



## Income Exempt from Tax under the Indian Act

If you are registered or entitled to be registered under the Indian Act, your personal property, including income, is **exempt from tax** when it is situated on a reserve.

Use this form to calculate your **net exempt income** if **all** of the following apply:

- You are registered or entitled to be registered under the Indian Act
- You have income that is exempt from tax under the Indian Act

For a complete description of the guidelines and examples where income is exempt and where it is taxable, go to **canada.ca/section87-tax-exemption**.

Since net exempt income is **not** reported on an Income Tax and Benefit Return, the Canada Revenue Agency (CRA) will need this information to calculate your Canada workers benefit for the 2022 tax year, if applicable, and your family's provincial or territorial benefits. The information on this form will also be used to calculate your Canada training credit limit for the 2023 tax year.

Enter, on line 7 below, the part of your federal, provincial, or territorial government COVID-19 payments that would otherwise be taxable, but that is exempt from tax under the Indian Act.

For information about taxes and benefits for Indigenous peoples, go to **canada.ca/taxes-indigenous-peoples**.

**Attach** a copy of this form to your paper return.

### Exempt working income

Employment income (box 71 of your T4 slip(s))			<b>1</b>
Other employment income such as tips, net research grants, and income maintenance insurance plans	+		<b>2</b>
Net self-employment income (excluding losses)	+		<b>3</b>
Add lines 1 to 3.	<b>Total exempt working income</b>		<b>10000 = 4</b>

### Other exempt income

Canada pension plan (CPP) or Quebec pension plan (QPP) benefits	+		<b>5</b>
Other pensions and superannuation	+		<b>6</b>
Federal, provincial, or territorial government COVID-19 payments received in the year (from your T4A or T4E slip) (1)	+		<b>7</b>
Employment Insurance (EI), Provincial parental insurance plan (PPIP), and other benefits (box 18 of your T4E slip)	+		<b>8</b>
EI maternity and parental benefits and PPIP benefits included on line 8		<b>10019</b>	
Interest, dividends, and other investment income	+		<b>9</b>
Net rental income (excluding losses)	+		<b>10</b>
Social assistance payments received from a First Nation or band council	+		<b>11</b>
Other types of exempt income	+		<b>12</b>
Add lines 4 to 12.	=		<b>13</b>
Net rental losses	-		<b>14</b>
Line 13 minus line 14	=		<b>15</b>
Net self-employment losses	-		<b>16</b>
Line 15 minus line 16	=		<b>17</b>
<b>Total exempt income</b>			
Deductions relating to exempt earnings above (2)	-		<b>18</b>
Line 17 minus line 18 (if negative, enter "0")	<b>Net exempt income</b>		<b>10026 = 19</b>

(1) Do **not** include amounts related to the Canada child benefit, the GST/HST credit, or the one-time payment to persons with disabilities and seniors.

(2) Include registered pension plan (RPP) deductions, union dues and any other deductions relating to your exempt income that apply to your situation. For more information, go to **canada.ca/taxes-deductions**.

See the privacy notice on your return.