



Election for Disposition of Property Upon Cessation of Partnership

- For use by members of a Canadian partnership, that has ceased to exist, to jointly elect under subsection 98(3) where all of the partnership property has been distributed to the former members.
- Unless otherwise indicated, all legislative references are to the Income Tax Act.
- An authorized former member should mail one copy of this election and related schedules (as specified), as follows:
 - to the tax centre of the former partnership
 - on or before the earliest date that any of the former members has to file an income tax return for the tax year in which the partnership ceased to exist (due date), and
 - separately from any other return.
- If you do **not** have a RZ partnership account number complete the Form RC1, Request for a business number and certain program accounts.
- Where the former partnership had more than two members, attach copies of Schedule A on page 3, giving similar details.
- Find the address of the former partnership's tax centre at canada.ca/cra-offices.
- For more information, see Interpretation Bulletin IT-471, Merger of Partnerships.

Do not use this area

Name of former partnership	Partnership account number									
Address	<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="3" style="text-align: right; padding: 2px;">Cessation date</td> </tr> <tr> <td style="width: 33%; text-align: center; padding: 2px;">Year</td> <td style="width: 33%; text-align: center; padding: 2px;">Month</td> <td style="width: 33%; text-align: center; padding: 2px;">Day</td> </tr> <tr> <td style="border-top: 1px solid black; height: 15px;"></td> <td style="border-top: 1px solid black; height: 15px;"></td> <td style="border-top: 1px solid black; height: 15px;"></td> </tr> </table>	Cessation date			Year	Month	Day			
Cessation date										
Year	Month	Day								

Name of contact person	Telephone number
Address	Postal code

Penalty for late-filed election

An election that is filed after its due date is subject to a late-filing penalty. You can file Form T2060 within three years after its due date, if you pay an estimate of the penalty at the time of filing. You can also file Form T2060 after the three-year period, but, in addition to the payment of an estimated penalty amount, you must attach a written explanation justifying the reasons for the delay for consideration by the minister.

Calculation of late-filed penalty

Total amount of money received by all former members for their interests or rights in the former partnership	_____	A	Do not use this area
Total fair market value (FMV) of other property upon cessation	_____	B	
Subtotal (amount A plus amount B)	=====	C	
The sum of each former member's proceeds of disposition under paragraph 98(3)(a)	_____	D	
Subtotal (amount C minus amount D)	=====	E	
Amount E _____ × 1/4 × 1% × N*	= _____	F	
\$100 × N*	= _____	G	
Amount G cannot exceed \$8,000.			
Late-filing penalty (amount F or G, whichever is less)	=====	H	
Amount enclosed	=====		

Make your cheque or money order payable to the Receiver General. On the back, write T2060, the taxpayer's name, and its social insurance number, trust account or business number.

Unpaid amounts including late-filing penalties are subject to daily compound interest at a prescribed rate.

* N is the sum of each month or each part of a month in the period from the due date to the actual date filed.

Election and certification

The former members jointly elect under subsection 98(3) for the property specified in Schedule A of this form, and certify that the information given in this election and all attached documents are correct and complete.

1.	Name and address of former member				Social insurance, trust account or business number
	Signature of former member or authorized person	Year	Month	Day	Former member's tax services office
2.	Name and address of former member				Social insurance, trust account or business number
	Signature of former member or authorized person	Year	Month	Day	Former member's tax services office
3.	Name and address of former member				Social insurance, trust account or business number
	Signature of former member or authorized person	Year	Month	Day	Former member's tax services office
4.	Name and address of former member				Social insurance, trust account or business number
	Signature of former member or authorized person	Year	Month	Day	Former member's tax services office

The election must be signed by all former members, or by a former member authorized in writing by all former members to sign for them. A person authorized to sign for all former members must complete the first area above, and attach a copy of the authorizing agreement. The partnership agreement will not be accepted. If there is not enough space on this form, attach supplementary copies of the Election and certification area.

Privacy statement

Personal information (including the SIN) is collected for the purposes of the administration or enforcement of the Income Tax Act and related programs and activities including administering tax, benefits, audit, compliance, and collection. The information collected may be used or disclosed for purposes of other federal acts that provide for the imposition and collection of a tax or duty. It may also be disclosed to other federal, provincial, territorial, or foreign government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties, or other actions. Under the Privacy Act, individuals have a right of protection, access to and correction of their personal information, or to file a complaint with the Privacy Commissioner of Canada regarding the handling of their personal information. Refer to Personal Information Bank CRA PPU 047 on Info Source at canada.ca/cra-info-source.

Schedule A

Protected B when completed

- If you need more space, or if the former partnership had more than two members, photocopy and complete this schedule to provide the information on the **property disposed of** and the **deemed proceeds of disposition** of each former member.
- If a former member was itself a partnership, attach a list showing each member's name and social insurance number, trust account or business number. Also, indicate the tax year end of the former member.

Name of former member				Social insurance, trust account or business number			
Address				Postal code			
Tax year-end of former member		Year	Month	Day	Tax services office		

Information on property disposed of				
Disposal date	Detailed description	1 Cost amount to partnership	2 % of interest or right held by this former member	3 Cost amount for this former member (column 1 multiplied by column 2)
Attach supplementary schedules giving similar details if there is not enough space.			Total cost amount to this former member (total from column 3)	

Deemed proceeds of disposition	
Amount of any money received when the partnership ended	_____ I
Total cost amount to this former member from column 3 above	_____ J
Subtotal (amount I plus amount J)	===== K
Adjusted cost base (ACB) of the partnership interest or right just before the partnership ended (attach a schedule of the calculations for the ACB)	_____ L
Deemed proceeds of disposition (amount K or amount L, whichever is greater)	=====
If amount L is more than amount K, attach a schedule to show how the excess was shared to determine the deemed cost of the former member's interest or right in each property. If amount K is more than amount L, a capital gain could result which should be reported on the former member's income tax return.	

Name of former member				Social insurance, trust account or business number			
Address				Postal code			
Tax year-end of former member		Year	Month	Day	Tax services office		

Information on property disposed of				
Disposal date	Detailed description	1 Cost amount to partnership	2 % of interest or right held by this former member	3 Cost amount for this former member (column 1 multiplied by column 2)
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Adjusted cost base (ACB) of the partnership interest or right just before the partnership ended (attach a schedule of the calculations for the ACB)	_____ L
Deemed proceeds of disposition (amount K or amount L, whichever is greater)	=====
If amount L is more than amount K, attach a schedule to show how the excess was shared to determine the deemed cost of the former member's interest or right in each property. If amount K is more than amount L, a capital gain could result which should be reported on the former member's income tax return.	