

Notice of Disposition of a Life Insurance Policy in Canada by a Non-Resident of Canada

- To be completed by a life insurer on behalf of a non-resident policyholder.
- Use this notice to inform the Canada Revenue Agency when a life insurance policy is disposed of and the policyholder was resident in Canada at the time the policy was issued or effected.
- A separate notice is required for each disposition. However, when several policies have been disposed of at the same time to the same purchaser, only one notice is required.
- Attach the following information to the Certificate and remittance notice (T2062B Schedule 1) and send to your tax services office or the Centre of Expertise:
 - copy 1 of this notice;
 - a letter of authorization from the non-resident policyholder; and
 - a cheque for the required payment as, or on account of tax.
- We will issue a certificate of compliance once we have completed our review.
- A final settlement of the tax liability is made when the non-resident files a Canadian income tax return.

Name of non-resident	SIN or Individual Tax Number (ITN)							
							I	
Address of non-resident	Date of Birth Year			Month Day		Day		
Insurance company								
Address of insurance company								
Contact person	Teler	ohone	num	ber				
Address of contact person	Fax r	numbe	er					
Purchaser of policy (if other than insurer)								

Particulars of disposition

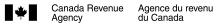
Date of disposition (year, month, day)	Policy number	Proceeds of disposition	Adjusted cost basis	Proceeds of disposition minus adjusted cost basis
Amount to be included in incom	ne			Α

Payment on account of tax (per the applicable federal non-resident tax rates)

For CRA use only

Subsidiary ledger account	Processed by				
Amount of payment	Certificate of compliance	Date			

в



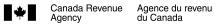
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Address of insurance company								
Contact person	Telep	ohone	num	oer				
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Purchaser of policy (if other than insurer)	1							

Particulars of disposition

Date of disposition (year, month, day)	Policy number	Proceeds of disposition	Adjusted cost basis	Proceeds of disposition minus adjusted cost basis
Amount to be included in incor	ne		=	A
Payment on account of tax (per	the applicable federal non-resid	ent tax rates)	=	В



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EXPLANATION

- Subsections and paragraphs referred to on this form are those of the Income Tax Act.
- For the purpose of subsection 116(5.2), a disposition of a life insurance policy in Canada includes certain:
 - dividends paragraph 148(2)(a);
 - death benefits paragraph 148(2)(b);
 - policy changes paragraph 148(2)(d);
 - surrenders paragraph (a) of the definition "disposition" in subsection 148(9);
 - policy loans paragraph (b) of the definition "disposition" in subsection 148(9); and
 - maturities paragraph (c) of the definition "disposition" in subsection 148(9).
- "Life Insurance Policy in Canada" is defined in subsection 138(12).
- The Proceeds of disposition amount is not reduced by commissions for sale or adjustments in the sale price for taxes, etc.
- For more information see the current versions of:

Information Circular

IC72-17 - Procedures concerning the disposition of taxable Canadian property by non-residents of Canada - Section 116

Interpretation Bulletins

IT-87 – Policyholders' Income from Life Insurance Policies

IT-176 - Taxable Canadian property - Interests in and options on real property and shares

Guide

T4058 - Non-residents and Income Tax