

Adjusted cumulative loss amount reported after 1984 and before the current year

You have to make an adjustment if the trust claimed net capital losses of other years in a tax year after 1984 and before 1992 if, in the same tax year, the trust reported a pre-1985 reserve. You have to reduce the net capital losses of other years claimed in a year by the taxable part of the pre-1985 reserve reported in the year. The following chart will help you calculate this adjustment for line 17. If you have never made this calculation, you have to make it in the current year for all the years from 1985 to 1991.

Calculation for line 17

| Year | 1 Net capital losses of other years claimed in the year | 2 Reserves for capital dispositions before 1985 | 3 | 4 Taxable part of reserve (column 2 x column 3) | 5 Lesser of amounts in column 1 and column 4 (if negative, enter "0") |
|--------------|--|--|---|---|---|
| 1985 | \$ _____ | \$ _____ | x | \$ _____ | \$ _____ |
| 1986 | \$ _____ | \$ _____ | x | \$ _____ | \$ _____ |
| 1987 | \$ _____ | \$ _____ | x | \$ _____ | \$ _____ |
| 1988 | \$ _____ | \$ _____ | x | \$ _____ | \$ _____ |
| 1989 | \$ _____ | \$ _____ | x | \$ _____ | \$ _____ |
| 1990 | \$ _____ | \$ _____ | x | \$ _____ | \$ _____ |
| 1991 | \$ _____ | \$ _____ | x | \$ _____ | \$ _____ |
| Total | | | | | \$ _____ |

Enter the total of column 5 on line 17 of this schedule.

1. Net capital losses of other years claimed in the year—for 1985 and 1986, line 6 of Part I of Form T672; for 1987, line 523 of Schedule 5B; for 1988 to 1991, line 52 of the T3 return. Also include any capital loss carrybacks claimed in each year.
2. Reserves for capital dispositions before 1985—for 1985, previous-year reserve from Schedule 2; for 1986, line 511 of Schedule 5; for 1987, 1985 and prior, net reserve (line 513 minus line 514) from Schedule 5A; for 1988 and 1989, line 575 of Schedule 5C; and for 1990 and 1991, line 215 of Schedule 2.

Related schedules

- If you complete Schedule 3, you also have to complete and submit Schedule 4, Cumulative Net Investment Loss. You will need the amount you calculated on line 30 of Schedule 3 when you complete Schedule 9, Income Allocations and Designations to Beneficiaries.
- The line 30 amount is the amount of the trust's taxable capital gain that qualifies for a capital gains deduction for an individual beneficiary (line 930 of Schedule 9).

See the privacy notice on your return.