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-434, 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				Your social insurance number	
Your address			City	Prov./Terr.	Postal code
Fiscal period from	Date (YYYYMMDD)	to	Year / Month / Day: **1 2 3 1**	Was this the final year of your rental operation? Yes ☐ No ☐	
Your percentage of the partnership %	Industry code **5 3 1 1 1 1**		Tax shelter identification number (8 characters)	Partnership business number	
Name of the person or firm preparing this form				Business number/Account number	
Address of the person or firm preparing this form			City	Prov./Terr.	Postal code

Part 2 – Details of other co-owners and partners

Co-owner or partner's name and address	Share of net income (loss) $	Percentage of ownership %
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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
			2
			3

Enter the total of your gross rents in the year you receive them (amount 1 **plus** amount 2 **plus** amount 3)	8141	
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 8141 **plus** line 8230)	8299	

***** You may have received assistance from COVID-related measures from the federal, provincial or territorial governments. For more information, go to **canada.ca/cra-coronavirus**.

Part 4 – Expenses

		Total expenses	Personal portion
Advertising	8521		
Insurance	8690		
Interest and bank charges	8710		
Office expenses	8810		
Professional fees (includes legal and accounting fees)	8860		
Management and administration fees	8871		
Repairs and maintenance	8960		
Salaries, wages and benefits (including employer's contributions)	9060		
Property taxes	9180		
Travel	9200		
Utilities	9220		
Motor vehicle expenses (not including capital cost allowance)	9281		
Other expenses	9270		

Total expenses (**add** the lines listed under "Total expenses") ..... A

Total for personal portion (**add** the lines listed under "Personal portion") 9949

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 8299 **minus** deductible expenses from amount 4) 9369

Co-owner – calculate your share of net income from line 9369. Enter your result on amount 5 5

Other expenses of the co-owner – other deductible expenses you have as a co-owner which you did not deduct elsewhere 9945

Subtotal (amount 5 **minus** line 9945) 6

Recaptured capital cost allowance (co-owners – enter your share of the amount) 9947

Subtotal (amount 6 **plus** line 9947) 7

Terminal loss (co-owners – enter your share of the amount) 9948

Subtotal (amount 7 **minus** line 9948) 8

Total capital cost allowance claim for the year (amount i from Area A) 9936

Net income (loss) (amount 8 **minus** line 9936) 9

If you are a sole proprietor or a co-owner enter this amount on line 9946.

Partnerships

Partners – your share of amount 9, or the amount from your T5013 slip, Statement of Partnership Income 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 amount on your income tax and benefit return on line 12600. For partnerships, enter the result of amount 10 **plus** line 9974 **minus** line 9943. Enter this amount on your income tax and benefit return on line 12600 9946

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 Areas B and C below)	4 Cost of additions from column 3 which are AIIPs or ZEVs (property must be available for use in the year) **Note 1**	5 Proceeds of dispositions in the year (see Areas D and E below)	6* UCC after additions and dispositions (col. 2 **plus** col. 3 **minus** col. 5)	7 Proceeds of dispositions available to reduce additions of AIIPs and ZEVs (col. 5 **minus** col. 3, **plus** col. 4). If negative, enter "0" **Note 2**	8 UCC adjustment for current-year additions of AIIPs and ZEVs (col. 4 **minus** col. 7) **multiplied** by the relevant factor. If negative, enter "0" **Note 3**	9 Adjustment for current-year additions subject to the half-year rule. 1/2 **multiplied** by (col. 3 **minus** col. 4 **minus** col. 5). If negative, enter "0"	10 Base amount for CCA (col. 6 **plus** col. 8 **minus** col. 9)	11 CCA rate %	12 CCA for the year (col. 10 **multiplied** by col. 11 or a lower amount)	13 UCC at the end of the year (col. 6 **minus** col. 12)

Total CCA claim for the year: Total of column 12** (enter the amount on line 9936 of Part 4, amount i **minus** any personal part and any CCA for business-use-of-home expenses***) ▶ i

* 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. Recapture and terminal loss do not apply to a Class 10.1 property. For more information, read Chapter 3 of Guide T4036.

** For information on CCA for "Calculating business-use-of-home expenses," see "Special situations" in Chapter 4 of Guide T4002, Self-employed Business, Professional, Commission, Farming, and Fishing Income. To help you calculate the CCA, 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 federal Income Tax Regulations for the definition), zero-emission vehicles (ZEVs), zero-emission passenger vehicles (ZEPVs) and other eligible zero-emission automotive equipment and vehicles that become available for use in the year. In this chart, ZEV represents ZEV, ZEPV and other eligible zero-emission automotive equipment and 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, or eligible zero-emission automotive equipment and vehicles included in Class 56 acquired after March 1, 2020, and that became available for use before 2028. For more information, see Guide T4036.

Note 2: The proceeds of disposition of a 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, you will have to adjust the actual cost of the vehicle 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 (30%)" in Guide T4036.

Note 3: The relevant factors for properties available for use before 2024 are 2 1/3 (Classes 43.1, 54 and 56), 1 1/2 (Class 55), 1 (Classes 43.2 and 53), 0 (Classes 12 and 13) and 1/2 for the remaining AIIPs.

For more information on AIIPs, CCA, ZEVs and ZEPVs, see Guide T4036 or go to **canada.ca/taxes-accelerated-investment-income**.

Area B – Equipment additions in the year

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

Total equipment additions in the year (total of column 5) 9925

Area C – Building additions in the year

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

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

Area D – Equipment dispositions in the year

1 Class number	2 Property details	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal portion (if applicable)	5 Rental portion (col. 3 **minus** col. 4)

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

Area E – Building dispositions in the year

1 Class number	2 Property details	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal portion (if applicable)	5 Rental portion (col. 3 **minus** col. 4)

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.