



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

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 ii 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, the result of amount 9. For partnerships, the result of amount 10 plus line 9974 minus line 9943. Enter this amount on line 12600 of your income tax and benefit return | 9946 | |

Area A – Calculation of capital cost allowance (CCA) claim

[illegible][illegible]

****** If you have a negative amount in column 7, add it to income as a recapture in Part 3 on line 9600. If no property is left in the class and there is a positive amount in this column, deduct the amount from income as a terminal loss in Part 4 on line 9790. Recapture and terminal loss do not apply to a Class 10.1 property unless it is a DIP. For more information, read Chapter 3 of Guide T4002.

*** For information on CCA for "Part 7 – Calculating business-use-of-home expenses," see "Special situations" in Chapter 4 of Guide T4002. To help you calculate the CCA, see the calculation charts in Areas B to H.

See next page for notes 1 to 5.

Note 1: Columns 4, 6, 8 and 9 apply only to designated immediate expensing properties (DIEPs) (see Regulation 1104(3.1) of the federal Income Tax Regulations for the definitions). A DIEP is a property that you acquired after December 31, 2021, and became available for use in the current year. For more information, see Guide T4036.

Note 2: The immediate expensing applies to DIEPs included in column 8. The total immediate expensing amount for the tax year (total of column 9) is limited to the lesser of:

1. the immediate expensing limit, which is equal to one of the following, whichever is applicable:
 - \$1.5 million, if you are not associated with any other EPOP in the tax year
 - amount iii of Area G, if you are associated with one or more EPOPs in the tax year
 - nil, if you are associated with one or more EPOPs and an agreement that assigns a percentage to one or more of the associated EPOPs was not file with the Minister in a prescribed form
 - any amount allocated by the Minister under subsection 1104(3.4) of the Regulations
2. the UCC of DIEPs in column 8
3. the amount from line 9946 before any CCA deductions, which is income earned from the rental operations in which the DIEPs are used

For more information, see Guide T4036.

Note 3: Columns 11, 13 and 14 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 ZEVs, ZEPVs 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 4: The proceeds of disposition of a ZEPV that has been included in Class 54 and that is subject to the \$59,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$59,000 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. The proceeds of disposition of a passenger vehicle purchased after April 18, 2021, that has been included in Class 10.1 and that is subject to the \$34,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$34,000 as a proportion of the actual cost of the vehicle. Where the passenger vehicle in Class 10.1 is not designated for immediate expensing treatment, this special rule does not apply. For more information on proceeds of disposition, read "Class 10.1 (30%)" and "Class 54 (30%)" in Guide T4036.

Note 5: 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 | |

Area G – Agreement between associated eligible persons or partnerships (EPOPs)

Are you associated in the fiscal period with one or more EPOPs with which you have entered into an agreement under subsection 1104(3.3) of the Regulations? Yes ☐ No ☐

If you answered **yes**, fill in the table below.

Enter a percentage assigned to each associated EPOP (including yourself) as determined in the agreement.

This percentage will be used to allocate the immediate expensing limit. The total of all the percentages assigned under the agreement should not exceed 100%. If the total does exceed 100%, then the associated group has an immediate expensing limit of nil. For more information about the immediate expensing limit, see Guide T4036.

| 1 Name of the EPOP | 2 Identification number Note 6 | 3 Percentage assigned under the agreement |
|---|--|---|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| Total of percentage assigned: Total of column 3 ► | | |

Immediate expensing limit allocated to you: Multiply 1.5 million by the percentage assigned to you in column 3 (see [note 7](#)) iii

Note 6: The identification number is the social insurance number, business number or partnership account number of the EPOP.

Note 7: If the total of column 3 exceeds 100%, enter "0."

See the privacy notice on your return.