

Statement of Real Estate Rentals

For information on how to fill out this form, see Guide T4036, *Rental Income*.

Use this form if you own and rent real estate or other property. It relates mainly to renting real estate but also covers some other types of rental property such as farmland. This form will help you determine your gross rental income, the expenses you can deduct, and your net rental income or loss for the year.

To determine whether your rental income is from property or a business, consider the number and types of services you provide for your tenants:

- If you rent space and only provide basic services such as heating, lighting, parking, laundry facilities, you are earning an income from renting property.
- If you provide additional services such as cleaning, security, and meals, you may be conducting a business.

For more information about how to determine if your rental income comes from property or a business, see Interpretation Bulletin IT-434, *Rental of Real Property by Individual*, and its Special Release.

If you are a co-owner of a property, you have to determine if a partnership exists before filling in the Identification part below. To determine if you are in a partnership, see Income Tax Folio S4-F16-C1, *What is a Partnership?*

Identification									
Your name							Your social insurance number		
For the period from:	Year	Month	Day	to:	Year	Month	Day	Was this the final year of your rental operation? Yes <input type="checkbox"/> No <input type="checkbox"/>	
Name and address of the person or firm preparing this form:				Name			Partnership business number (9 digits)		
Street		City		Prov./Terr	Postal code		Tax shelter identification number (8 characters)		
Account number (15 characters)					Your percentage of ownership		Industry code		
							5 3 1 1 1 1		

Details of other co-owners and partners		
Co-owner or partner's name and address	Share of net income (loss) \$	Percentage of ownership %
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In most cases you calculate your rental income using the **accrual method**. If you have no amounts receivable and no expenses outstanding at the end of the year, you can use the **cash method**.

Income		
List the addresses of your rental properties	Number of units	Gross rents
_____	_____	_____ 1
_____	_____	_____ 2
_____	_____	_____ 3
Enter the total of your gross rents (line 1 plus line 2 plus line 3)		8141 4
Other related income (for example, premiums and leases, sharecropping)		8230 5
Total gross rental income – Enter this amount on your income tax and benefit return at line 160 (line 4 plus line 5)		8299 6

Expenses

	Total expenses	Personal portion	
Advertising	8521	_____	
Insurance	8690	_____	
Interest	8710	_____	
Office expenses	8810	_____	
Legal, accounting, and other professional fees	8860	_____	
Management and administration fees	8871	_____	
Maintenance and repairs	8960	_____	
Salaries, wages, and benefits (including employer's contributions)	9060	_____	
Property taxes	9180	_____	
Travel	9200	_____	
Utilities	9220	_____	
Motor vehicle expenses (not including capital cost allowance)	9281	_____	
Other expenses	9270	_____	
Total expenses (add the amounts listed under "Total expenses")	A	_____	
Total for personal portion (add the amounts listed under "Personal portion")	9949	_____	
Deductible expenses (total expenses at line A minus total personal portion at line 9949)			7
Net income (loss) before adjustments (total gross rental income at line 6 minus deductible expenses at line 7)	9369		8
Co-owners – calculate your share of net income from line 8. Enter your result at line 9.			9
Minus:			
Co-owners – other deductible expenses you have as a co-owner which you did not deduct elsewhere	9945		10
Subtotal (line 9 minus line 10)			11
Plus:			
Recaptured capital cost allowance (co-owners – enter your share of the amount) ¹	9947		12
Subtotal (line 11 plus line 12)			13
Minus:			
Terminal loss (co-owners – enter your share of the amount) ²	9948		14
Subtotal (line 13 minus line 14)			15
Minus:			
Total capital cost allowance claim for the year (from the amount at line B in Part A) ³	9936		16
Net income (loss) (line 15 minus line 16)			17
If you are a sole proprietor or a co-owner enter this amount at line 21.			
Partnerships			
Partners – your share of the amount at line 17, or the amount from your T5013 slip, <i>Statement of Partnership Income</i>			18
Plus:			
Partners – GST/HST rebate for partners received in the year	9974		19
Minus:			
Partners – other expenses of the partner	9943		20
Your net income (loss) – For sole proprietors or co-owners, enter this amount on your income tax and benefit return at line 126. For partnerships, enter the result of line 18 plus line 19 minus line 20. Enter this amount on your income tax and benefit return at line 126.	9946		21

The capital cost allowance (CCA) you can claim depends on the type of rental property you own and the date you acquired it. Group the depreciable property you own into the appropriate classes. A specific rate of CCA generally applies to each class.

Part A – Calculation of capital cost allowance claim

1 Class number	2 Undepreciated capital cost (UCC) at the start of the year	3 Cost of additions in the year (see parts B and C below)	4 Proceeds of dispositions in the year (see parts D and E below)	5 UCC after additions and dispositions ¹ (col. 2 plus col. 3 minus col. 4) ²	6 Adjustment for current-year additions ((col. 3 minus col. 4) divided by 2). If negative, enter "0"	7 Base amount for CCA (col. 5 minus col. 6)	8 CCA rate (%)	9 CCA for the year (col. 7 multiplied by col. 8 or a lesser amount)	10 UCC at the end of the year (col. 5 minus col. 9)
Total CCA claim for the year ³									B

- 1 If you have a negative amount in column 5, add it to your income as a recapture under "Recaptured capital cost allowance" at line 9947.
- 2 If there is no property left in the class and there is a positive amount in the column, deduct the amount from your income as a terminal loss under "Terminal loss" at line 9948. For more information, see Chapter 3 of the T4036 Guide.
- 3 Sole proprietors and partnerships – enter the total CCA claim for the year from line B at line 9936.
Co-owners – enter only your share of the total CCA claim for the year from line B at line 9936.

List all equipment or other property you acquired or improved in the current tax year, and group them into the appropriate classes. Equipment includes appliances such as a washer and dryer; maintenance equipment such as a lawn mower or a snow blower; and other property such as furniture and some fixtures you acquired to use in your rental operation.

Part B – Equipment and other property additions in the year

1 Class number	2 Property details	3 Total cost	4 Personal portion (if applicable)	5 Rental portion (col. 3 minus col. 4)
Total equipment and other property additions in the year (total of column 5)				9925

List all building or leasehold interest additions you acquired or improved in the current tax year. Group the depreciable property you own into the appropriate classes.

Part C – Building and leasehold interest additions in the year

1 Class number	2 Property details	3 Total cost	4 Personal portion (if applicable)	5 Rental portion (col. 3 minus col. 4)
Total building and leasehold interest additions in the year (total of column 5)				9927

Part D – Equipment and other property dispositions in the year

1 Class number	2 Property details	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal portion (if applicable)	5 Rental portion (col. 3 minus col. 4)
Total equipment and other property dispositions in the year (total of column 5)				9926

Part E – Building and leasehold interest dispositions in the year

1 Class number	2 Property details	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal portion (if applicable)	5 Rental portion (col. 3 minus col. 4)
Total building and leasehold interest dispositions in the year (total of column 5)				9928

Part F – Land additions and dispositions in the year

Cost of all land additions in the year	9923	
Proceeds from all land dispositions in the year	9924	