

Part 2 - Capital losses (continued)

Deduct: Capital losses from previous tax years applied against the current-year net capital gain (note 6) **225** _____ G

Capital losses before any request for a carryback (amount F minus amount G) H

Deduct - Request to carry back capital loss to (note 7):

First previous tax year **951** _____ h

Second previous tax year **952** _____ i

Third previous tax year **953** _____ j

Subtotal (total of amounts h to j) I

Closing balance of capital losses to be carried forward to future tax years (amount H minus amount I) **280** _____ J

Note 6: To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the current-year tax, enter the amount from line 225 divided by 2 at line 332 of the T2 return.

Note 7: On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, divide this amount by 2. The result represents the 50% inclusion rate.

Part 3 - Farm losses

Continuity of farm losses and request for a carryback

Farm losses at the end of the previous tax year a

Deduct: Farm loss expired (note 8) **300** _____ b

Farm losses at the beginning of the tax year (amount a minus amount b) **302** _____ A

Add:

Farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation **305** _____ c

Current-year farm loss (amount F in Part 1) **310** _____ d

Subtotal (amount c plus amount d) B

Subtotal (amount A plus amount B) C

Deduct:

Other adjustments (includes adjustments for an acquisition of control) **350** _____ e

Section 80 - Adjustments for forgiven amounts **340** _____ f

Farm losses of previous tax years applied in the current tax year
Enter amount g on line 334 of the T2 return. **330** _____ g

Current and previous year farm losses applied against current-year
taxable dividends subject to Part IV tax (note 9) **335** _____ h

Subtotal (total of amounts e to h) D

Farm losses before any request for a carryback (amount C minus amount D) E

Deduct - Request to carry back farm loss to:

First previous tax year to reduce taxable income **921** _____ i

Second previous tax year to reduce taxable income **922** _____ j

Third previous tax year to reduce taxable income **923** _____ k

First previous tax year to reduce taxable dividends subject to Part IV tax **931** _____ l

Second previous tax year to reduce taxable dividends subject to Part IV tax **932** _____ m

Third previous tax year to reduce taxable dividends subject to Part IV tax **933** _____ n

Subtotal (total of amounts i to n) F

Closing balance of farm losses to be carried forward to future tax years (amount E minus amount F) **380** _____ G

Note 8: A farm loss expires as follows:
 • after 10 tax years if it arose in a tax year ending before 2006; and
 • after 20 tax years if it arose in a tax year ending after 2005.

Note 9: Amount h is the total of lines 340 and 345 from Schedule 3.