Canada Revenue Agency / Agence du revenu du Canada

Application for Tax Shelter Identification Number and Undertaking to Keep Books and Records

Prince Edward Island Tax Center	TC code **1237**

Do not use this area.

Tax shelter identification number

T S

Complete all sections on this application using the attached instructions. You cannot sell, issue, or accept consideration for a tax shelter before it has an identification number. The year you designate in response to question #4 in Section B of this form is the only calendar year for which the identification number will be valid for sales of interests in this tax shelter. Every copy of the selling instruments, and any other documents you file or will file with any securities commission or similar government agency, and of any sales brochure, prospectus, or similar material you used or will use to promote the sale of the tax shelter has to prominently display the following statement:

> Income Tax Act, paragraph 237.1(5)(c) –
> "The identification number issued for this tax shelter shall be included in any income tax return filed by the investor. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of an investor to claim any tax benefits associated with the tax shelter."

Send the completed application, documents, and information to:

Canada Revenue Agency
Business Returns Division
Prince Edward Island Tax Center
275 Pope Road
Summerside PE C1N 6A2

Full disclosure is required of all documents relating to this application. All the information requested in this form and in the documents supporting your application is "prescribed information." If the information you provide for any section on this form is missing or insufficient, your application will be treated as invalid and the issuing of the tax shelter identification number may be delayed, or even refused.

Section A – Identification information

Tax shelter	Principal promoter
Tax shelter's name	Principal promoter's name
Address	Address
City	City / Telephone number
Province or territory / Postal code	Province or territory / Postal code
Country / State / U.S. zip code	Country / State / U.S. zip code
Contact person / Telephone number	Identification number

If you are not the principal promoter, provide your information in the following area. If there are other promoters for this tax shelter, complete Section D to provide the information about the other promoters.

Promoter's name (applicant promoter)	Identification number
Address	Province or territory / Postal code
City / Telephone number	Country / State / U.S. zip code

Section B – Tax shelter information

1) The tax shelter property is: (✓)

☐ Interest in a partnership (describe the principal activity, and provide the NAICS code) ▶ ______ NAICS code ______

☐ Other (describe the type of property)
If the tax shelter is a gifting arrangement, also complete Section C ▶ ______

2) Details of tax shelter investment units:

Date to be offered for sale: Year ____ Month ____ Day ____

Proposed maximum number of units offered for sale ______ × Proposed unit price ______ = Maximum amount expected to be raised for the tax shelter ______

3) Is there a pre-arranged loan with this tax shelter? (✓) ☐ Yes ☐ No If **yes**, complete Section E.

4) Designated calendar year of tax shelter sales: ______ year.

5) Expected deductions in the first four years to the purchaser of a minimum investment unit in the tax shelter:

Code	Year 1	Year 2	Year 3	Year 4	Total
	$	$	$	$	$

You can find the deduction codes at **canada.ca/cra-tax-shelters** (see Tax shelter identification number (TSIN), Completing Form T5001, and Detailed instructions) or in the **T5001–instr** sheet.

6) Entitlements to amounts or benefits with respect to the investment in this tax shelter:
Will the tax shelter purchasers, or persons not dealing at arm's length with the purchaser, be entitled — either immediately or in the future and either absolutely or contingently—to receive or obtain any amount or benefit with respect to their investment in this tax shelter that would have the effect of reducing the impact of any loss in respect of the tax shelter?

(✓) ☐ Yes ☐ No

If **yes**, complete Sections F and M.

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Section C – Gifting arrangement information

1) Expected amount of cash payments from donors: $

2) Expected amount of donation receipts to be issued to the purchaser of a minimum investment unit:

Code	Year 1	Year 2	Year 3	Year 4	Total
	$	$	$	$	$

You can find the gifting arrangement codes at **canada.ca/cra-tax-shelters** (see Tax shelter identification number (TSIN) and Completing Form T5001) or in the **T5001–instr** sheet.

3) The property to be gifted is: (✓) ☐ Cash only ☐ Other property (either alone or with cash)

4) Will the gifting arrangement involve a pre-arranged loan? (✓) ☐ Yes ☐ No If **yes**, complete Section E.

5) Will the gifting arrangement include a security deposit, investment, insurance policy, or other arrangement? (✓) ☐ Yes ☐ No If **yes**, complete Section G.

6) Was a valuation or appraisal report used to support the value used on acquisition or donation?

(✓) ☐ Yes ☐ No If **yes**, complete Section J. If **no**, use Section L to explain how the value of the gift will be determined.

7) How will the donor acquire the property?

(✓) ☐ Distribution from a trust – Complete Section H ☐ Purchase – Complete Section I ☐ Other – Use Section L to describe

8) Donee information: (attach a separate list if necessary)

Donee's name	Identification number	Name of donee contact person	Telephone number	Agreements (*) Yes	Agreements (*) No
				☐	☐
				☐	☐
				☐	☐
				☐	☐
				☐	☐
				☐	☐

(*) If **yes**, attach a copy of the agreement(s). If **no**, complete Section M to describe how the recipients will be involved and what responsibilities they will have in the arrangement. Include any documents that were presented to the recipients to explain the arrangement, or the involvement of the recipient in the arrangement.

Section D – Other promoter information (attach a separate list if necessary)

Promoter's name	Identification number	Complete address	Telephone number	Type of promoter

Section E – Financing information (attach a separate list if necessary)

Lender's name	Complete address	Arm's length with the principal promoter? Yes	Arm's length with the principal promoter? No
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐

Section F – Entitlements to amounts or benefits (attach a separate list if necessary)

Name of the entity providing the entitlement or benefit	Complete address	Arm's length with the principal promoter? Yes	Arm's length with the principal promoter? No
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐

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Section G – Security deposit, investment, and insurance policy information (attach a separate list if necessary)

Name of the entity holding the security deposit or investment, or issuing the insurance policy	Complete address	Arm's length with the principal promoter? Yes	No
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐

Section H – Trust information (attach a separate list if necessary)

Trust's name and complete address	Trust account number	Settlor's name	Trustee's name	Is there an application to become a beneficiary of the trust? Yes	No
	T			☐	☐
	T			☐	☐
	T			☐	☐
	T			☐	☐
	T			☐	☐
	T			☐	☐

Section I – Purchase and sale information (attach a separate list if necessary)

Vendor's name	Complete address	Description of property	Cost to purchaser	Valuation or appraisal to determine cost? Yes	No
				☐	☐
				☐	☐
				☐	☐
				☐	☐
				☐	☐
				☐	☐
				☐	☐
				☐	☐

Section J – Valuation and appraisal information (attach a separate list if necessary)

Valuator's name	Complete address	Number of reports

Section K – Promotional and other information

Will the following material be used to promote the sale of the tax shelter?

	Yes	No	
• Sales brochure	☐	☐	If **yes**, attach the documents (or a draft if final copies are not available) to this application.
• Prospectus, offering memorandum, or similar documents	☐	☐	If **yes**, attach the documents (or a draft if final copies are not available) to this application.
• Overhead or electronic presentations	☐	☐	If **yes**, attach a paper copy of the presentation.
• Other documents	☐	☐	If **yes**, specify ▶ ____________ and attach the documents (or a draft if final copies are not available) to this application.
• Is the tax shelter required to be registered with any securities commission or similar government agency?	☐	☐	If **yes**, specify ▶ ____________

Section L – Outstanding items (attach a separate list if necessary)

Section M – Summary of arrangements (attach a separate sheet if necessary)

Section N – Undertaking to keep books and records

I, ______________________ , agree to maintain the records and books of account of ______________________

Name (print) — Tax shelter's name (print)

in accordance with section 230 of the Income Tax Act. The records and books of account will be located at:

Address ______________________

City ______________________ Province or territory ☐☐ Postal code ☐☐☐☐☐☐

______________ Date

______________ Signature of promoter or authorized person

______________ Position or office

The records and books of account must be kept at the person's place of business or residence in Canada or another place designated by the Minister of National Revenue and, upon request, must be made available to officers of the Canada Revenue Agency for audit purposes at all reasonable times.

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Section O – Certification

Every person who:

- files **false or misleading** information in this application, or
- as a principal or an agent sells, issues, or accepts consideration in respect of a tax shelter before we issue an identification number for that tax shelter

is liable to a penalty equal to the **greater** of:

- $500
- 25% of the **greater** of:
  i) All consideration received or receivable in respect of the tax shelter before the correct information is filed with us or the identification number is issued, as the case may be
  ii) All amounts stated or represented to be the value of property a person could donate to a qualified donee, if the tax shelter is a gifting arrangement and consideration has been received or is receivable from the person in respect of the tax shelter before the correct information is filed with us or the identification number is issued, as the case may be

It is an offence to wilfully provide another person with an incorrect identification number for a tax shelter. In addition to any other penalty, anyone found guilty of this offence is liable on summary conviction to:

- a fine of not less than 100%, and not more than 200%, of the cost to the other person of that person's interest in the tax shelter
- imprisonment for up to two years
- both

Note: Under the Income Tax Act, we can get or verify information about any tax shelter that applies for an identification number, even if no taxpayer has filed an income tax return claiming a loss or deduction, or a gift or monetary contribution tax credit, related to the tax shelter.

I, ______________________________ , certify that the information given on this application and in any attached documents is correct and complete.
Name (print)

Date	Signature of promoter or authorized person	Position or office

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 035 on Info Source at **canada.ca/cra-info-source**.