



ELECTION TO CLAIM A CAPITAL GAINS RESERVE FOR INDIVIDUALS (OTHER THAN TRUSTS) WHEN CALCULATING THE AMOUNT OF A CAPITAL GAIN USING THE REPLACEMENT PROPERTY RULES

- Paragraph 44(1)(e) describes how to calculate a capital gain when there has been a qualifying exchange of property under subsection 44(1). For dispositions of former capital property after 1990 and subsequent taxation years, subparagraph 44(1)(e)(iii) permits an individual who has elected under subsection 44(1) to deduct a capital gains reserve when making this calculation.
- When a qualifying exchange of property takes place, and an individual (other than a trust) claims a capital gains reserve for the former property, subparagraph 44(1)(e)(iii) requires that the individual file an election on this prescribed form, showing the amount claimed as a capital gains reserve.
- If you are claiming a capital gains reserve under subparagraph 44(1)(e)(iii), attach one completed copy of this form to your General return for the taxation year in which you disposed of the former property.
- For more information on exchanges of property, see the current versions of Interpretation Bulletin IT-259, *Exchanges of Property*.
- Subsection, paragraphs and subparagraphs mentioned on this form refer to the *Income Tax Act*.

Name of individual taxpayer in full (Print)	Social insurance number
Present address	Taxation year

Particulars of each property to which this election applies:

Description of each capital property disposed of:

Was it a voluntary or involuntary disposition? _____

(You must acquire the replacement property within two taxation years from the year you initially disposed of the property, in the case of an involuntary disposition, and within one taxation year in any other case.)

Amount of capital gain reserve on which you are electing: \$ _____

(If the capital gain amount on property for which you have filed this election and that you reported on Schedule 3 of your General return is different than the amount of the capital gain on which you are claiming a reserve, please attach your calculations, and provide details.)

Complete Form T2017, *Summary of Reserves on Dispositions of Capital Property*, and include this amount as a current year capital gain reserve on the appropriate line or field.

ELECTION AND CERTIFICATION

I hereby elect under subparagraph 44(i)(e)(iii) of the *Income Tax Act* for the above-mentioned property, and certify that the information given in this election, and in any documents attached or referred to herein is true, correct, and complete in every respect.

_____ Date _____ Taxpayer's Signature