

**ELECTION IN RESPECT OF A CAPITAL GAINS DIVIDEND UNDER SUBSECTION 133(7.1)**

- For use by a non-resident-owned investment corporation as defined under subsection 133(8) to elect to have the provisions of subsection 133(7.1) apply to a dividend. Refer to the Interpretation Bulletin IT-149 for information about winding-up dividends.
- One completed copy of this election is to be filed separately from any other return (if filed in the same envelope of another return, it must not be inserted in or attached to the other return) as follows:
  - on or before the earlier of:
    - the day the dividend becomes payable; and
    - the first day on which any part of the dividend was paid.
  - at the tax services office serving the area where the corporation is located or, if the corporation has a head office, where the head office is located.
- Income Tax Regulation 2105 contains instructions about documents to be filed with this election.
- Any amount paid to a non-resident shareholder in respect of the dividend for which this election is made is to be reported on a NR4-NR4A Return for the calendar year in which the payment was made. The amount paid in excess of amount (C) below is a taxable dividend subject to Part XIII withholding tax.
- Parts, subsections and paragraphs referred to in this form are from the *Income Tax Act*.

**Do not use this area**

Name of corporation (print)						Business Number									
Address						Postal code									
Taxation year of corporation for the period		Year		Month		Day		Year		Month		Day		Tax services office	
from								to							
Name of person to contact for more information (print)						Area code			Telephone number						
Mailing address (to be completed only if different from address above)															

**Information required**

The full amount of the dividend for which this election is made ..... (A)  
 (Attach a certified copy of the resolution or authorization as required by Income Tax Regulation 2105.)

The Capital Gains Dividend Account immediately before this dividend becomes payable ..... (B)  
 (Attach a schedule showing the computation of the Capital Gains Dividend Account – subsection 133(8).)

Amount of dividend deemed to be a Capital Gains Dividend (lesser of (A) and (B)) ..... (C)

Date the dividend becomes payable .....

First day on which any part of the dividend was paid .....

Date of immediately previous election (if none, enter N/A) .....

Amount of dividend for immediately previous election. ....

**Late-filing penalty**

An election that is filed after its due date will be subject to a late-filing penalty.

Calculation of late-filing penalty:

Amount of the dividend \$ \_\_\_\_\_ x 1% x amount N ÷ 12 ..... (i)

\$500 x amount N ÷ 12 ..... (ii)

Late-filing penalty is the lesser of amounts (i) and (ii) ..... (D)

- Where N represents the sum of each month or part of a month in the period from the due date to the actual filing date. For example, if the penalty period begins on the 15th of a month, the next month or part month starts on the 15th of the next calendar month.
- Attach a cheque or money order payable to the Receiver General for amount (D) if any. Write "T2063" on the remittance and indicate the name and Business Number of the corporation whose account is to be credited.

**Election and certification**

The corporation hereby elects to have the provisions of subsection 133(7.1) apply for the full amount of the dividend indicated as amount (A) above. I hereby certify that the information given in this election, and in all documents attached, is true, correct and complete in every respect.

\_\_\_\_\_

Signature of authorized officer

\_\_\_\_\_

Position or office

\_\_\_\_\_

Date

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