



## CALCULATION OF CUMULATIVE NET INVESTMENT LOSS (CNIL) TO DECEMBER 31, 2011

- Use this form if you had any **investment income** or **investment expenses** for 2011.
- Your CNIL reduces the amount of your cumulative gains limit for the year and may affect the allowable amount of your capital gains deduction.
- Even if you are not claiming a capital gains deduction in 2011, you should still complete this form if you had any investment income or expenses in 2011.
- Because the balance in your CNIL account is a cumulative total, you may need this information in a future year. Keep a copy for your records and attach another to your return.
- If you need more information, call **1-800-959-8281**.

**Note**

If you have capital gains other than from the disposition of qualified farm property, qualified fishing property or qualified small business corporation shares in 2011, you should start by completing Chart A on the back of this form to determine if you have additional investment income to include when you calculate your CNIL.

**Part 1 – Investment expenses claimed on your 2011 return**

Carrying charges and interest expenses (from line 221) . . . . .	—	1	
Net rental losses (from line 126) . . . . .	+	2	
Limited or non-active partnership losses (from line 122) other than allowable capital losses . . . . .	+	3	
Limited partnership losses of other years after 1985 (from line 251) . . . . .	+	4	
50% of exploration and development expenses (from line 224) . . . . .	+	5	
Any other investment expenses claimed in 2011 to earn property income (see the list of other investment expenses below) . . . . .	6808 +	6	
Additional investment expenses: If you did not complete Chart A on the back of this form, enter "0". Otherwise, enter the <b>lesser</b> of line 15 in Chart A or the amount you claimed on line 253 of your return . . . . .	+	7	
<b>Total investment expenses claimed in 2011</b> (total of lines 1 to 7) . . . . .	=	▶	A

**Part 2 – Investment income reported on your 2011 return**

Investment income (from lines 120 and 121) . . . . .	—	8	
Net rental income, including recaptured capital cost allowance (from line 126) . . . . .	+	9	
Net income from limited or non-active partnership (from line 122) other than taxable capital gains . . . . .	+	10	
Any other property income reported in 2011 (see the list of other property income below), including annuity payments taxable under paragraph 56(1)(d) <b>minus</b> the capital portion deducted under paragraph 60(a) . . . . .	6810 +	11	
50% of income from the recovery of exploration and development expenses (from line 130) . . . . .	6811 +	12	
Additional investment income: If you did not complete Chart A on the back of this form, enter "0". Otherwise, enter the amount from line 15 in Chart A . . . . .	+	13	
<b>Total investment income reported in 2011</b> (total of lines 8 to 13) . . . . .	=	▶	B

**Other investment expenses**

**Include:** • repayments of inducements • repayments of refund interest • the uncollectible portion of proceeds from dispositions of depreciable property (except passenger vehicles that cost more than \$30,000) • sale of agreement for sale or mortgage included in proceeds of disposition in a previous year under subsection 20(5) • foreign non-business tax under subsections 20(11) and 20(12) • life insurance premiums deducted from property income • capital cost allowance claimed on certified films and videotapes • farming or fishing losses claimed by a non-active partner or a limited partner

**Do not include:** • expenses incurred to earn business income • repayment of shareholders' loans deducted under paragraph 20(1)(j) • interest paid on money borrowed to: i) buy an income-averaging annuity contract; ii) pay a premium under a registered retirement savings plan; iii) make a contribution to a registered pension plan; and iv) make a contribution to a deferred profit-sharing plan

**Other property income**

**Include:** • amounts from insurance proceeds for the recapture of capital cost allowance (other than amounts already included on line 9) • home insulation or energy conversion grants under paragraph 12(1)(u) • payments received as an inducement or reimbursement • income from the appropriation of property to a shareholder • farming and fishing income reported by a non-active or a limited partner • other income from a trust • allowable capital losses included in partnership losses of other years after 1985 • amounts withdrawn from Net Income Stabilization Account (NISA) Fund 2 • CPP death benefit payments reported on your T1 return

**Do not include:** • income amounts that relate to business income • payments received from an income-averaging annuity contract • payments received from an annuity contract bought under a deferred profit-sharing plan • shareholders' loans included in income under subsection 15(2)

Do not use this area

6813

**Part 3 – Cumulative net investment loss (CNIL)**

Total investment expenses claimed in 2011 (from line A in Part 1) . . . . .	_____	14	
Total investment expenses claimed in previous years (after 1987): Enter the amount from line 16 in Part 3 of Form T936 for 2010. If you did not complete Form T936 for 2010, see note 1 below . . . . .	<u>+</u> _____	15	
Cumulative investment expenses (total of lines 14 and 15) . . . . .	<u>=</u> _____		▶ 16
Total investment income reported in 2011 (from line B in Part 2) . . . . .	_____	17	
Total investment income reported in previous years (after 1987): Enter the amount from line 19 in Part 3 of Form T936 for 2010. If you did not complete Form T936 for 2010, see note 2 below . . . . .	<u>+</u> _____	18	
Cumulative investment income (total of lines 17 and 18) . . . . .	<u>=</u> _____		▶ 19
<b>Cumulative net investment loss (CNIL) to December 31, 2011</b> (line 16 minus line 19; if negative, enter "0") . . . . .	<u>=</u> _____		C

If you are claiming a capital gains deduction on your 2011 return, enter the amount from line C on line 28 of Form T657 for 2011.

**Notes**

1. To calculate your **total investment expenses from previous years**, complete Part 1 of Form T936 for each year from 1988 to 2010 in which you had investment expenses (do not complete line 7 for 1988 to 1991). Add the amounts from line A and enter the total on line 15 above.
2. To calculate your **total investment income from previous years**, complete Part 2 of Form T936 for each year from 1988 to 2010 in which you had investment income (do not complete line 13 for 1988 to 1991). Add the amounts from line B and enter the total on line 18 above.

**Chart A**

Enter the amount from line 199 of Schedule 3 (if negative, show it in brackets) . . . . .	_____	1	
Enter the amount from line 173 of Schedule 3 . . . . .	<u>+</u> _____	2	
Line 1 <b>plus</b> line 2 (if negative, enter "0"). If the amount on this line is zero, do not complete lines 4 to 14, and enter "0" on line 15. . . . .	<u>=</u> _____	3	
Enter the amount from line 1 above (if negative, enter "0") . . . . .	_____	4	
Enter the total of the amounts from lines 107, 110, and 124 of Schedule 3 (if negative, show it in brackets) . . . . .	_____	5	
If you reported an amount on line 192 of Schedule 3, enter the total of the amounts from lines 6683 and 6690 on Form T2017. Otherwise, enter the amount from line 5 on line 7. . . . .	<u>+</u> _____	6	
Line 5 <b>plus</b> line 6 (if negative, enter "0") . . . . .	<u>=</u> _____	7	
Enter 1/2 of line 7 . . . . .	_____	8	
Line 4 <b>minus</b> line 8 (if negative, enter "0"). If the amount on this line is zero, do not complete lines 10 to 14, and enter "0" on line 15. . . . .	<u>=</u> _____	9	
Total net non-eligible taxable capital gains (line 3 or line 9, <b>whichever is less</b> ). If the amount on this line includes an amount from a T3 slip, complete lines 11 to 13 below. Otherwise, enter "0" on line 14. . . . .	_____	10	
Enter the amount from box 21 of all 2011 T3 slips . . . . .	<b>5334</b> _____	11	
Enter the amount from box 30 of all 2011 T3 slips . . . . .	<u>-</u> _____	12	
Line 11 <b>minus</b> line 12 . . . . .	<b>5365</b> <u>=</u> _____	13	
Enter 1/2 of line 13 . . . . .	_____	14	
<b>Additional investment income</b> (line 10 minus line 14; if negative, enter "0") . . . . .	<u>=</u> _____	15	