153(1.02)–(1.04)**Temporary work location**

- defined, for labour mobility deduction, 8(14)(b)

Ten-eight policy, *see* 10/8 policy [at end of Index]**Ten-year gift (to charity)**, *see* Enduring property [repealed]**Tenant inducements**

- taxable as income, 12(1)(x)

Term insurance

- defined, Reg. 2700(1)

Term preferred share

- defined, 248(1)
- dividends on
 - deemed, 84(4.2), 258(2)
 - received by specified financial institution, 112(2.1)
 - deemed interest on, 258(3)(a)

Term preferred share (*cont'd*)

- reduction of paid-up capital, deemed dividend, 84(4.2)
- share-for-share exchange, 87(4.1)

Terminal loss

- deduction for, 20(16)
- • after ceasing to carry on business, 20(16.3)
- limitation re passenger vehicles, 20(16.1)(a)
- limitation re franchise or licence exchanged, 20(16.1)(b)
- limitation where property acquired by affiliated person, 13(21.2)(e)(i)

Terminating corporation

- class A shares can be issued to, for LSVCC, 204.81(1)(c)(ii)(A)
- defined, for labour-sponsored venture capital corporations, 204.8(1)

Termination of business, *see* Ceasing to carry on business**Termination payment**, *see* Retiring allowance**Territorial sea**

- defined, *Interpretation Act* 35(1)

Territory

- defined, *Interpretation Act* 35(1)

Terrorism, *see* Charities Registration (Security Information) Act**Tertiary recovery equipment**, Reg. 1206(1)**Test wind turbine**

- allowed as CRCE, Reg. 1219(1)(g)
- defined, Reg. 1219(3)

Testamentary trust, *see* Trust (or estate): testamentary**Texas partnership**

- losses disallowed, 96(8)

Textbook tax credit, 118.6(2.1)**Textbooks, talking**, *see* Talking textbooks**Theatres relief (COVID)**, Reg. 8901.1(2)(b)(iv), (xiv), *see also* Qualifying tourism or hospitality entity**Theme parks relief (COVID)**, Reg. 8901.1(2)(b)(viii), *see also* Qualifying tourism or hospitality entity**Therapy**

- medical expense credit
- • general, 118.2(2)(1.9)
- • rehabilitative, for speech or hearing loss, 118.2(2)(1.3)
- non-taxable employment benefit, 6(1)(a)(iv)

Thermal waste

- defined, Reg. 1104(13)

Thin capitalization rules, 18(4)–(8)

- back-to-back loans, 18(6), (6.1)
- deemed dividend for non-resident withholding tax, 214(16), (17)
- income inclusion for corporate partner, 12(1)(1.1)
- interest not deductible, 18(4)–(6)
- trust designation of thin-cap interest paid to non-resident as being payment to beneficiary, 18(5.4)

Things, *see* Property; Rights or things**Third party**

- defined, for amateur athlete trusts, 143.1(1)
- demand, *see* Third party demand
- payment, *see* Scientific research and experimental development: third party payment
- penalty for misrepresentation by, 163.2

Third party demand

- information, for, 231.2(1)
- payment, for, *see* Garnishment for taxes unpaid

Third project period

- defined, for CCUS credit, 211.92(1)

Third recovery taxation year

- defined, for CCUS credit, 211.92(1)

Threshold amounts, *see* Dollar amounts in legislation and regulations**Tidal energy, electricity generation equipment**

- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(xiv), Sch. II:Cl. 43.2

Tiers of partnerships

- look-through rules, 15(2.14)(b), 18.4(18), 66.8(3)(b), 91(4.4), 93.1(3), 96(2.01), 102(2), 126(4.13), 149.1(11), 163(2.8), 233(3), 233.1(5), 233.3(2), 233.4(3), 247(6), Reg. 1100(12)(b)(ii), 1100(16)(b)(ii), 1100(25)(b)(iv)(B), 1100(26)(b)(ii)
- • at-risk rules, 96(2.01), 96(2.1)(f)
- • capital gains deduction, 110.6(14)(d.1)
- • foreign affiliate determination, 93.1(3), Reg. 5908(9)
- • Large Corporations Tax, 181.2(3)(g)A(b)(i), 181.2(5)
- • Part VI.1 tax, 191(6)
- • partnership rules generally, 96(2.01), 102(2)

Tile drainage, deduction, 30**Tilesetter**

- apprenticeship job creation credit, 127(9)“investment tax credit”

Timber limits

- capital cost allowance, Reg. 1100(1)(e), Reg. Sch. VI
- • separate classes, Reg. 1101(3)
- disposition of by non-resident, 216(5)
- equipment for use in, capital cost allowance, Reg. Sch. II:Cl. 10(n), Sch. II:Cl. 15

Timber resource property

- capital cost allowance, Reg. Sch. II:Cl. 33
- constitutes taxable Canadian property for certain purposes, 248(1)“taxable Canadian property”(n)(ii)
- defined, 13(21)
- disposition of
- • by non-resident, 216(5)
- • no capital gain, 39(1)(a)(v)
- • proceeds of disposition, 20(5.1)
- in corporation, share is taxable Canadian property, 248(1)“taxable Canadian property”(e)(i)(C), (ii)(C)
- in partnership, constitutes taxable Canadian property, 248(1)“taxable Canadian property”(g)(iii)
- non-arm's length transfer, exclusion from rule, 13(7)(e)
- undepreciated capital cost, 13(21)“undepreciated capital cost”G

Timber royalty

- paid to non-resident, 212(1)(e)
- • alternative re, 216

Time

- deadlines and time limits for taxpayers, *see* Deadlines
- expiring to recover a debt, *see* Statute-barred debt, deemed settled
- extension of, *see* Extension of time
- non-resident, *see* Non-resident time
- reassessment, for, *see* Reassessment

Time Limits and Other Periods Act (COVID-19), 152(3.1) Notes**Tips**, *see also* Informant payments (for leads on international tax evasion)

- source withholding, Reg. 100(1)“remuneration”(a.1)
- taxable as employment income, 5(1)

Titanium, *see* Critical mineral**Title insurance**

- defined, for insurers' policy reserves, Reg. 1408(1)

Titles in legislation

- relevance of, *Interpretation Act* s. 14

Tobacco manufacturers' surtax, 182, 183**Toilet**

- mechanical aid for getting on and off, medical expense, Reg. 5700(g)

Tool and die maker

- apprenticeship job creation credit, 127(9)“investment tax credit”

Tools

- apprentice mechanics, *see* Apprentice: mechanic
- eligible, *see* Eligible tool
- employed tradesperson, deduction, 8(1)(s)
- portable, for rental
- capital cost allowance, Reg. Sch. II:Cl. 10(b), Sch. II:Cl. 29
- small, capital cost allowance, Reg. Sch. II:Cl. 12(h)

Top-up disability payment

- defined, 6(17)
- not taxable as employee benefit, 6(18)
- reimbursement to employer, 8(1)(n.1)

Top-up percentage

- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)

Top-up revenue reduction percentage

- defined, for COVID-19 Canada Emergency Wage Subsidy, 125.7(1)

Toronto Stock Exchange

- prescribed securities exchange investment, Reg. 9002.2
- prescribed stock exchange, 262

Total assets (of financial institution)

- defined, 181(2), 190(1.1), Reg. 8600

Total base period remuneration

- defined, for Canada Recovery Hiring Program, 125.7(1)

Total CCUS project review period

- defined, for CCUS credit, 127.44(1)

Total charitable gifts

- credit for, 118.1(1)“total gifts”(a), 118.1(3)
- defined, 118.1(1)

Total corporate holdings percentage

- defined, for private foundations, 149.1(1)

Total Crown gifts

- credit for, 118.1(1)“total gifts”(b), 118.1(3)
- defined, 118.1(1)

Total cultural gifts

- credit for, 118.1(1)“total gifts”(c), 118.1(3)
- defined, 118.1(1)

Total current period remuneration

- defined, for Canada Recovery Hiring Program, 125.7(1)

“Total depreciation” defined, 13(21)**Total ecological gifts**

- credit for, 118.1(1)“total gifts”(d), 118.1(3)
- defined, 118.1(1)

Total pension adjustment reversal, *see also* Pension adjustment reversal

- defined, 248(1), Reg. 8304.1

Total per location expense

- defined, for air quality improvement credit, 127.43(1)

Total premiums

- defined, Reg. 8600

Total remuneration

- defined, for a taxation year, Reg. 100(1)

Total reserve liabilities (of financial institution)

- defined, 181(2), 190(1.1), Reg. 8600

Total return (from fixed payment obligation)

- defined, Reg. 9100

Total specified indebtedness

- defined, for FAPI of banks, 95(2.43)

Total ventilation expense

- defined, for air quality improvement credit, 127.43(1)

Totally and permanently disabled

- defined, Reg. 8500(1)

Tourism and Hospitality Recovery Program, 125.7(1)“base percentage”(l)(i)(B)(I), (m)(i)(B)(I)**Tourism relief (COVID), *see* Qualifying tourism or hospitality entity****Townsite costs**

- capital cost allowance, Reg. 1102(18) [repealed], Reg. Sch. II:Cl. 10(1)
- deemed capital cost, 13(7.5)(a), Reg. 1102(14.2)

Tracked entity

- defined, 95(8)

Tracked interest rules, *see* Foreign investment entity: tracked interests**Tracked policy pool**

- defined, 95(2)(a.21)(ii)

Tracked property

- defined, 142.2(1)“tracking property”

Tracked property and activities

- defined, 95(8)(a)

Tracking arrangements

- FAPI rules, 95(8)–(12)

Tracking class

- defined, 95(10)(b)

Tracking interest

- defined, 95(8)

Tracking property

- defined, for mark-to-market rules, 112(6)(c), 142.1(1)
- dividend deduction denied to financial institution, 112(2.02)

Tractor

- capital cost allowance, Reg. Sch. II:Cl. 10(a), Sch. II:Cl. 16(g)

Trade, adventure in, *see* Adventure in the nature of trade**Trade, board of, *see* Board of trade****Trade-in**

- allocation of consideration, 13(33)

Trade mark, representation expenses, 13(12), 20(1)(cc), 20(9)**Trade show organizer relief (COVID), Reg. 8901.1(2)(b)(xx)(A), *see also* Qualifying tourism or hospitality entity****Trade union, *see* Union****Trader, *see* Dealer (or trader)****Trader or dealer in securities**

- defined
- for security transactions, Reg. 230(1)

Tradesman, *see* Tradesperson**Tradesperson**

- eligible tool, meaning of, 8(6.1)
- licensing exam fees, tuition credit, 118.5(1)(d)
- tools expense, deduction, 8(1)(s)
- travel to construction job site, deduction, 8(1)(q.1)

Trailers

- capital cost allowance, Reg. Sch. II:Cl. 10(e)
- rail suspension device for, Reg. Sch. II:Cl. 35(b)

Train, *see* Railway**Training amount limit**

- defined, 122.91(2)

Training courses

- to care for infirm person, medical expense, 118.2(2)(l.8)

Training credit, *see* Canada Training Credit**Tramway or trolley bus system**

- capital cost allowance, Reg. Sch. II:Cl. 4
- defined, Reg. 1104(2)

Transaction

- defined
- for general anti-avoidance rule, 245(1)
- for hybrid mismatch arrangements, 18.4(1)
- for notifiable transactions, 237.4(1), 245(1)
- for reportable transactions, 237.3(1), 245(1)
- for reporting uncertain tax treatment, 237.5(1), 245(1)

Index

- Transaction (*cont'd*)
 - for section 160 avoidance planning, 160.01(1)
 - for transfer-pricing rules, 247(1)
 - information return re non-resident transactions, 233.1(1)
 - reportable, *see* Reportable transaction
 - series of, defined, 248(10)
 - with non-resident
 - extended reassessment period, 152(4)(b)(iii)
 - reporting requirement, 233.1
- Transfer**
 - RRIF, from, *see* Registered retirement income fund: transfer from
- Transfer of business**, *see* Sale: business
- Transfer of forgiven amount (debt forgiveness rules)**, 80.04
- Transfer of instalment payments**, 221.2
- Transfer of losses**, *see also* Suspension of losses
 - deemed proceeds of disposition, 69(11)
- Transfer of property**, *see also* Rollover
 - affiliated person, to, *see* Affiliated person
 - attribution rules, *see* Attribution rules
 - child, to
 - gain or loss deemed to be transferor's, 75.1
 - controlled corporation, to
 - capital loss denied, 40(3.3), (3.4)
 - corporation, to
 - by partnership, 85(2)
 - partnership wound up, 85(3)
 - by shareholder, 85(1)
 - eligible property, 85(1.1)
 - to reduce income, 74.4(2)
 - outstanding amount, 74.4(3)
 - where benefit not granted to designated person, 74.4(4)
 - deferred profit sharing plan
 - from, 147(19)
 - family farm or fishing corporation or partnership, 70(9.2), (9.21)
 - *inter vivos*, 73(4), (4.1)
 - spouse trust, from, to children, 70(9.3), (9.31)
 - farm or fishing property, of, 73(3), (3.1)
 - to child, on death, 70(9), (9.01)
 - to parents, on death of child, 70(9.6)
 - *inter vivos*, to spouse or trust, 73
 - prescribed provincial laws, Reg. Part LXV
 - minor, to, 74.1(2), 74.5(1), (6)–(11)
 - repayment of, 74.1(3)
 - partnership, to, 97
 - registered disability savings plan, to another RDSP, 146.4(8), (9)
 - registered education savings plans, between, 146.1(2)(g.2), (i.2), 146.1(6.1)
 - registered pension plan, between benefit provisions, 147.3(14.1)
 - registered pension plan, from, 147.3
 - registered pension plan to annuity contract, 147.4
 - registered retirement savings plan, *see* Registered retirement savings plan: transfer
 - retirement compensation arrangement, to second RCA, 207.6(7)
 - revoked charity, by, 188(2)
 - spouse, to, 74.1(1), 74.5
 - death of taxpayer, on, 70(6)
 - deemed proceeds of disposition, 73
 - gain or loss, 74.2
 - repayment of, 74.1(3)
 - tax debtor, by, transferee liable, 160
 - trust, by
 - to another trust, 104(5.8), 248(1)“disposition”(e), (f), 248(25.1)
 - trust, to, 74.3, 74.5(9), (10), 75(3)
 - death of taxpayer, on, 70(6)
 - from another trust, 104(5.8), 248(1)“disposition”(e), (f), 248(25.1)
 - income imputed to transferor, 75(2)
 - unregistered pension plan, from, 60(j), 147.1(3)(a)
- Transfer payments**
 - tax, to provinces, 154
- Transfer price**
 - defined, 247(1)
- Transfer pricing (re non-residents)**, 247
 - advance pricing agreements, Canada-U.S. Tax Treaty:Art. XXVI
 - anti-avoidance rules, 247, Canada-U.S. Tax Treaty:Art. IX
 - *bona fides* test, 247(2)(b)(ii)
 - CRA discretion to apply, 247(10)
 - capital adjustment, *see* Transfer pricing capital adjustment
 - capital setoff adjustment, *see* Transfer pricing capital setoff adjustment
 - contemporaneous documentation, 247(4)
 - deemed dividend to non-resident, 247(12)
 - guarantee for subsidiary excluded, 247(7.1)
 - income adjustment, *see* Transfer pricing income adjustment
 - income setoff adjustment, *see* Transfer pricing income setoff adjustment
 - loan to subsidiary excluded, 247(7)
 - order of applying rules, 247(2.1)
 - penalty, 247(3), (11)
 - royalties, Canada-U.S. Tax Treaty:Art. XII:7
 - secondary adjustments, 247(12)–(16)
- Transfer pricing capital adjustment**
 - defined, 247(1)
 - penalty, 247(3)(a)(i)(B)
- Transfer pricing capital setoff adjustment**
 - defined, 247(1)
 - reduces transfer pricing penalty, 247(3)(a)(iii)
- Transfer Pricing Guidelines (OECD)**
 - consistency required with, 247(2.03)
 - defined, 247(1)
- Transfer pricing income adjustment**
 - defined, 247(1)
 - penalty, 247(3)(a)(i)(B)
- Transfer pricing income setoff adjustment**
 - defined, 247(1)
 - reduces transfer pricing penalty, 247(3)(a)(iii)
- Transfer time**
 - defined, 132.2(1)“qualifying exchange”
- Transferee**
 - defined, re tax debt avoidance, 160(1), (5), 160.01(1)
- Transferee corporation**
 - defined, 55(1)“distribution”, 55(3.2)(h)
- Transferor**
 - defined, re tax debt avoidance, 160(1), (5), 160.01(1)
- Transferor trust**
 - defined, 107.4(2)
- Transferred capacity**
 - defined, for interest deduction restrictions, 18.2(1), (4), 248(1)
- Transferred policies**
 - defined, Reg. 1403(8)(b)
- Transit passes**, *see* Public Transit Pass Credit
- Transition amount**
 - accounting rule changes for financial institutions
 - defined, 142.51(1)
 - specified debt obligation
 - application on disposition of specified debt obligation, 142.4(6)(c)C, 142.4(7)

Transition amount (*cont'd*)

- defined, 142.4(1), Reg. 9201

Transition period

- defined, for SIFT stapled-security rules, 18.3(1)

Transition property

- defined, 142.51(1)

Transition year

- defined, for IFRS transitional rules for insurers, 138(12), 142.51(1)

Transition year computation

- defined, for insurers, Reg. 2400(10)

Transitional assistance under Canada–U.S. auto pact, income, 56(1)(a)(v)

Transitional eligible proceeds

- defined, for rollover to RDSP on death, 60.02(1)

Transitional prohibited investment benefit

- defined, 207.01(1)
- reduced tax on RESP or RDSP benefit, 207.05(5)
- reduced tax on RRSP or RRIF benefit, 207.05(4)

Transitional prohibited property

- adjusted cost base of, 207.01(7)
- defined, 207.01(1)
- exchange of property, 207.01(12), (13)
- marriage or common-law partnership breakdown, 207.01(10), (11)
- prohibited investment, 207.01(8), (9)

Transitional reserve

- for corporate partnership income, 34.2(1)“specified percentage”, 34.2(11)

Transitional rules, *see also* Grandfathering

- 1972 reform, ITAR 7–68
- R.S.C. 1985 (5th Supp.), ITAR 69–79
- stapled securities, 18.3(1)“transition period”, 18.3(3)(a)

Transmission equipment

- capital cost allowance, Reg. Sch. II:Cl. 47
- defined, 248(1), Reg. 1104(13)

Transmission pipeline

- capital cost allowance, Reg. Sch. II:Cl. 49
- pumping or compression equipment, Reg. Sch. II:Cl. 7(j)

Transparent affiliate

- defined, for FAPI, Reg. 5907(1.091)
- treatment of, Reg. 5907(1.092)

Transplants, organ or bone marrow

- medical expense, 118.2(2)(l.1)

Transport employee

- away-from-home expenses, deduction, 8(1)(g)

Transport trailer technician

- apprenticeship job creation credit, 127(9)“investment tax credit”

Transportation, *see also* International shipping

- delivered after the end of the year, reserve, 20(6)
- passengers or property, Canada-U.S. Tax Treaty:Art. VIII:3, 4

Transportation expenses

- allowance for, not income, 6(6)(b)
- as medical expenses, 118.2(2)(g)
- deemed payment of, 118.2(4)

Transportation losses, *see* Fuel

Travel agency relief (COVID), Reg. 8901.1(2)(b)(iii), *see also* Qualifying tourism or hospitality entity

Travelling expenses

- allowance for, when not income, 6(1)(b)
- employee's, deduction for, 8(1)(h), (h.1)
- certificate of employer, 8(10)
- limitation, 8(4)
- food and entertainment on train, plane or bus, 67.1(4)(a)
- medical expense, as, 118.2(2)(h)

- northern Canada, residents of, 110.7(1)
- part-time employee's, excluded from income, 81(3.1)
- salesperson's, deduction for, 8(1)(f)
- certificate of employer, 8(10)
- limitation, 8(4)
- transport employee's, 8(1)(g)

Treasurer, *see* Officer: corporation, of

Treasury bill

- yield at maturity treated as interest, 16(3)

Treasury Board

- defined, 248(1)

Treaty, *see* Tax treaty

Treaty co-production (re Canadian film/video tax credit)

- defined, Reg. 1106(3)

Treaty-exempt property

- defined, 116(6.1)
- purchaser's notice on acquisition from non-resident, 116(5.01), (5.02)

Treaty-protected business

- defined, 248(1)
- losses, not usable against Canadian profits, 111(9)

Treaty-protected property

- acquisition from non-resident, purchaser's notice requirement, 116(5.01), (5.02)
- cannot absorb forgiven amount, 80(1)“excluded property”
- defined, 248(1)
- losses, not usable against Canadian gains, 111(9)
- replacement property, 13(4.1)(d), 44(5)(d)

Treaty shopping, Canada-U.S. Tax Treaty:Art. XXIX-A

Trestle

- capital cost allowance, Reg. 1100(1)(zb), Reg. Sch. II:Cl. 3
- separate classes, Reg. 1101(5f)

Triangular amalgamation, 87(9)

Triangular foreign merger, 87(8), (8.1)

Triggering event

- defined, for FAPI stub-period rules, 91(1.3)

Trip cost

- defined, for northern residents' deduction, 110.7(6)

Trolley bus system, Reg. Sch. II:Cl. 4

Truck

- capital cost allowance, Reg. Sch. II:Cl. 10(a), Sch. II:Cl. 16(g)

Truck and transport mechanic

- apprenticeship job creation credit, 127(9)“investment tax credit”

Truck driver

- away-from-home expenses, deduction, 8(1)(g)

Truck mechanic, *see* Apprentice: mechanic

Truck operators

- income from cross-border trucking, Canada-U.S. Tax Treaty:Art. VIII:4
- income of, earned in a province, Reg. 2604
- income of corporation in a province, Reg. 409

Truss, as medical expense, 118.2(2)(i)

Trust (or estate), 104–108

- 21-year deemed disposition rule, 104(4), (5), (5.3)–(5.8)
- payment of tax in instalments, 159(6.1)
- accumulating income of
- deduction for amounts included in preferred beneficiary's income, 104(12)
- defined, 108(1)
- election to include in preferred beneficiary's income, 104(14), Reg. 2800
- additional units issued in payment, 107(2.11), (2.12)
- agent not included, 104(1)
- allocation of capital and income to different beneficiaries, 104(7.1), (7.2)

Index

- Trust (or estate) (*cont'd*)
 - alter ego, *see* Alter ego trust
 - amateur athlete, for, *see* Amateur athlete trust
 - amount deemed not paid to beneficiary, 104(13.1), (13.2)
 - amount payable in taxation year, 104(24)
 - annuity contract, interest in, 12.2
 - Australia, resident in, deemed to be corporation for certain purposes, 93.3
 - balance-due day of, 248(1)“balance-due day”(a)
 - bare, *see* Bare trust
 - “beneficially interested” in, meaning of, 248(25)
 - beneficiary, *see* Beneficiary: trust of
 - benefits from, income, 12(1)(m), 105
 - business investment loss, deduction from, 39(10)
 - capital cost allowance, determination or designation of, 104(16) [repealed]
 - capital gains of
 - • allocated to beneficiary, 104(21)–(21.3)
 - • net taxable, 104(21.3)
 - capital interest in
 - • acquisition of
 - • • reduction of loss on property disposed of, 107(6)
 - • additions to, 53(1)(d.1)
 - • adjusted cost base
 - • • computation of, 53(1)(d.1)
 - • • deductions from, 53(2)(b.1), 53(2)(h)
 - • cost amount of, 108(1)
 - • cost of, 107(1.1)
 - • defined, 108(1), 248(1)
 - • disposition of, 107(1)
 - • disposition of, on distribution by trust, 248(1)“disposition”(d), (h)
 - • distribution in satisfaction of, 107(2)–(5), ITAR 36
 - • effect of payment out of trust’s income or gains, 43(3)
 - • fair market value of, 107.4(4)
 - • partial disposition of, 43
 - • rollover to another trust, 107.4(3)(j)
 - ceasing to act as agent of beneficiary, 248(1)“disposition”(b)(v)
 - commercial, *see* personal (*below*); Unit trust
 - created by will of taxpayer, meaning of, 248(9.1)
 - cumulative Canadian exploration expense
 - • reduced by investment tax credit, 127(12.3)
 - customer/client compensation, for, exempt, 149(1)(w)
 - death benefits, flow-through to beneficiary, 104(28)
 - deduction in computing income, 104(6), 108(5)
 - deemed disposition of property, 104(4)
 - • deemed proceeds and cost, 104(5)
 - deferred profit sharing plan, under, 147(7)
 - • exempt, 149(1)(s)
 - defined
 - • for non-resident trust rules, 104(1), 248(1)
 - • for registered education plans, 146.1(1)
 - • for specific trust rules, 108(1)
 - • generally, 104(1), 248(1)
 - • in Quebec, 248(3)
 - definitions, 108
 - designated beneficiary, defined, 210(1)
 - designated income, tax on, 210–210.3
 - • deemed paid by beneficiary, 210.2(3)
 - • designated income, defined, 210(1)
 - • designations re partnerships, 210.2(4)
 - • returns, 210.2(5)
 - • tax payable, 210.2(1)
 - trustee’s liability, 210.2(6)
 - trusts excepted, 210(2)
 - where no designated beneficiaries, 210.3
 - designation of foreign income to beneficiaries, 104(22)–(22.4)
 - disposition of interest in, 106, 107
 - • disposition of property to, capital loss nil, 40(2)(g)(iv)
 - • distribution of property by, in satisfaction of capital interest, 107(2)–(5)
 - • • before death, anti-avoidance rule, 104(4)(a.2)
 - • • election not to distribute gains, 107(2.11), (2.12)
 - • • in settlement of debt, 107(4)
 - • • no capital loss on beneficiary’s capital interest, 43(3)
 - • • non-resident beneficiary, to, 107(5)
 - • • • instalment obligation not increased, 107(5.1)
 - • • • security to postpone payment of tax, 220(4.6)–(4.63)
 - • distribution, tax on, *see* SIFT trust
 - • dividend received by, allocation to beneficiary, 104(19), (20)
 - • division of property among other trusts, 107.4(2)
 - • election by, *see* Election(s): trust
 - • eligible taxable capital gains, defined, 108(1)
 - • employee, *see* Employee trust
 - • employee life and health trust, 144.1, *see also* Employee life and health trust
 - • employees’ charity
 - • • receipts, Reg. 3502
 - • employees profit sharing plan, under, 144(2)
 - • • exempt, 149(1)(p)
 - • environmental, *see* Qualifying environmental trust
 - • exclusions for purposes of certain sections, 108(1)“trust”
 - • financial institution, 142.2(1)“financial institution”(b)
 - • foreign, *see* non-resident (*below*)
 - • foreign immigration, *see* Immigration trust
 - • foreign tax credit for beneficiaries, 104(22)–(22.4)
 - • foreign tax credit re former resident, 126(2.22)
 - • Hepatitis C, income of not taxable, 81(1)(g.3)
 - • immigration, *see* Immigration trust
 - • income interest in
 - • • cost of, 106(1.1)
 - • • • deduction for, 106(1)
 - • • defined, 108(1)
 - • • disposition of, 106(2)
 - • • proceeds, 106(3)
 - • • personal trust, in, 108(1)“income interest”
 - • “income” of, 108(3)
 - • income of beneficiaries, 108(5)
 - • income paid to non-resident, 212(1)(c), 212(11)
 - • • exemption, 212(9), (10)
 - • income payable to beneficiary, deduction for, 104(6)
 - • • non-resident beneficiary, 104(7)
 - • income trust, *see* Specified investment flow-through
 - • India, resident in, deemed to be corporation for certain purposes, 93.3
 - • Indian Residential Schools settlement, *see* Indian Residential Schools Settlement trust
 - • information return, Reg. 204
 - • • early disclosure for public trust, Reg. 204.1
 - • *inter vivos*
 - • • deemed creation, re non-profit association, 149(5)
 - • • defined, 108(1)
 - • • personal tax credits not available, 122(1.1)
 - • • tax payable by, 122
 - • interest in, *see also* “beneficially interested” in (*above*)
 - • • adjusted cost base
 - • • • additions to, 53(1)(d.1), (d.2), (l)
 - • • • deductions from, 53(2)(b.1), (h), (i), (j), (q)
 - • • • recomputation of, 53(4)–(6)
 - • interest income of, 12(3)
 - • investment tax credit, designation of, 127(7)
 - • joint partner, *see* Joint spousal or common-law partner trust
 - • joint spousal, *see* Joint spousal or common-law partner trust
 - • life insurance policy, interest in, 12.2
 - • loss property held by
 - • • reduction of loss on disposition by person acquiring capital interest, 107(6)

Index

- Trust (or estate) (*cont'd*)
 - maintenance expenses, 105(2)
 - master, exempt from tax, 149(1)(o.4)
 - mine reclamation, *see* Qualifying environmental trust
 - minor, for, 104(18)
 - transfer of property to, 74.3, 74.5(9), (10)
 - multiple
 - basic exemption re minimum tax, 127.53(2), (3)
 - grouped together as one trust, 104(2)
 - mutual fund, *see* Mutual fund trust
 - non-discretionary, defined, 17(15)
 - non-resident, 94(1)“connected contributor”(a)
 - Canadian beneficiary liable for trust’s tax, 94(3)(d)(i)
 - Canadian contributor liable for trust’s tax, 94(3)(d)(i)
 - capital interest in cost base, deductions from, 53(2)(i)
 - commercial trust exemption, 94(1)“exempt foreign trust”(h)
 - deemed resident in Canada, 94(3)(a); *Income Tax Conventions Interpretation Act* s. 4.3
 - rental income from Canadian property, 216(4.1)
 - distribution from, disclosure, 233.5
 - information return, 233.2, 233.5
 - no deduction for income paid to non-resident or exempt beneficiary, 104(7)
 - reporting requirements, 233.2, 233.5
 - transfer of property to
 - constitutes disposition, 248(1)“disposition”(e)(iii), 248(25.1)
 - disclosure, 233.2
 - trust becoming, withholding tax triggered, 214(3)(f)(i)(C)
 - non-resident beneficiaries, 104(7)
 - non-residents, for
 - payments to, 212(1)(c)
 - non-taxable dividends received by, designation re, 104(20)
 - option to acquire units in, 49(1)(c)
 - payment of duties and taxes, non-disqualification, 108(4)
 - pension benefits, flow-through of, 104(27)
 - pension fund or plan
 - exemption, 149(1)(o)
 - personal, *see* Personal trust
 - personal-use property of, 46(4)
 - pooled fund, *see* Pooled fund trust
 - post-1971 partner, *see* Post-1971 spousal or common-law partner trust
 - preferred beneficiary
 - defined, 108(1)
 - income of, 104(14), (15)
 - prescribed, Reg. 4800.1
 - capital interest in, defined, 108(1)“capital interest”(a)
 - distribution of property to beneficiary, 107(2), (4.1)
 - principal residence
 - disposed of to taxpayer, 40(7)
 - distribution by spouse trust, 107(2.01)
 - property transferred to
 - income imputed to transferor, 75(2)
 - income not imputed to transferor, 75(3)
 - proportional holdings in property of, 259
 - “qualified” defined, 259(3)
 - qualified investments, *see* Qualified investment
 - qualifying disposition, rollover, 107.4
 - qualifying environmental, *see* Qualifying environmental trust
 - reference to trustee, executor etc., 104(1)
 - registered education savings plan, under, 146.1(1)“trust”, 146.1(5)
 - exempt, 149(1)(u)
 - registered investment, 204.4–204.7
 - registered retirement income fund, exempt, 149(1)(x)
 - registered retirement savings plan, under, 146(4)
 - exempt, 149(1)(r)
 - registered supplementary unemployment benefit plan, exempt, 149(1)(q)
 - reinsurance, *see* Reinsurance trust
 - related segregated fund, Reg. 6100
 - reporting of beneficiaries, trustees, settlors and protectors starting 2022, Reg. 204.2(1)(a)
 - residence of, deemed, 250(6.1)
 - resource property
 - rules, 104(5.2)
 - retirement compensation arrangement, *see* Retirement compensation arrangement
 - return to be filed, 150(1)(c)
 - right of use or habitation (Quebec) deemed to be, 248(3)
 - rollover of property on transfer to other trust, 107.4
 - rollover to another trust, 248(1)“disposition”(e), (f)
 - scientific research tax credit, 127.3(3)
 - segregated fund, Reg. 6100
 - self, for, *see* Alter ego trust
 - self-benefit, *see* Alter ego trust
 - settlor, defined, 108(1)
 - small business investment, Reg. 5103
 - spouse, for, 70(6)(a), 73(1.01)(c), 104(4)(a), *see also* Joint spousal or common-law partner trust; Post-1971 spousal or common-law partner trust
 - deduction from taxable income of, 110.6(12)
 - deemed disposition, 104(4)
 - distribution by, in satisfaction of capital interest, 107(4)
 - double taxation relief, Canada-U.S. Tax Treaty:Art. XXVI:3(g)
 - family farm corporation transferred from, to children, 70(9.3), (9.31)
 - family fishing corporation transferred from, to children, 70(9.3), (9.31)
 - farm or fishing property transferred from, to children, 70(9.1), (9.11)
 - farm property transferred from, to children, 70(9.1)
 - how created, 70(6), 70(7), 73(1.01)
 - indefeasible vesting of property in, 70(6)
 - not disqualified by certain payments, 108(4)
 - principal residence
 - disposed of to, 40(4)
 - distribution by, 107(2.01)
 - exemption, 54“principal residence”(c.1)(iii.1)(A)
 - property of, 40(5)
 - property transferred to, *inter vivos*, 73(1)
 - capital cost, and deemed allowance, 73(2)
 - reserves allowed to, for year of taxpayer’s death, 72(2)
 - special rules applicable, 70(7), (8)
 - together with self, *see* Alter ego trust
 - transfer of property to, 74.3, 74.5(9), (10)
 - transfer or distribution to, on death of taxpayer, 70(6)
 - value of property acquired, 70(6), 73
 - status of, Reg. Part XLVIII
 - substitution (Quebec) deemed to be, 248(3)
 - supplementary unemployment benefit plan, under, 145(2)
 - tax paid under Part XII.2
 - credit for, included in beneficiary’s income, 104(31)
 - deduction for, 104(30)
 - tax re property held by, 207.1
 - taxable dividends received by
 - designation re, 104(19)
 - payable to non-resident beneficiary, 82(1)(e)
 - taxed as individual, 104(2)
 - testamentary, *see* Graduated rate estate
 - defined, 108(1)
 - transfers to, for minor or spouse, 74.5(9), (10)
 - trustee of, *see* Trustee
 - unit, *see* Unit trust
 - usufruct (Quebec) deemed to be, 248(3)
 - vacation pay, exempt, 149(1)(y)

Index

- Trust (or estate) (*cont'd*)
- voting, Reg. 4800.1(c)
- windup of, deemed resident, 250(6.1)

Trust account number

- defined, 248(1)
- disclosure of, offence, 239(2.3)
- failure to provide, penalty, 162(6)
- information return requiring, reasonable effort required to obtain, 237(2)(a)
- must be provided in return and to person required to report it, 237(1.1)

Trust and loan corporations

- taxable income earned in a province, Reg. 405

Trust company, *see also* Financial institution

- defined, for FAPI purposes, 95(1)

Trust loss trading, 251.2

Trustee, *see also* Legal representative; Trust (or estate)

- change of, whether change in control of corp owned by trust, 256(7)(i)
- deemed to be legal representative, 248(1)“legal representative”
- in bankruptcy, *see* Bankruptcy: trustee in
- information return, Reg. 204
- liable for Part X tax, 198(3)
- liable for Part XII.2 tax, 210.2(6)
- obligations of, 159
- public, disposition of Canadian securities, 39(5)(c)
- reported to CRA, Reg. 204.2(1)(a)
- return required of, 150(3)
- • penalty for failure to file, 162(3)
- school board, expense allowance exempt, 81(3) [before 2019]
- school supplies, 122.9
- shares held by, for employee, 7(2)
- shares purchased by, for employees of corporation, 7(6)
- teacher school supplies, 122.9
- withholding tax, liability for, 227(5), (5.1)(a)

Tuition fees

- adult basic education, *see* Adult basic education
- credit for, 118.5, 122.91
- • ancillary fees, 118.5(3)
- • commuter's, 118.5(1)(c)
- • deemed residents, 118.5(2)
- • in Canada, 118.5(1)(a)
- • outside Canada, 118.5(1)(b)
- • unused
- • • transfer to spouse, 118.8
- • • transfer to supporting person, 118.9
- T2202 information return must be issued to student, Reg. 203

Tuition, textbook and education tax credits transferred

- defined, 118.81

Tunnel, capital cost allowance, Reg. Sch. II:Cl. 1(j)

Turbine, *see* Combustion turbine

Tutoring service

- disability supports deduction, 64(a)A(ii)(H)
- medical expense credit, 118.2(2)(1.91)

Twentieth qualifying period (etc.)

- defined, for CEWS, 125.7(1)“qualifying period”

Twenty-one years

- deemed realization of trust gains, 104(4), (5), (5.3)–(5.8)

Twinning arrangement

- defined, for Canadian film/video credit, Reg. 1106(1)

Two-year rolling start rule

- when property available for use, 13(27)(b), 13(28)(c), 13(29)

Tyco-Pentair spinoff, Reg. 5600(g)

U

UCC, *see* Undepreciated capital cost

UHTA, *see* Underused Housing Tax Act

UI, *see* Unemployment insurance

UN, *see* United Nations and its agencies

US, *see* United States

US Steel

- pension underfunding trust, Reg. 6802(i), 8502(b)(v.1)

USD (US Dollars)

- defined, for Common Reporting Standard, 270(1)

Ultimate funder

- defined, for back-to-back shareholder loan rules, 15(2.192), 212(3.8)
- election by, 212(3.22)

Ultimate licensor

- defined, for non-resident withholding tax back-to-back rules, 212(3.94)

Ultimate parent

- defined, for alternative interest-deduction restrictions, 18.21(1), (4)
- entity, *see* Ultimate parent entity

Ultimate parent entity

- defined, for country-by-country reporting, 233.8(1)

Unaffiliated publicly traded liability

- defined, for SIFT trust definition, 122.1(1)

Unamortized bond premium

- reserve for, *see* Reserve: unamortized bond premium

Unanticipated Surpluses Act, *see* Budget surplus

Uncertain tax treatment, 237.5

- information return required, 237.5(2)
- • filing deadline, 237.5(3)
- • penalty for failure to file, 237.3(5)
- • reassessment deadline 3 years after filed, 152(4)(b.7)

Uncle, *see also* Niece/nephew

- defined, 252(2)(e)
- dependent, 118(6)(b)
- great-uncle defined, 252(2)(f)

Undepreciated capital cost, *see also* Capital cost; Depreciable property

- defined, 13(21)
- exceeding fair market value at time of transfer, 13(21.2), 20(16)
- reduction on debt forgiveness, 80(5)(b)
- transferred property, 13(5)

Underground piping

- well for installation of, Reg. 1219(1)(f), Sch. II:Cl. 43.1(d), Sch. II:Cl. 43.2(b)

Underlying FABI surplus tax

- defined, 93.4(1)

Underlying foreign tax applicable (of foreign affiliate)

- defined, Reg. 5907(1)

Underlying foreign tax (of foreign affiliate)

- defined, Reg. 5907(1)

Underlying payment (securities lending arrangement)

- defined, for securities lending arrangement, 260(1)
- on qualified security, 260(5), (5.1)
- • no deduction, 18(1)(w)

Underlying return

- defined, for hybrid mismatch arrangement rules, 18.4(14)(d)(i)

Underpayment amount

- defined, for corporate interest offset, 161.1(1)

Undertaking future obligations

- deduction for, 20(24)

Underused Housing Tax Act, 18(1)(t) [Notes]

- compliance required before s. 116 certificate issued, 116(8)
- interest paid under, non-deductible, 18(1)(t)
- reappropriation of income tax payment to amount payable under, 221.2(2)

Underused Housing Tax Act (cont'd)

- returns must be filed for income tax refund to be paid, 164(2.01)

Undivided interest

- in property transferred by tax debtor, fair market value, 160(3.1)

Undue benefit (conferred by charity on any person)

- defined, 188.1(5)
- penalty, 188.1(4)

Undue delay, see Delay**Undue hardship**

- reduction in security to be posted on emigration, 220(4.7), (4.71)
- reduction in source withholdings, 153(1.1)
- payments to actors, 212(5.3)
- refund instalments, 164(1.51)–(1.53)

Unearned commissions

- reserve for, 32

Unemployment insurance, see Employment insurance**Unenforceable debt, see Statute-barred debt, deemed settled****Ungulates, grazing, 80.3(1)“breeding animals”****Uniforms, capital cost allowance, Reg. Sch. II:Cl. 12(i)****Unincorporated association or organization, see Non-profit organization****Union**

- election by, re foreign pension plan, Reg. 6804(3)
- exemption, 149(1)(k)
- information return required, 149.01 [repealed]
- locals and branches deemed to be one employer for pension purposes, 252.1
- membership dues
- deduction for, 8(1)(i)(iv), (v)
- where not deductible, 8(5)
- strike pay taxed or exempt? no legislative reference
- venture capital, *see* Labour-sponsored venture capital corporation (LSVCC)

Unit

- mutual fund trust, *see* Mutual fund trust: unit of
- trust, *see* Unit trust

Unit buybacks, see Stock buyback tax**Unit trust, see also Mutual fund trust**

- adjusted cost base of unit, 53(1)(d.2), 53(2)(h), (j)
- annuity contract, interest in, 12.2
- “block of units” defined, Reg. 4803(1)
- defined, 108(2), 248(1)
- excluded from various trust rules, 108(1)“trust”(f)
- expenses of issuing or selling, 20(1)(e)
- issuance of unit, whether deductible to trust, 143.3(4)
- life insurance policy, interest in, 12.2
- non-resident
- adjusted cost base of unit, 53(2)(j)

United Kingdom, see also Foreign government

- currency of, use as functional currency, 261(1)“qualifying currency”(c)
- defined, *Interpretation Act* 35(1)
- stock exchange recognized, Reg. 3201(n)
- Tax Convention, *see* Table of Contents
- universities, gifts to, Reg. Sch. VIII, s. 2
- war pension exempt, 81(1)(e)

United Mexican States, see Mexico**United Nations and its agencies**

- agency of, excluded from non-resident trust rules, 94(1)“exempt foreign trust”(c)(i)
- donation to, 149.1(1)“qualified donee”(d)
- by corporation, deduction, 110.1(1)(a)
- by individual, tax credit, 118.1(1)“total charitable gifts”
- employment income from

- deduction, 110(1)(f)(iii)

United States, see also Foreign government; Non-resident

- absorptive merger, 87(8.2)
- artiste or athlete, Canada-U.S. Tax Treaty:Art. XVI
- citizens, reporting obligations to IRS, 233.3(3) (Notes)
- collection of Canadian tax by IRS, Canada-U.S. Tax Treaty:Art. XXVI A
- commuter to, *see* Commuter to United States
- corporate spin-off, *see* Foreign spin-off
- currency of, use as functional currency, 261(1)“qualifying currency”(a)
- defined, 19(5), *Interpretation Act* s. 35(1)
- for treaty purposes, Canada-U.S. Tax Treaty:Art. III:1(b)
- dividends, Canada-U.S. Tax Treaty:Art. X
- donations to charities in, Canada-U.S. Tax Treaty:Art. XXI:7; 118.1(9)
- estate taxes, Canada-U.S. Tax Treaty:Art. XXIX-B
- federal taxpayer identifying number, penalty for failure to provide, 162(6)
- franchise payment to resident of, Canada-U.S. Tax Treaty:Art. XII:3(c)
- gambling losses in, Canada-U.S. Tax Treaty:Art. XXII:3
- global intangible low-taxed income (GILTI)
- application to US citizens in Canada, 128.1(1) (Notes)
- effect on hybrid mismatch rules, 18.4(1)“specified minimum tax regime”(a)
- government, employees of, Canada-U.S. Tax Treaty:Art. XIX, XXVIII
- green card holder, Canada-U.S. Tax Treaty:Art. IV:1
- Individual Retirement Account, *see* Foreign retirement arrangement
- interest, Canada-U.S. Tax Treaty:Art. X
- Internal Revenue Service, *see* Internal Revenue Service (U.S.)
- limitation on treaty benefits, Canada-U.S. Tax Treaty:Art. XXIX-A
- limited liability company, *see* Limited liability company
- moving to, Canada-U.S. Tax Treaty:Art. XIII:6
- Nature Conservancy, prescribed donee, Reg. 3504
- newspaper or periodical printed in, 19(1)(b)
- pensions, Canada-U.S. Tax Treaty:Art. XVIII
- pension credit under tax treaty, Reg. 8308.1(2.1)
- RRSP deferral, Canada-U.S. Tax Treaty:Art. XVIII:7
- *Railroad Retirement Act* Tier 1 benefits, Canada-U.S. Tax Treaty:Art. XVIII:5
- Real Estate Investment Trust, {Canada-U.S. Tax Treaty:Art. X:7(c)}
- Real Estate Mortgage Investment Conduit, Canada-U.S. Tax Treaty:Art. XI:9
- real property interest, Canada-U.S. Tax Treaty:Art. XVIII:3
- Regulated Investment Company, *see* Regulated Investment Company (U.S.)
- royalties paid to resident of, Canada-U.S. Tax Treaty:Art. XII
- S corporation, Canada-U.S. Tax Treaty:Art. XXIX:5
- social security benefits, Canada-U.S. Tax Treaty:Art. XVIII:5
- grandfathering where received since before 1996, 110(1)(h)
- social security taxes, Canada-U.S. Tax Treaty:Art. XXIV:2(a)(ii)
- credit against Canadian tax, 122.7
- state income tax, 126(5), (7)
- stock exchanges recognized, Reg. 3201(o)
- stock options, Canada-U.S. Tax Treaty:Fifth Protocol (2007), Annex B, para. 6
- Tax Convention, *see* Table of Contents
- university, gift to, Reg. 3503, Sch. VIII, Canada-U.S. Tax Treaty:Art. XXI:7

United States tax

- defined, Canada-U.S. Tax Treaty:Art. III:1(d)

Unitized oil or gas field in Canada

- Canadian oil and gas property expense, 66(12.5)
- exploration and development expenses, 66(12.2), (12.3)

Universal Child Care Benefit (pre-July 2016), *see also* Canada Child Benefit

- disclosure of information by CRA to administer, 241(4)(d)(vii.4)
- does not affect Canada Child Benefit, 122.6“adjusted income”
- does not affect GST Credit, 122.5(1)“adjusted income”
- does not create OAS clawback, 180.2(1)“adjusted income”
- information return required, Reg. 200(6)
- no attribution if transferred to child, 74.1(2)
- paid for earlier years, averaging of income, 56(8)
- repayment of, deductible, 60(y)
- single parent, designation to include UCCB in child’s income, 56(6.1)
 - effect of designation, 56(6)(c)
- taxable, 56(6)
- text of Act, 56(6) (Notes)

University

- fees, *see* Tuition fees
- information return for tuition or scholarship, Reg. 203
- outside Canada, prescribed, Reg. 3503, Reg. Sch. VIII
 - donation to, 149.1(1)“qualified donee”(a)(iv)
 - by corporation, deduction, 110.1(1)(a)
 - by individual, tax credit, 118.1(1)“total charitable gifts”
- trust for, exempt from non-resident trust rules, 94(1)“exempt foreign trust”(c)(ii)
- U.S., *see* United States: university

Unlimited liability company, *see* Nova Scotia: unlimited liability company**Unpaid amount**

- general rules, 78
- investment tax credit limitation, 127(26), 127.44(12), 127.48(13), 127.49(9), 127.491(15), 127.492(8)
- tax shelter investment, 143.2(1)“limited-recourse amount”, 143.2(6)

Unpaid claims reserve, *see* Insurance corporation: reserve for unpaid claims**Unrealized proceeds of disposition,** 40(1)(a)(iii)**Unreasonable amount**

- expense, no deduction for, 67
- paid by non-resident, 247
- paid to non-resident, 247

Unrecognized loss

- debt forgiveness rules
 - defined, 80(1)
 - use of to limit income inclusion, 80(13)D(a)(i)
- straddle transaction rules
 - defined, 18(17)

Unrecognized profit (straddle transaction rules)

- defined, 18(17)

Unrelated group, defined, 251(4)**Unstapling of securities, anti-avoidance,** 12.6**Unused Canadian property mutual fund loss**

- defined, 218.3(1)

Unused foreign tax credit, *see* Foreign tax credit: unused**Unused non-deductible PRPP room**

- defined, 147.5(1)
- increases unused RRSP deduction room, 146(1)“unused RRSP deduction room”(b)D(iv)

Unused portion of a beneficiary’s exempt capital gains balance

- defined, 144(1)

Unused RRSP deduction room

- defined, 146(1), 248(1)
- effect on excess RRSP contributions, 204.2(1.1)(b)A
- effect on RRSP deduction limit, 146(1)“RRSP deduction limit”A

Unused surtax credit

- defined, 181.1(6), 190.1(5)
- reduces Part VI tax, 190.1(6)

Unused TFSA contribution room

- defined, 207.01(1)
- contributions over, 207.01(1)“excess TFSA amount”

Unused tuition, textbook and education tax credits

- defined, 118.61(1)

Upgrading development phase (of oil sands project)

- defined, Reg. 1104(2)

Upper-tier affiliate

- defined, 95(1)“participating percentage”(b)(i)(B), Reg. 5905(13)(a)(ii)

Upstream deposit (of eligible Canadian bank)

- credit to offset Part XIII withholding tax on, 125.21
- defined, for FAPI of banks, 90(15), 95(2.43)
- excluded from upstream loan income inclusion, 90(8)(d)
- treatment of, for upstream loan rules, 90(8.1)

Upstream loans

- foreign currency adjustment set-off on repayment until 2016, 39(2.1), 95(2)(g.04)
 - transitional setoff election, 39(2.3)
- from foreign affiliate, included in income, 90(6)–(15)
- continuity on reorganizations, 90(6.1), (6.11)

Uranium, *see* Critical mineral**Use, right of (Quebec)**

- deemed to be trust, 248(3)

Use of property, *see* Production or use**Usufruct (Quebec)**

- deemed to be trust, 248(3)
- defined
 - *Quebec Civil Code*, art. 1120–1171

Utensils, *see* Kitchen utensils**Utilities**

- service connection, deduction, 20(1)(ee)

Utility business, *see* Regulated energy utility business (for EIFEL)**V****V-day,** *see* Valuation day**VDP,** *see* Voluntary disclosure program**VPLA,** *see* Variable payment life annuity**VPLA benefits**

- allowed for pooled registered pension plan, 147.5(5)(a)
- allowed for registered pension plan, Reg. 8506(1)(e.2)

VPLA fund

- benefits form part of MPP of pension plan, 147.1(1)“money purchase provision”(b)(ii)
- defined, Reg. 8506(13)
- variable payment life annuity from, Reg. 8506(1)(e.2)

Vacant home tax, *see* Underused Housing Tax Act**Vacant land**

- limitation on deductions, 18(2)–(3.7)

Vacation pay trust

- exemption, 149(1)(y)

Validity of Income Tax Act, 2(1) (Notes)**Valuation activity**

- defined, for third-party penalty, 163.2(1)

Valuation costs

- added to cost base of property, 53(1)(n)

Valuation day

- defined, ITAR 24
- fair market value on, election by individual to use, Reg. 4700
- property held since before
 - capital property, ITAR 26(3)
 - depreciable property, ITAR 20(1)

- Valuation day (*cont'd*)
- publicly-traded shares and securities on, Reg. Sch. VII
- Valuation of inventory**, *see* Inventory: valuation of
- Value**, *see also* Fair market value
- defined, for insurers regulations, Reg. 2400(1)
- Value-added tax**, *see* Goods and services tax (GST)
- Van**
- deemed not to be automobile, 248(1)“automobile”(e)
 - wheelchair access, medical expense credit, 118.2(2)(1.7)
- Vancouver**
- international banking centre until 2013, 33.1(3)
 - 2010 Olympics, *see* Olympic Winter Games 2010
- Vancouver Stock Exchange**, *see also* TSX
- prescribed stock exchange, 262
- Vanadium**, *see* Critical mineral
- Variable benefits**
- pooled registered pension plan, 147.5(5)(a)
 - registered pension plan, Reg. 8506(1)(e.1)
 - non-payment of minimum amount, Reg. 8506(4)–(6)
- Variable payment life annuity**
- allowed as pooled registered pension plan benefit, 147.5(5)(a)
 - allowed as registered pension plan benefit, Reg. 8506(1)(e.2)
 - defined, Reg. 8506(1)(e.2)
 - VPLA fund, Reg. 8506(13)
- Variation of trust, effect of**, 108(6)
- Vatican City**, *see also* Foreign government
- universities, gifts to, Reg. Sch. VIII, s. 7
- Vats, capital cost allowance**, Reg. Sch. II:Cl. 8
- Weekans Poultry case overruled**, 67.6
- Vehicle**, *see also* Automobile; Motor vehicle; Passenger vehicle
- cost over \$100,000, *see* Luxury Items Tax
 - device to permit person with mobility impairment to drive
 - medical expense, Reg. 5700(n)
 - mechanic, *see* Apprentice: mechanic
- Vehicle charging station**
- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(xvii)
- Vehicle modifications benefit**
- paid to Canadian Forces member or veteran, exempt, 81(1)(d.1)(vii)(C)
- Ventilation expense**, *see* Air quality improvement credit
- Venture capital corporation, prescribed**, *see also* Labour-sponsored venture capital corporation (LSVCC)
- assistance, Reg. Part LXVII
 - defined, Reg. 6700
 - disposition of shares of
 - capital loss, 40(2)(i)
 - exempt from Part IV tax, 186.2
 - in definition of Canadian-controlled private corporation, 125(7)
 - labour-sponsored, defined, Reg. 6701
 - may control private corporation, 89(1)“private corporation”
 - prescribed assistance, Reg. 6702
 - shares of
 - prescribed assistance, deduction from cost base, 53(2)(k)(i)(C)
- Verification**, *see* Audit
- Vertical amalgamation**
- carryback of losses, 87(2.11)
 - deemed cost of capital properties, 87(11)(b)
 - deemed proceeds from subsidiary's shares, 87(11)(a)
- Vertical (short-form) amalgamation**, *see also* Amalgamation
- carryback of losses, 87(2.11)
- Vessel**
- capital cost allowance, Reg. 1100(1)(v), Reg. Sch. II:Cl. 7
 - separate classes, Reg. 1101(2)–(2b)
 - exclusion where structured financing facility, Reg. 1101(2c), Sch. II:Cl. 41(b)
 - certified
 - capital cost allowance, Reg. 1100(1)(v)
 - conversion cost deemed separate class, 13(14), (17)
 - defined, 13(21)
 - deposit under *Canadian Vessel Construction Assistance Act*
 - disposition of, 13(19), (20)
 - disposition of, election, 13(16)
 - fishing, additional capital cost allowance, Reg. 1100(1)(i)
 - quadrennial survey, reserve for, 20(1)(o), Reg. 3600
 - reassessment in certain cases, 13(18)
 - transfer of, under, *Canadian Vessel Construction Assistance Act*
 - recapture of depreciation, 13(13)
- “Vested indefeasibly”**
- meaning of, 248(9.2)
- Vesting year**
- defined, for stock option limit rules, 110(0.1)
- Veterans' benefits, exempt**, 81(1)(d.2)
- Veterans Health Care Regulations**
- payments exempt, 81(1)(d.1)(v)
- Veterans' pensions**, *see also* Canadian Forces and veterans
- exempt, 81(1)(d), (d.1), (e)
- Veterans Well-Being Act**
- certain payments exempt, 81(1)(d.1), (d.2)
 - certain payments taxable, 6(1)(f.1)
 - disclosure of taxpayer information for administration of, 241(4)(d)(viii)
 - income replacement benefit, whether taxable, 56(1)(a)(viii)
 - source withholding, 153(1)(d.1), Reg. 100(1)“remuneration”(r)
 - retirement income security benefits under
 - eligible for pension income credit, 118(3)B(b)(ii)
 - eligible for pension income splitting, 60.03(1)“eligible pension income”(c)
- Veterinarian**, *see* Professional practice
- VIA Rail**, *see also* Railway
- subject to tax, 27(2), Reg. 7100
- Vibratory signalling device for the hearing-impaired**
- medical expense credit, Reg. 5700(q.1)
- Victims of crime**
- compensation payments exempt, 81(1)(q), Reg. 6501
- Video game arcade relief (COVID)**, Reg. 8901.1(2)(b)(ix)(A)(IV), (b)(xv), *see also* Qualifying tourism or hospitality entity
- Video games**
- capital cost allowance, Reg. Sch. II:Cl. 16(f)
- Video laser-disk**, *see* Digital video disk (DVD)
- Video tapes**
- film or video production services credit, 125.5
- Visa Inc.**
- prescribed payment card corporation share, Reg. 9002.1(a)(iii)
- Viscosity**
- hydrocarbons, determination of, Reg. 1107
- Visitor to Canada**
- 183 days, deemed resident, 250(1)(a)
- Visual signalling device for the hearing-impaired**
- medical expense credit, Reg. 5700(q.1)
- Vitamin B12, as medical expense**, 118.2(2)(k)
- Voice recognition software**
- disability supports deduction, 64(a)A(ii)(G)
 - medical expense credit, 118.2(2)(l.42)
- Voluntary disclosure program**, 220(3.1) (Notes)
- Volunteer**
- emergency worker

Volunteer (*cont'd*)

- exemption from employment income, 81(4)
- firefighter, *see* Firefighter: volunteer
- search and rescue, *see* Search-and-rescue volunteer

Volunteer business exemption

- charities, 149.1(1)“related business”

Volunteer firefighter, *see* Firefighter**Voting trust, Reg. 4800.1(c)****W****WADA, *see* World Anti-Doping Agency****WCB payment, *see* Workers' compensation payment****WEBs**

- qualified investments for deferred income plans, Reg. 4900(1) (Notes)

WITB, *see* Working Income Tax Benefit**WSIB payment, *see* Workers' compensation payment****Wage Earner Protection Act**

- benefit under
 - treated as employment income
 - for Canada Employment Credit, 118(10)B(b)
 - for Canada Workers Benefit, 122.7(1)“working income”(b)
 - for moving expenses, 62(1)(c)(i)
 - for RRSP earned income, 146(1)“earned income”(b)
 - for refundable medical expense supplement, 122.51(1)“eligible individual”(c)(iii)
 - taxable, 56(1)(r)(v)
 - to non-resident as income earned in Canada, 115(1)(a)(iii.21)

Wage measure

- defined, 147.1(1)
- used in calculating “average wage”, 147.1(1)

Wage subsidy, *see* Canada Emergency Wage Subsidy (CEWS)**Wagering losses, Canada-U.S. Tax Treaty:Art. XXII:3****Wages, *see* Salary****Wagon, capital cost allowance, Reg. Sch. II:Cl. 10(d)****Waiver**

- penalty or interest, of, by Minister, 220(3.1)
- pension plan conditions, by Minister, 147.1(18)(a), (k)
- RESP age requirements, where beneficiary disabled, 146.1(2.2)
- reassessment period, of, by taxpayer, 152(4)(a)(ii), 152(4)(c), 152(4.1), (5)
- requirement to file form or document, of, by Minister, 220(2.1)
- retention of document or thing seized, by Minister, 231.3(6)
- right to appeal. binding, 169(2.2)
- right to object, binding, 165(1.2), 169(2.2)
- solicitor-client privilege, of, by client, 232(14)
- tax on excess EPSP amount, 207.8(3)
- tax on FHSA, RDSP, RESP, RRIF, RRSP or TFSA acquiring prohibited or non-qualified investment or extending advantage, 207.06(2)
- tax on overcontribution to deferred income plan, by Minister, 204.1(4)
- tax on overcontribution to FHSA, 207.06(3)
- tax on overcontribution to RESP, 204.91(2)
- tax on overcontribution to TFSA, 207.06(1)

Walking aids

- medical expense, Reg. 5700(i)

Wallster case overruled, 66(12.73)**War savings certificate, income exempt, 81(1)(b)****War service**

- pension payments for, exempt, 81(1)(d), (e)

War Veterans Allowance Act

- pension under, exempt, 81(1)(d)

Warehousing of flow-through expenses, 66(19)**Warnock case overruled, 118.2(2.21)****Warrant, *see* Option; Search warrant****Warranty**

- amount receivable for, on sale of property, 42
- disposition of property subject to, 42
- outlays, pursuant to
 - on amalgamation, 87(2)(n)
- reserve for, not allowed, 20(7)

Waste biomass electricity generation equipment

- defined, for clean technology credit, 127.45(1)

Waste biomass heat generation equipment

- defined, for clean technology credit, 127.45(1)

Water

- distribution of, by municipal corporation, exemption, 149(1.2)

Water distributing equipment

- capital cost allowance, Reg. Sch. II:Cl. 1(o), Sch. II:Cl. 2(e)

Water purifier

- medical expense credit for, Reg. 5700(c.1)

Water system for mine

- capital cost allowance, Reg. Sch. II:Cl. 10(l)

Wave or tidal energy, electricity generation equipment

- capital cost allowance, Reg. Sch. II:Cl. 43.1(d)(xiv), Sch. II:Cl. 43.2

Weak currency debt

- defined, 20.3(1)
- limit on interest deduction, 20.3(2)

Wearing apparel for rental

- capital cost allowance, Reg. Sch. II:Cl. 12(k)

Webb case (1974) overruled, 64.1**Wedding planning or hosting relief (COVID), Reg. 8901.1(2)(b)(xx)(B), *see also* Qualifying tourism or hospitality entity****Weighted Canadian liabilities**

- defined, insurers, Reg. 2400(1)

Weighted total liabilities

- defined, insurers, Reg. 2400(1)

Wel Holdings case overruled, 244(13.1) [repealed]**Welder**

- apprenticeship job creation credit, 127(9)“investment tax credit”

Welfare, *see* Social assistance payment**Well**

- for installation of underground piping, Reg. 1219(1)(f), Sch. II:Cl. 43.1(d), Sch. II:Cl. 43.2(b)

Western Grain Stabilization Act

- fees paid, deductible, 20(1)(ff)
- payment received under, income, 12(1)(p)

Wharf, capital cost allowance, Reg. Sch. II:Cl. 3, Sch. II:Cl. 6

- for mine, Reg. Sch. II:Cl. 10(l)

Wheelchair

- medical expense, 118.2(2)(i)
- power-operated lift for, Reg. 5700(m)
- ramp for
 - deduction, 20(1)(qq)
 - medical expense credit, 118.2(2)(l.2)
- van for use with, medical expense credit, 118.2(2)(l.7)

Whistleblower payments, *see* Stop International Tax Evasion Program**Whole dividend (of foreign affiliate)**

- defined, Reg. 5907(1)

Wholly-owned corporation, *see also* Subsidiary: wholly-owned corporation

- defined, for corporate rollover rules, 85(1.3)

Wife, *see* Spouse**Wig, medical expense, Reg. 5700(a)**

Wild (1245989 Alberta) case overruled, 245(1)“tax benefit”(c)

Will

- gifts by deemed made in year of death, 118.1(5) [before 2016], 118.1(5.1) [after 2016]
- publicly traded securities, reduced capital gain, 38(a.1)(ii)
- transfer, release or surrender under, 248(8)
- trust created by, 248(9.1)

Wind energy conversion system

- Canadian renewable and conservation expense, Reg. 1219(4)

Wind farm project

- test wind turbine at, *see* Test wind turbine

Wind turbine, *see* Test wind turbine

Winding-up, *see also* Amalgamation (for specific consequences); Ceasing to carry on business

- acquisition of control because of death, 88(1)(d.3)
- appropriation of property on, 69(5), 84(2)
- assets acquired from foreign affiliate on, 80.1(6)
- bump, 88(1)(c), (d)
- bump denial rule, 88(1)(c)(vi)
- Canadian corporation, rules, 88(1), (2)
- corporation beneficiary under life insurance policy, 89(2)
- debt, settlement of, 80.01(4), (5)
- debt forgiveness reserve disallowed, 61.4(c)
- distribution on, 84(2), (6)
- farming inventory, 88(1.6)
- financial institution
 - continuing corporation for mark-to-market rules, 88(1)(h)
 - deemed disposition of mark-to-market property, 88(1)(i)
 - into parent financial institution, 88(1)(a.3)
- following debt forgiveness, deemed capital gain, 80.03(3)(a)(i)
- foreign affiliate, 88(3), 95(2)(e)
- functional currency rules, 261(16)
- leasing properties, 16.1(4)
- net capital losses of subsidiary, 88(1.2)
- 90% or more owned subsidiary, of, 88(1)
- limited partnership losses, 88(1.1)
- net capital losses, 88(1.2)
- non-capital losses, 88(1.1)
- parent corporation continuation of, 88(1.5)
- non-capital losses, treatment by parent, 111(5.4)
- parent incorporated after subsidiary's year-end
 - computation of income and tax payable, 88(1.3)
- partnership, *see* Partnership: ceasing to exist
- period (of revoked charity), *see* Winding-up period
- pre-1972 capital surplus on hand, 88(2.1)–(2.3)
- refundable dividend tax on hand, 87(2)(aa), 88(1)(e.2)
- resource expenses, 66.7(6)
- specified debt obligation, treatment of, 88(1)(a.3), Reg. 9204(2)
- subsidiary, of
 - non-capital losses, treatment by parent, 111(5.4)
 - where an insurance corporation, 88(1)(g)
- trust, of
 - deemed resident throughout year, 250(6.1)

Winding-up period

- revoked charity, defined, 188(1.2)

Windmill, capital cost allowance, Reg. Sch. II:Cl. 3

Windingup, *see* Winding-up

Winnipeg Stock Exchange, *see also* TSX

- prescribed stock exchange, 262

Wipf case overruled, 143

Withholding, 153(1), 212, 227, *see also* Remittance of taxes withheld

- actors, non-resident, 212(5.1)–(5.3)
- agreement not to withhold, void, 227(12)
- amount of, deemed received by payee, 153(3)
- amounts deemed held in trust, 227(4), (4.1)

- amounts in trust not part of estate, 227(5)
- amounts not remitted, liability to pay, 227(9.4)
- annuity payment or commutation, 153(1)(f)
- assessment for, 227(10), (10.1)
- definitions, 227(10.8)
- binding on federal and provincial governments, 227(11)
- commissions, 153(1)(g)
- death benefit, 153(1)(d)
- deferred profit sharing plan payment, 153(1)(h)
- directors liable for, 227.1
- dividends received by broker/dealer, 153(4), (5)
- election for, 153(1)(n), 153(1.1)
 - to increase, 153(1.2), Reg. 109
- employee outside Canada, exemption, Reg. 104(2)
- employees, 153(1)(a)
- employment earnings supplement, 153(1)(s)
- employment insurance benefit, 153(1)(d.1), Reg. 100(1)“remuneration”(g)
- exemptions
 - credits on TD1 exceeding tax, Reg. 104(1)
 - employee outside Canada, Reg. 104(2)
 - Home Buyers' Plan, Reg. 104(3)–(4)
 - Lifelong Learning Plan, Reg. 104.1
- failure to remit amounts withheld, penalty, 227(9)
- interest payable, 227(9.2)
- salary or wages, from, 227(9.5)
- failure to withhold, 215(6), 227(8)–(10)
- interest on amounts, 227(8.3)
- retirement compensation arrangement, 227(8.2)
- fees and commissions, 153(1)(g)
- government assistance program, prescribed benefit, 153(1)(m)
- Home Buyers' Plan, exemption, Reg. 104(3)–(4)
- income-averaging annuity contract payment, 153(1)(k)
- income from employee life and health trust, 153(1)(s), Reg. 100(1)“remuneration”(h.1)
- non-resident, 212(1)(w)
- information return, Reg. 210
- interest on amounts not deducted or withheld, 227(8.3)
- interference with remittances, 227(5.2)–(5.4) (1995 draft, abandoned)
- labour-sponsored funds share disposition, 211.8(2)
- labour-sponsored funds tax credit, 211.7(2)
- large employers, must remit through financial institution, 153(1), Reg. 110
 - exception, 153(1.4)
- liability to pay amount not deducted or withheld, 227(8.4)
- Lifelong Learning Plan, exemption, Reg. 104.1
- no action against withholder, 227(1)
- non-periodic payments, Reg. 103
- non-residents, *see also* Non-resident tax
 - actors, 212(5.1)–(5.3)
 - employees, 153(1)(a)(ii), 153(6), (7)
 - fees for services, Reg. 105
 - insurers, Reg. 800–805.1
 - interest, dividend and other passive income, 212
 - payments through an agent, 215
 - mutual fund distributions, 218.3
- not required, where, Reg. 104, 104.1
- Old Age Security benefits, 180.2(3), (4)
- partnership, 212(13.1), 227(15)
- patronage dividends, from, 135(3)
- payroll, 153(1)(a), Reg. 100–111
 - reductions for certain amounts withheld by employer, Reg. 100(3)
- penalty, 227(8)
- pension benefit, 153(1)(b)
- reduction of, Reg. 809
- refund of, 227(6), (7)
- registered disability savings plan, 153(1)(i)

Index

Withholding (*cont'd*)

- registered education savings plan, 153(1)(t), Reg. 103(6)(g), 103(8)
- registered retirement income fund payment, 153(1)(l), Reg. 103(4), 103(6)(d.1)
- registered retirement savings plan payment, 153(1)(j)
- regulations, Reg. Part I
- remittance deadlines, source deductions, Reg. 108
- remittances to Receiver General, 153(1), Reg. 108
- retirement compensation arrangement contribution, 153(1)(p)
- retirement compensation arrangement distribution, 153(1)(q)
- retirement compensation arrangement purchase price, 153(1)(r)
- retiring allowance, 153(1)(c)
- return required of employee, 227(2)
- salary, 153(1)(a)
- severance pay, 153(1)(c)
- stock option benefits, 153(1.01)
- superannuation benefit, 153(1)(b)
- supplementary unemployment plan benefit, 153(1)(e)
- termination pay, 153(1)(c)
- trustee etc., liability for, 227(5), (5.1)
- unclaimed dividends etc., 153(4), (5)
- undue hardship, 153(1.1)
- unemployment insurance benefit, 153(1)(d.1), Reg. 100(1)“remuneration”(g)
- wages, 153(1)(a)

Within a time, computation of, *Interpretation Act* 27(5)

Witness

- rights of at inquiry, 231.4(5)

Wood waste

- defined, Reg. 1104(13)
- included in eligible waste fuel, Reg. 1104(13)“eligible waste fuel”

Woodlot

- intergenerational rollover, 70(9)(a), 70(9.3)(c), 73(3)(c)
- prescribed forest management plan, Reg. 7400

Woods assets, capital cost allowance, Reg. 1100(1)(f), Reg. Sch. IV

Work camp, *see* Construction work camp

Work in progress of professional business

- deemed to be inventory, 10(5)(a)
- election to exclude from income until 2017, 34
- transitional rule 2017–2020, 10(14.1)
- valuation of, 10(4)(a)

Work space in home

- limitation on deductibility
 - from business income, 18(12)
 - from employment income, 8(13)

Worker Adjustment Programs, *see* Older Worker Adjustment, Program for; Plant Workers Adjustment Program

Worker cooperative

- defined, 248(1)
- transfer of shares to (qualifying cooperative conversion)
 - capital gains deduction, 110.62
 - gain spread over 10 years, 40(1.4)

Workers' compensation payment

- deduction in computing taxable income, 110(1)(f)(ii)
- disclosure of taxpayer information by CRA, 241(4)(n)
- inclusion in income, 56(1)(v)
- information return, Reg. 232

Working Canadians Rebate, 122.73 [expected]

Working Income Tax Benefit, *see* Canada Workers Benefit (former Working Income Tax Benefit)

Working Ventures Fund, *see* Labour-sponsored funds tax credit

Workplace Safety and Insurance Board, *see* Workers' compensation payment

World Anti-Doping Agency

- employment income from, deduction for, 110(1)(f)(iii), Reg. 8900(2)

Writing

- defined, *Interpretation Act* 35(1)

Wrongful dismissal award, *see* Retiring allowance

X, Y, Z

X-rays

- cost of, as medical expense, 118.2(2)(o)

YAMPE, *see* Year's Additional Maximum Pensionable Earnings

YMPE, *see* Year's Maximum Pensionable Earnings

Yacht

- expense of, not deductible, 18(1)(l)(i)
- limitation on CCA claim where rented out, Reg. 1100(15)–(20)

Year, *see* Calendar year; Taxation year

Year-end

- deemed
 - charity, on notice of revocation, 188(1)
 - foreign affiliate, 91(1.2)
 - where control of corporation changes, 249(4)
 - where corporation becomes or ceases to be CCPC, 249(3.1)
 - where corporation becomes or ceases to be exempt, 149(10)
 - where corporation becomes or ceases to be financial institution, 142.6(1)
- transactions straddling, to defer income, *see* Straddle transactions

Year's Additional Maximum Pensionable Earnings

- defined, Reg. 8500(1)

Year's Maximum Pensionable Earnings

- base for SR&ED proxy amount re salaries, Reg. 2900(7)
- current, “CPP Contributions” table, *see* introductory pages
- defined, Reg. 8500(1)

Young child supplement, 122.61(1.2)

Yukon Territory, *see also* Northern Canada

- additional \$0.04 reasonable kilometrage allowance, Reg. 7306(c)
- tax rates, *see* introductory pages

ZEPV, *see* Zero-emission passenger vehicle

ZETM, *see* Zero-emission technology manufacturing

ZETM cost of capital

- defined, Reg. 5202, 5204

ZETM cost of labour

- defined, Reg. 5202, 5204

ZEV, *see* Zero-emission vehicle

Zanatta case overruled, 118.2(2.21)

Zapper software (or hardware)

- use, possession, manufacture or sale of
 - administrative penalty, 163.3
 - criminal offence, 239.1

Zero, minimum amount for formula calculations, 257

Zero-emission passenger vehicle

- capital cost limited to \$55,000, 13(7)(i), Reg. 7307(1.1)
- defined, 248(1)

Zero-emission technology manufacturing

- rate reduction (credit), 125.2, Reg. 5202, 5204

Zero-emission technology manufacturing profits

- credit for, 125.2(2)
- defined, 125.2(1)

Zero-emission vehicle, *see also* Zero-emission passenger vehicle

- capital cost allowance
 - classes, Reg. Sch. II:Cl. 54, 55, 56
 - increased in year of acquisition, Reg. 1100(1)(a)(xl), (xli), 1100(2)A(e)(i), (f)(i)
 - whether cost limited to \$55,000, 13(7)(i), Reg. 7307(1.1)
- defined, 248(1), Reg. 1102(26)

Index

Zero-emission vehicle (*cont'd*)

- off-road vehicle, Reg. Sch. II:Cl. 56

Zinc, *see* Critical mineral

Zone

- economic, *see* Exclusive economic zone
- prescribed, *see* Northern Canada
- tax-free, ITAR 26(3)

Zoos relief (COVID), Reg. 8901.1(2)(b)(v), *see also* Qualifying tourism or hospitality entity

Numbered

10/8 policy

- defined, 248(1)
- no deduction for interest on money borrowed to acquire, 20(2.01)
- no deduction for premiums paid, 20(1)(e.2)(ii)
- no increase in CDA for death benefit, 89(1)“capital dividend account”(d)(iv)

1942 Conventions

- defined, Canada-U.S. Tax Treaty:Art. III:1(j)

1948 Income Tax Act, The, defined, ITAR 12

1971 receivables, ITAR 23(5)“1971 receivables”

2023 business number

- for carbon tax refund to small business, defined, 127.421(1)

65302 British Columbia Ltd. case overruled, 67.6

1245989 Alberta (Wild) case overruled, 245(1)“tax benefit”(c)

3792391 Canada case overruled (for individuals), 215(1.2), (1.3)