Canada Revenue Agency | Agence du revenu du Canada

Clear Data

Protected B when completed

2021

Tax on Excess Employees Profit Sharing Plan Amounts

If you are a specified employee and employer contributions made to an employees profit sharing plan (EPSP) are allocated to you, you may have to pay a special tax on the portion of the EPSP amount that is more than 20% of your employment income from this employer for the year. This form will help you calculate the excess EPSP amount and the related taxes.

A **specified employee** is a person who deals with an employer in a non-arm's length relationship or who owns, directly or indirectly, at any time in the year, 10% or more of the issued shares of any class of the capital stock of the employer corporation, or any other corporation that is related to the employer corporation.

Attach this completed form to your return.

Multiple EPSPs

If you are a beneficiary under **more than one EPSP with the same employer**, you will have more than one T4PS slip. If so, add up the amounts from your T4PS and T4 slips and enter the totals on lines 1 and 3 below.

If you have EPSPs from **different employers**, complete a separate form for each employer. Add the amount from line 7 of each form and include the total on line 22900 of your return, and add the amount from line 10 of each form and include the total on line 41800 of your return.

Taxpayer information

First name	Last name	Social insurance number

Excess EPSP amount

If you are a specified employee, enter the amount of contributions from box 41 of your T4PS slip.			1
For the employer who made the EPSP contributions, enter the employment income reported on your T4 slip(s) by that employer. Also include wage loss replacement benefits received related to this employment.		2	
Enter the security options benefits (box 38 of your T4 slip) and other employment income (box 35 of your T4PS slip) related to the employment income reported on line 2.	–	3	
Line 2 minus line 3	=	4	
Rate	× 20%	5	
Line 4 multiplied by the percentage from line 5	=	►	– 6
Line 1 minus line 6 (if negative, enter "0") Include this amount on **line 22900** of your return.	**Excess EPSP amount** 68210		= 7

Tax on excess EPSP amount

Enter the amount from line 7.		8
Enter the rate for your province or territory of residence at the end of the year from the chart below.	×	9
Line 8 multiplied by the percentage from line 9 Include this amount on **line 41800** of your return.	**Tax on excess EPSP amount**	= 10

AB	BC	MB	NB	NL	NS	NT	NU	ON	PE	QC	SK	YT	Other (1)
48%	53.5%	50.4%	53.3%	51.3%	54%	47.05%	44.5%	53.53%	51.37%	33%	47.5%	48%	47%

(1) If you were **not** a resident of a province or territory in Canada, use the rate for "Other" on line 9.

See the privacy notice on your return.