



ELECTION TO DEEM A PROPORTIONAL HOLDING IN QUALIFIED TRUST PROPERTY

Qualified trusts shall use this form when electing in accordance with subsection 259(1). When this election is in force, taxpayers are deemed not to acquire, hold or dispose of the interest in the qualified trust, but to acquire, hold or dispose of a "specified portion" of each property of the "qualified trust".

WHEN COMPLETING THIS FORM, REMEMBER THE FOLLOWING POINTS:

- Unless otherwise stated, parts, sections, subsections, and paragraphs refer to the *Income Tax Act*.
- A "qualified trust" as defined in subsection 259(5), may make an election under subsection 259(1). A "qualified trust" **does not** include a "registered investment" or a "small business investment trust".
- The "specified portion", for the purpose of subsection 259(1), is the proportion of each property of the qualified trust that each unit (or, where the particular unit is a fraction of whole unit, that fraction) of the qualified trust held by the taxpayer at that time, is of the number of units of the qualified trust outstanding at that time.
- Any increase or decrease in the number of units in a qualified trust held by the taxpayer is considered an acquisition or a disposition of the underlying trust property at such time.
- A taxpayer disposes of a trust property where the trust disposes of any of its property.
- An electing trust shall provide, within 30 days after making an election, sufficient information to its unit holders for them to be able to determine the consequences of the election.
- Send a copy of this election, and any attachment to the Registered Plans Directorate, Ottawa, ON K1A 0L5.
- This election is valid until it is cancelled.

Name of trust	Account number (if assigned)										
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Address											
Contact name	Telephone										

Unit holders (attach list if space insufficient)	
Name	Registration number

Date this election is to commence (not to exceed a period starting 15 months before this election is filed): _____

Election	
I, _____ of _____,	
hereby elect to have the provisions of subsection 259(1) apply.	
_____	_____ Signature of authorized official
_____	_____
Date	Position or title