

# **Statement of Real Estate Rentals**

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

### Part 1 – Identification -

Your name								You	ur So	ocial I	nsura	ince	Numb	er										
Your address						City			Prov	./Terr.	Po	stal c	ode:	1	I									
Fiscal period from	Date	(YY 	YYN 	1MDD	) 	t	0	۲ ا	rear	1	Mo	onth	Da	y	Was this the final year of your rental operation?			Y	es [		No			
Your percentage of	of														Tax shelter identification number (8 charac	ters)		Part	iners	hip t	ousine	ess r	num	ber
the partnership			%	Indu	ustry o	code																		
Name of person o	r firm	prep	barin	g this	form										Business n	umbe	er/A	ccou	nt nu	imbe	er			
Address of person or firm preparing this form					City			Prov	./Terr.	Po	stal c	ode:	1	I										

## — Part 2 – Details of other co-owners and partners

Co-owner or partner's name and address	Share of net income (loss) \$	Percentage %
Co-owner or partner's name and address	Share of net income (loss) \$	Percentage %
Co-owner or partner's name and address	Share of net income (loss) \$	Percentage %

## — Part 3 – Income -

In most cases, you calculate your rental income using the **accrual method**. If you have no amounts receivable and no expenses outstanding at the end of the year, you can use the **cash method**.

List the addresses of your rental properties	Number of units		Gross rents	1
				_ <b>2</b>
Enter the total of your gross rents in the year you receive them (amount 1 <b>plus</b> amount 2 <b>plus</b> amount 3)		8141		_ 3
Other income (for example, premiums and leases, sharecropping)		8230		_
Total gross rental income – Enter this amount on your Income Tax and Benefit Return on line 12599 (line 8	3141 <b>plus</b> line 8230)	8299		=



Page 1 of 4

— Part 4 – Expenses ——————————————————————————————————			
	Total expenses	Personal portion	
Advertising			
Insurance			
Interest and bank charges			
Office expenses			
Property taxes			
9220			
9281 Motor vehicle expenses (not including capital cost allowance)			
Other expenses			
Total expenses (add the lines listed under "Total expenses")	A		
Total for personal portion (add the lines listed under "Personal portion	n")		
· · · · · · · · · · · · · · · · · · ·			
Deductible expenses (total expenses from amount A minus total personal	portion on line 9949)		4
Net income (loss) before adjustments (total gross rental income from line 8	299 <b>minus</b> deductible exp	penses from amount 4)	9369
Co-owner – calculate your share of net income from line 9369. Enter your r	result on amount 5		5
			9945
Other expenses of the co-owner – other deductible expenses you have as			
	Subtotal	(amount 5 <b>minus</b> line 9	9945) 6
Recaptured capital cost allowance (co-owners - enter your share of the am	nount)		9947
	Subto	tal (amount 6 <b>nius</b> line 9	9947) 7
	Cubio		
Terminal loss (co-owners – enter your share of the amount)			9948
	Subtotal	(amount 7 <b>minus</b> line 9	948) 8
			9936
Total capital cost allowance claim for the year (amount i from Area A)			
Net income (loss) (amount 8 minus line 9936)			a
If you are a sole proprietor or a co-owner enter this amount on line 9946.			3
Partnerships Partners – your share of amount 9, or the amount from your T5013 slip, Sta	atement of Partnership In	rome	10
Partners – GST/HST rebate for partners received in the year			9974
Partners – other expenses of the partner			9943
Your net income (loss) – For sole proprietors or co-owners, enter this am			
on line 12600. For partnerships, enter the result of amount 10 <b>plus</b> line 997 Income Tax and Benefit Return on line 12600	74 minus line 9943. Enter	this amount on your	9946

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

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

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

": I otal of column 12 (enter the amount on line 9936 of Part 4, amount i minus any personal part and any CCA for business-use-of-home expenses\*\*\*)

- If you have a negative amount in column 6, add it to income as a recapture under 'Recaptured capital cost allowance' on line 9947. If no property is left in the class and there is a positive amount in the column, deduct the amount from your income as a terminal loss under 'Terminal loss' on line 9948. For more information, read Chapter 3 of Guide T4036.
- \*\* For information on CCA for "Calculation of business-use-of-home expenses," see "Special situations" in Chapter 4 of Guide T4002. To help you calculate the capital cost allowance claim, see the calculation charts in Areas B to F.
- Sole proprietors and partnerships enter the total CCA claim for the year from amount i on line 9936. Co-owners - enter only your share of the total CCA claim for the year from amount i on line 9936.
- Note 1: Columns 4, 7, and 8 apply only to accelerated investment incentive properties (AIIPs) (see Regulation 1104(4) of the Income Tax Regulations for the definition), zero-emission vehicles, and zero-emission passenger vehicles. In this chart ZEV represents both zero-emission vehicles and zero-emission passenger vehicles. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. A ZEV is a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. For more information on AIIP and ZEV, see guide T4036.
- Note 2: The proceeds of disposition of a zero-emission passenger vehicle (ZEPV) that has been included in Class 54 and that is subject to the \$55,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 as a proportion of the actual cost of the vehicle. For dispositions after July 29, 2019, the government proposes that the actual cost of the vehicle be adjusted for any payments or repayments of government assistance that you may have received or repaid in respect of the vehicle. For more information on proceeds of disposition, read Class 54 in guide T4036.
- Note 3: The relevant factors for properties available for use before 2024 are 2 1/3 (classes 43.1 and 54), 1 1/2 (class 55), 1 (classes 43.2 and 53), 0 (classes 12 and 13), and 1/2 for the remaining accelerated investment incentive properties.

For more information on AIIP and ZEV, see Guide T4036 or go to canada.ca/taxes-accelerated-investment-income.

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

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

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

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

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# Area C – Building additions in the year

1 Class number	<b>2</b> Property details	3 Total cost	<b>4</b> Personal portion (if applicable)	5 Rental portion (col. 3 <b>minus</b> col. 4)

Total building additions in the year (total of column 5) 9927

# Area D – Equipment dispositions in the year

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

Total equipment dispositions in the year (total of column 5) 9926

## Area E – Building dispositions in the year

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

# Area F - Land additions and dispositions in the year

Total cost of all land additions in the year	9923	
Total proceeds from all land dispositions in the year	9924	

See the privacy notice on your return.