



Summary of Reserves on Dispositions of Capital Property

Complete this form if you are an individual (other than a trust) who is reporting a reserve claimed on your 2019 income tax and benefit return or claiming a reserve on dispositions of capital property (including gifts of certain securities) in 2020. To determine if you are eligible to claim a reserve in 2020, see "Claiming a reserve" in Guide T4037, Capital Gains. The information on page 3 explains how to calculate a capital gains reserve.

Attach a completed copy of this form to your 2020 income tax and benefit return.

Part 1 – Dispositions of capital property after November 12, 1981

A. Dispositions of qualified farm or fishing property (QFFP)

Amount of 2019 reserve for dispositions of QFFP to your child after 2010, and before April 21, 2015, and all other dispositions of QFFP before April 21, 2015 (line 66840 of Form T2017 for 2019)	66815		1		
Amount of 2020 reserve for dispositions of QFFP to your child after 2011 and before April 21, 2015	66840	-	2		
Line 1 minus line 2 (if negative, show in brackets)	=		▶		3
Amount of 2019 reserve for dispositions of QFFP after April 20, 2015 (line 66844 of Form T2017 for 2019)	66843		4		
Amount of 2020 reserve for dispositions of QFFP after April 20, 2015	66844	-	5		
Line 4 minus line 5 (if negative, show in brackets)	=		▶	+	6
Line 3 plus line 6 (if negative, show in brackets)				=	7

Complete line 66848 **only** if you are reporting/claiming reserves at **lines 66815** and/or **66840** for **at least two** dispositions of QFFP originating in more than one of the following periods: a) dispositions of your child after 2010 and before 2014; b) in 2014; and/or c) in 2015.

Enter the amount of the most recent reserves claimed on line 66840. (If you are reporting/claiming reserves for more than two dispositions at **lines 66815** and/or **66840**, provide a breakdown of the amounts of each reserve on a separate sheet of paper and attach it to this form.)

	66848		8
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B. Dispositions of qualified small business corporation shares (QSBCS)

Amount of 2019 reserve for dispositions of QSBCS to your child after 2010, and all other dispositions of QSBCS after 2015 (line 66850 of Form T2017 for 2019)	66883		9		
Amount of 2020 reserve for dispositions of QSBCS to your child after 2011, and all other dispositions of QSBCS after 2016	66850	-	10		
Line 9 minus line 10 (if negative, show in brackets)	=		▶	+	11
Line 7 plus line 11 (if negative, show in brackets)				=	12

Complete line 66905 **only** if you are reporting/claiming reserves at **lines 66883** and/or **66850** for **at least two** dispositions of QSBCS that originated in more than one of the following periods: a) dispositions to your child after 2010 and before 2014; b) in 2014; c) in 2015; d) in 2016; e) in 2017; f) in 2018; g) in 2019; and/or h) in 2020.

Enter the amount of the most recent reserves claimed on line 66850. (If you are reporting/claiming reserves from more than two dispositions at **lines 66883** and/or **66850**, provide a breakdown of the amounts of each reserve on a separate sheet of paper and attach it to this form.)

	66905		13
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C. Dispositions of property (other than QFFP and QSBCS) to your child

Protected B when completed

Amount from line 12 of the previous page					14
Amount of 2019 reserve for dispositions to your child after 2010, of family farm or fishing property other than QFFP and of shares of capital stock of a small business corporation other than QSBCS (line 66920 of Form T2017 for 2019)	66910				15
Amount of 2020 reserve for dispositions to your child after 2011, of family farm or fishing property other than QFFP and of shares of capital stock of a small business corporation other than QSBCS	66920	-			16
Line 15 minus line 16 (if negative, show in brackets)		=		▶ +	17

D. Dispositions of property other than dispositions described in A, B, and C above

Amount of 2019 reserve for dispositions of property after 2015, other than dispositions listed on lines 66815, 66843, 66883, and 66910 (line 66990 of Form T2017 for 2019)	66960				18
Amount of 2020 reserve for dispositions of property after 2016, other than dispositions listed on lines 66840, 66844, 66850, and 66920	66990	-			19
Line 18 minus line 19 (if negative, show in brackets)		=		▶ +	20
Add lines 14, 17 and 20 (if negative, show in brackets)				=	21

Part 2 – Dispositions of capital property before November 13, 1981

Complete line 67030 **only** if you disposed of property before November 13, 1981, you have reported this reserve over the past 39 years, and you still have an amount to include in income.

Enter the amount of 2019 reserve for dispositions before November 13, 1981 (as reported in 2019)	67030	+			22
Line 21 plus line 22. Enter this amount on line 19200 of Schedule 3 (if negative, show in brackets)				Total reserve 67060	= 23

Continued on the next page.

How do you calculate a reserve

The reserve you can claim in a tax year depends on when you disposed of the property, and the type of property you disposed of. You do not have to claim the maximum reserve in a tax year (**Year A**). However, the amount you claim in a later year (**Year B**) cannot be more than the amount you claimed for that property in the previous year (**Year A**). To determine your maximum reserve for 2020, use the calculation below that applies to you.

Dispositions of capital property after November 12, 1981

If you disposed of property after November 12, 1981, the calculation you use will depend on the type of property and disposition.

All property (other than family farm or fishing property, and small business corporation shares disposed to your child, as well as donated non-qualifying securities)

You can claim a reserve up to a maximum of 4 years. Your reserve in each year cannot be more than the **lesser of the following**:

$$(i) \text{ Capital gain} \times \frac{\text{Amount payable after the end of the year}}{\text{Proceeds of disposition}}$$

$$(ii) \text{ Capital gain} \times \frac{\text{Enter the applicable percentage from the table}}{\text{}} \quad \text{Enter the applicable percentage from the table}$$

Year of disposition (A)	Year after the disposition (B)	
80%	1st year: 60%	3rd year: 20%
	2nd year: 40%	4th year: zero

Family farm property, family fishing property, and small business corporation shares disposed to your child

You can claim a reserve up to a maximum of 9 years. Your reserve in each year cannot be more than the **lesser of the following**:

$$(i) \text{ Capital gain} \times \frac{\text{Amount payable after the end of the year}}{\text{Proceeds of disposition}}$$

$$(ii) \text{ Capital gain} \times \frac{\text{Enter the applicable percentage from the table}}{\text{}} \quad \text{Enter the applicable percentage from the table}$$

Year of disposition (A)	Year after the disposition (B)		
90%	1st year: 80%	4th year: 50%	7th year: 20%
	2nd year: 70%	5th year: 40%	8th year: 10%
	3rd year: 60%	6th year: 30%	9th year: zero

Gift of non-qualifying security (other than an excepted gift) to a qualified donee

You can claim a reserve for any tax year ending within 60 months after the time you made the gift. However, you cannot claim a reserve for a gift of non-qualifying securities for the year in which the donee disposes of the securities, or the security ceases to be a non-qualifying security, or for any following year. Your reserve in each year cannot be more than the amount of the capital gain you realized from the making of the gift.

For gifts of non-qualifying securities made after December 20, 2002, the reserve you can claim **cannot be greater** than the eligible amount of the gift.

Dispositions of capital property before November 13, 1981

If you sold property before November 13, 1981, use the calculation below to determine your reserve. You should also use the calculation for property that you sold, or are considered to have sold, after November 12, 1981, if the disposition occurred in one of the following situations:

- under the terms of an offer or a written agreement made or entered into before November 13, 1981
- as a result of the property having been stolen, destroyed, or expropriated before November 13, 1981

$$\text{Capital gain} \times \frac{\text{Amount payable after the end of the year}}{\text{Proceeds of disposition}}$$

For additional information and definitions of terms used in this form, see Guide T4037, Capital Gains.

See the privacy notice on your return.