

## 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.

<b>Part 1 – Identification</b>					
Your name				Your Social Insurance Number (SIN)	
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 <input type="checkbox"/> No <input type="checkbox"/>	
Your percentage of the partnership	%	Industry code	5 3 1 1 1 1	Tax shelter identification number (8 characters)	
				Partnership business number	
Name of person or firm preparing this form				Business number/Account number	
Address of person or firm preparing this form				Prov./Terr	Postal code

<b>Part 2 – Details of other co-owners and partners</b>		
Co-owner or partner's name and address	Share of net income (loss) \$	Percentage of ownership %
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<b>Part 3 – Income</b>		
In most cases, you calculate your rental income using the <b>accrual method</b> . If you have no amounts receivable and no expenses outstanding at the end of the year, you can use the <b>cash method</b> .		
List the addresses of your rental properties	Number of units	Gross rents
_____	_____	_____ <b>1</b>
_____	_____	_____ <b>2</b>
_____	_____	_____ <b>3</b>
Enter the total of your gross rents in the year you receive them (amount 1 plus amount 2 plus amount 3) . . . . .		<b>8141</b> _____ <b>4</b>
Other income (for example, premiums and leases, sharecropping) . . . . .		<b>8230</b> _____ <b>5</b>
<b>Total gross rental income</b> – Enter this amount on your income tax and benefit return on line 160 (amount 4 plus amount 5) . . . . .		<b>8299</b> _____ <b>6</b>

**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	_____
<b>Total expenses (add the lines listed under "Total expenses").</b> .....	<b>A</b>	_____
<b>Total for personal portion (add the lines listed under "Personal portion").</b> .....	<b>9949</b>	_____
Deductible expenses (total expenses from amount A <b>minus</b> total personal portion on line 9949) .....		7
Net income (loss) before adjustments (total gross rental income from amount 6 <b>minus</b> deductible expenses from amount 7) .....	<b>9369</b>	8
Co-owners – calculate your share of net income from amount 8. Enter your result on amount 9. ....		9
<b>Minus:</b>		
Co-owners – other deductible expenses you have as a co-owner which you did not deduct elsewhere .....	<b>9945</b>	10
<b>Subtotal (amount 9 minus amount 10)</b> .....		11
<b>Plus:</b>		
Recaptured capital cost allowance (co-owners – enter your share of the amount) .....	<b>9947</b>	12
<b>Subtotal (amount 11 plus amount 12)</b> .....		13
<b>Minus:</b>		
Terminal loss (co-owners – enter your share of the amount) .....	<b>9948</b>	14
<b>Subtotal (amount 13 minus amount 14)</b> .....		15
<b>Minus:</b>		
Total capital cost allowance claim for the year (amount B from Area A) .....	<b>9936</b>	16
<b>Net income (loss) (amount 15 minus amount 16)</b> .....		17
If you are a sole proprietor or a co-owner enter this amount on line 9946.		
<b>Partnerships</b>		
Partners – your share of amount 17, or the amount from your T5013 slip, Statement of Partnership Income .....		18
<b>Plus:</b>		
Partners – GST/HST rebate for partners received in the year .....	<b>9974</b>	19
<b>Minus:</b>		
Partners – other expenses of the partner .....	<b>9943</b>	20
<b>Your net income (loss)</b> – For sole proprietors or co-owners, enter this amount on your income tax and benefit return on line 126. For partnerships, enter the result of amount 18 <b>plus</b> amount 19 <b>minus</b> amount 20. Enter this amount on your income tax and benefit return on line 126. ....	<b>9946</b>	21

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 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 Proceeds of dispositions in the year (see areas D and E below)	5 <sup>1</sup> UCC after additions and dispositions (col. 2 plus col. 3 minus col. 4)	6 Adjustment for current-year additions (col. 3 minus col. 4) divided by 2. If negative, enter "0".	7 Base amount for CCA (col. 5 minus col. 6)	8 CCA rate (%)	9 CCA for the year (col. 7 multiplied by col. 8 or an adjusted amount)	10 UCC at the end of the year (col. 5 minus col. 9)
<b>Total CCA claim for the year <sup>2</sup> (total of column 9)</b>									<b>B</b>

1 If you have a negative amount in column 5, add it to your income as a recapture under "Recaptured capital cost allowance" on line 9947. If there is no property 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, see Chapter 3 of Guide T4036.

2 Sole proprietors and partnerships – enter the total CCA claim for the year from amount B on line 9936.  
Co-owners – enter only your share of the total CCA claim for the year from amount B on line 9936.

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

**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)
<b>Total of building additions in the year (total of column 5)</b>				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)
<b>Total equipment dispositions in the year (total of column 5)</b>				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)
<b>Total building dispositions in the year (total of column 5)</b>				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	