



## Designation of a Property as a Principal Residence by an Individual (Other than a Personal Trust)

Tax year

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Use this form to designate a property as a principal residence. You must also complete the "Principal residence designation" section of Schedule 3 for the year you are in one of the following situations:

- you disposed of, or were considered to have disposed of, your principal residence, or any part of it
- you granted someone an option to buy your principal residence, or any part of it

**Note**

If you were not a resident of Canada for the entire time you owned the designated property, call **1-800-959-8281**.

The period of non-residence may reduce or eliminate the availability of the principal residence exemption.

For more information about designating a principal residence and what qualifies as a principal residence, see Income Tax Folio S1-F3-C2, Principal Residence, or the "Principal residence" chapter in Guide T4037, Capital Gains.

You can only designate one property as your principal residence for any specific year. However, where you sell a principal residence and buy another (or move to another property that you own) in the same year, the "plus one" rule in calculating the principal residence exemption amount will allow you to claim the principal residence exemption for both properties for that year even though you can only designate one property as your principal residence.

For dispositions that occurred after October 2, 2016, if you were a non-resident throughout the taxation year in which the property was purchased or acquired, the "plus 1" rule does **not** apply.

If you ticked box 1 at line 17900 of Schedule 3, you only need to complete the first page of this form. You do not need to report any gain amount on Schedule 3 for this property.

If you are filing electronically, keep this form in case we ask to see it later. If you are filing a paper return, you **must** complete, **sign**, and attach this form to your return.

### Description of property

Provide the information requested below for the property you disposed of in the tax year. Complete a separate form for each property you sold.

Address				Year of acquisition	Proceeds of disposition
Street number, street name, and unit number if applicable					
Prov./Terr	Postal code	City	Country		
				9955	9954

### Designation

I, \_\_\_\_\_, hereby designate the property described above to have been my principal residence  
(print your name) for the following **number of tax years ending after the acquisition date**:

After 1981	_____	<b>1</b>
After 1971 and before 1982	_____ + _____	<b>2</b>
Total number of years designated (line 1 plus line 2)	9956 = _____	<b>3</b>

**For those years after 1981**, I also confirm that neither I, nor my spouse or common-law partner (who was not separated and living apart from me throughout the year under a judicial separation or written separation agreement), nor any of my children (who were under 18 and unmarried or not in a common-law partnership throughout the year) designated any other property as a principal residence. For any tax year after 1981 for which I am designating the property and throughout which I was under 18 and unmarried or not in a common-law partnership, I also confirm that neither my mother, father, nor any of my brothers and sisters (who were under 18 and unmarried or not in a common-law partnership throughout the year) designated any other property as a principal residence.

**For those years before 1982**, I confirm that I have not designated any other property as my principal residence.

**Note**

If the property was designated as a principal residence for the purpose of filing Form T664 or T664(Seniors), you have to include those previously designated tax years as part of this principal residence designation.

Signature	Social insurance number	Date

## Definitions

For the purpose of this form, the **acquisition date** is the date on which you acquired or last reacquired the property, or December 31, 1971, whichever is later. However, if you or your spouse or common-law partner filed Form T664 or T664(Seniors), you or your spouse or common-law partner are **not** considered to have disposed of and immediately reacquired the property as a result of that election.

The term **spouse** used throughout this form applies to a person to whom you are legally married. For 1993 to 2000, a spouse included a common-law spouse. For 2001 and future years, the reference to spouse is replaced with **spouse** or **common-law partner** as defined in the "Definitions" section in Guide T4037, Capital Gains.

### Note

If you made an election to have your same-sex partner considered your common-law partner for 1998, 1999, and/or 2000, then, for those years, your common-law partner also can not designate a different housing unit as their principal residence.

## Information needed to calculate the capital gain

If you ticked either box 2 or 3 at line 17900 of Schedule 3, you must complete the remainder of this form that is applicable to your situation.

If you disposed of, or were considered to have disposed of, a property for which you or your spouse or common-law partner filed Form T664 or T664(Seniors), Election to Report a Capital Gain on Property Owned at the End of February 22, 1994, use this form to calculate the capital gain for the year if one of the following applies:

- the property was your principal residence in 1994
- you are designating the property in this form as your principal residence for any tax year

You may be entitled to a reduction as a result of the capital gains election. To calculate this reduction, use Form T2091(IND)-WS, Principal Residence Worksheet. To get this form, go to [canada.ca/cra-forms-publications](http://canada.ca/cra-forms-publications) or call 1-800-959-8281.

Number of tax years for which the property is designated as a principal residence (from line 3 of first page)	=	4
Number of tax years ending after the <b>acquisition date</b> in which you owned the property (jointly with another person or otherwise):		
After 1981		5
After 1971 and before 1982	+	6
Total number of years owned (line 5 plus line 6)	=	7
Proceeds of disposition or deemed disposition		8
Outlays and expenses made or incurred related to the disposition		9
<b>Adjusted cost base</b> at the time of disposition (If you or your spouse or common-law partner filed Form T664 or T664(Seniors) for this property, do not take into consideration any increase to the adjusted cost base as a result of that election.)		10
Adjusted cost base on December 31, 1981		11
Fair market value on December 31, 1981		12
Adjustments to the cost base made after 1981 (for example, capital expenditures)		13

## Calculation of the capital gain

### Part 1

Proceeds of disposition or deemed disposition (line 8)		14
Adjusted cost base at the time of disposition (line 10)		15
Outlays and expenses made or incurred (line 9)	+	16
Line 15 plus line 16	=	17
Line 14 minus line 17		18
<b>Capital gain before principal residence exemption</b>		
Amount from line 18		19
Line 4 plus 1 (see <b>note</b> on page 3)	x	20
Multiply line 19 by line 20	=	21
Total number of years from line 7	÷	22
Divide line 21 by line 22	=	23
Line 18 minus line 23; if negative, enter "0"		24
<b>Net capital gain</b>		

**Part 2**

Complete Part 2 **only** if the property disposed of is one of two or more properties that qualify as principal residences a family member owned on December 31, 1981, and continuously thereafter until its disposition. You will find a definition of **family** in the "Principal residence" chapter in Guide T4037, Capital Gains. **In all other cases**, do not complete Part 2 and enter the amount from line 24 above on line 54 in Part 3 on the next page.

**A. Pre-1982 gain**

If you designated the property as a principal residence for all the years you owned it before 1982, do not complete lines 25 to 32 and enter "0" on line 33.

Fair market value on December 31, 1981 (line 12)					<b>25</b>
Adjusted cost base on December 31, 1981 (line 11)					<b>26</b>
Line 25 minus line 26					<b>27</b>
<b>Pre-1982 gain before principal residence exemption</b>					
Amount from line 27					<b>28</b>
Line 2 plus 1 (see <b>note</b> below)					<b>29</b>
Multiply line 28 by line 29					<b>30</b>
Number of years from line 6					<b>31</b>
Divide line 30 by line 31					<b>32</b>
Line 27 minus line 32; if negative, enter "0"					<b>33</b>
<b>Pre-1982 gain</b>					

**B. Post-1981 gain**

If you designated the property as a principal residence for all the years you owned it after 1981, enter "0" on line 45 and complete area D.

Proceeds of disposition or deemed disposition (line 8)					<b>34</b>
Fair market value on December 31, 1981 (line 12). If the fair market value of the property on December 31, 1981, is more than the amount on line 34, enter "0" on line 45 and complete areas C and D.					<b>35</b>
Adjustments made to the cost base after 1981 (line 13)					<b>36</b>
Outlays and expenses (line 9)					<b>37</b>
Add lines 35 to 37					<b>38</b>
Line 34 minus line 38					<b>39</b>
<b>Post-1981 gain before principal residence exemption</b>					
Amount from line 39					<b>40</b>
Number of years from line 1					<b>41</b>
Multiply line 40 by line 41					<b>42</b>
Number of years from line 5					<b>43</b>
Divide line 42 by line 43					<b>44</b>
Line 39 minus line 44; if negative, enter "0"					<b>45</b>
<b>Post-1981 gain</b>					

**C. Post-1981 loss**

Fair market value on December 31, 1981 (line 12)					<b>46</b>
Proceeds of disposition or deemed disposition (line 8)					<b>47</b>
Line 46 minus line 47; if negative, enter "0"					<b>48</b>
<b>Post-1981 loss</b>					

**D. Net capital gain**

Pre-1982 gain, if any (line 33)					<b>49</b>
Post-1981 gain, if any (line 45)					<b>50</b>
Line 49 plus line 50					<b>51</b>
Post-1981 loss, if any (line 48)					<b>52</b>
Line 51 minus line 52; if negative, enter "0"					<b>53</b>
<b>Net capital gain</b>					

**Note**

One year is granted by law. If you disposed of your principal residence after October 2, 2016, and were a non-resident throughout the year of acquisition of the property, you are not eligible to use the "plus one" rule in this calculation.

Part 3

Protected B when completed

If you completed Part 2, enter the amount from line 53 or line 24 of Part 1, **whichever is less**. Otherwise, enter the amount from line 24.

Total Capital Gain

54

Part 4

Complete Part 4 **only** if you or your spouse or common-law partner filed Form T664 or T664(Seniors) for this property. In all other cases, enter the amount from line 54 on line 15800 of Schedule 3, Capital Gains (or Losses), for dispositions or deemed dispositions.

Total capital gain before reduction (line 54)

55

Reduction as a result of the capital gains election (line 66 of Form T2091(IND)-WS)

-

56

Line 55 minus line 56; if negative, enter "0"

Capital Gain

=

57

Enter the amount from line 57 on line 15800 of Schedule 3, Capital Gains (or Losses), for dispositions or deemed dispositions.

See the privacy notice on your return.



## Principal Residence Worksheet

Complete this worksheet together with Form T2091(IND), Designation of a Property as a Principal Residence by an Individual (Other than a Personal Trust), or Form T1255, Designation of a Property as a Principal Residence by the Legal Representative of a Deceased Individual, to calculate the reduction as a result of the capital gains election. To calculate the reduction, you will need amounts reported on Form T664 or T664(Seniors), Election to Report a Capital Gain on Property Owned at the End of February 22, 1994, that you (for the purposes of this form, if you are the legal representative for a deceased person, "you" refers to the deceased person) filed for the 1994 tax year. Keep a copy of this worksheet for your records and attach another to Form T2091(IND) or Form T1255.

### Note

If you were not a resident of Canada for the entire time you owned the designated property, call **1-800-959-8281**. The period of non-residence may reduce or eliminate the availability of the principal residence exemption.

### Information you need to calculate the reduction

The **acquisition date** is the date on which you last acquired or reacquired the property, or December 31, 1971, whichever is later. For the purpose of the calculation below, you are not considered to have disposed of and immediately reacquired the property as a result of the capital gains election.

Number of tax years ending after the **acquisition date** and before 1995 for which the property is designated as a principal residence:

After 1981 and **before 1995**

Before 1982 (line 2 of Form T2091(IND) or Form T1255)	+		1
Total number of years designated <b>before 1995</b> (line 1 plus line 2)	=		3

Number of tax years ending after the **acquisition date** and before 1995 in which you owned the property (jointly with another person or otherwise):

After 1981 and **before 1995**

Before 1982 (line 5 of Form T2091(IND) or Form T1255)	+		4
Total number of years owned <b>before 1995</b> (line 4 plus line 5)	=		5

Designated proceeds of disposition (column 2, Chart B of Form T664, or column 2, Step 2 of Form T664(Seniors))			6
			7

Adjusted cost base at the end of February 22, 1994 (column 1, Chart B of Form T664, or column 1, Step 2 of Form T664(Seniors))			8
			9

Adjusted cost base on December 31, 1981 (line 10 of Form T2091(IND) or Form T1255)			10
			11

Fair market value at the end of February 22, 1994 (Step 1 of Form T664 or T664(Seniors))			12
			13

Fair market value on December 31, 1981 (line 11 of Form T2091(IND) or Form T1255)			14
			15

Adjustments made to the cost base after 1981 and <b>before February 23, 1994</b> (e.g., capital expenditures)			16
			17

Elected capital gain (column 5, Chart B of Form T664, or column 5, Step 2 of Form T664(Seniors))			18
			19

### Chart 1

Complete this chart **only** if the amount on line 7 is **more** than the amount on line 10.

Otherwise, enter the amount from line 10 on line 19.

Fair market value at the end of February 22, 1994 (line 10)			14
			15

Designated proceeds of disposition (line 7)			16
			17

Multiply line 14 by 1.1	-		18
			19

Line 15 minus line 16 (if negative, enter "0")	=		20
			21

Line 14 minus line 17	=		22
			23

**Part 1**

Protected B when completed

Enter the amount from line 18 if you completed Chart 1. Otherwise, enter the amount from line 10.

Adjusted cost base at the end of February 22, 1994 (line 8)

Line 19 minus line 20

**Adjusted gain before principal residence exemption**

Amount from line 21

Line 3 plus 1 (see **note** below)

Multiply line 22 by line 23

Total number of years from line 6

Divide line 24 by line 25

Line 21 minus line 26

**Net adjusted gain****Part 2**Complete this part **only** if you completed Part 2 of Form T2091(IND) or Form T1255. In all other cases, enter the amount from line 27 in Part 1 on line 59 in Part 3 on the next page.**A. Adjusted pre-1982 gain**

If you designated the property as a principal residence for all the years you owned it before 1982, do not complete lines 28 to 35 and enter "0" on line 36.

Fair market value on December 31, 1981 (line 11)

Adjusted cost base on December 31, 1981 (line 9)

Line 28 minus line 29

**Adjusted pre-1982 gain before principal residence exemption**

Amount from line 30

Line 2 plus 1 (see **note** below)

Multiply line 31 by line 32

Number of years from line 5

Divide line 33 by line 34

Line 30 minus line 35; if negative, enter "0"

**Adjusted pre-1982 gain****B. Adjusted post-1981 gain**

If you designated the property as a principal residence for all the years you owned it after 1981, enter "0" on line 47 and complete areas D and E.

Amount from line 19

Fair market value on December 31, 1981 (line 11). If the fair market value of the property on December 31, 1981, is **more** than the amount on line 37, enter "0" on line 47 and complete areas C, D, and E.

Adjustments made after 1981 and before February 23, 1994 (line 12)

Line 38 plus line 39

Line 37 minus line 40

**Adjusted post-1981 gain before principal residence exemption**

Amount from line 41

Number of years from line 1

Multiply line 42 by line 43

Number of years from line 4

Divide line 44 by line 45

Line 41 minus line 46; if negative, enter "0"

**Adjusted post-1981 gain****C. Adjusted post-1981 loss**

Fair market value on December 31, 1981 (line 11)

Amount from line 19

Line 48 minus line 49; if negative, enter "0"

**Adjusted post-1981 loss****Note**

One year is granted by law. If you disposed of your principal residence after October 2, 2016, and were a non-resident throughout the year of acquisition of the property, you are not eligible to use the "plus 1" in this calculation.

**Part 2 (continued)**

Protected B when completed

**D. Net adjusted gain**

Adjusted pre-1982 gain, if any (line 36)			51
Adjusted post-1981 gain, if any (line 47)	+		52
Line 51 plus line 52	=		53
Adjusted post-1981 loss, if any (line 50)	-		54
Line 53 minus line 54; if negative, enter "0" <b>Net adjusted gain</b>	=		55

**E. Total adjusted gain before reduction for non-qualifying real or immovable property**

Net adjusted gain from Part 1 (line 27)			56
Net adjusted gain from Part 2 (line 55)			57
Line 56 or line 57, <b>whichever is less</b> <b>Total adjusted gain before reduction for non-qualifying real or immovable property</b>			58

**Part 3**

If you completed Part 2, enter the amount from line 58; otherwise, enter the amount from line 27	<b>Total adjusted gain before reduction for non-qualifying real or immovable property</b>		59
Number of months you owned the property after February 1992 and before March 1994 (do not include any months you or your spouse or common-law partner designated the property as a principal residence)	x	60	
Multiply line 59 by line 60	=	61	
Number of months you owned the property after 1971 and before March 1994 (do not include any months you or your spouse or common-law partner designated the property as a principal residence)	÷	62	
Divide line 61 by line 62	=	▶	63
Line 59 minus line 63			
	<b>Total adjusted gain</b>		64
Elected capital gain (line 13)			65
Line 64 or line 65, <b>whichever is less</b> <b>Reduction as a result of the capital gains election</b>			66

Enter the amount from line 66 above on line 55 of Form T2091(IND) or Form T1255.

See the privacy notice on your return.