

**Statement of Farming Activities**

- Use this form to calculate your self-employment farming income.
- For each farming business, fill in a **separate** Form T2042.
- Fill in this form and send it with your income tax and benefit return.
- For more information on how to fill in this form, see Guide T4002, Self-employed Business, Professional, Commission, Farming, and Fishing Income.

Part 1 – Identification

Your name				Your social insurance number			
Farm name				Business number			
Farm address				City		Prov./Terr.	Postal code
Fiscal period	Date (YYYYMMDD)	Date (YYYYMMDD)	Was this your last year of farming? <input type="checkbox"/> Yes <input type="checkbox"/> No				
Main product or service			Industry code (see the appendix in Guide T4002)				
Accounting method	<input type="checkbox"/> Cash <input type="checkbox"/> Accrual	Tax shelter identification number		Partnership business number		Your percentage of the partnership %	
Name and address of the person or firm preparing this form							

Part 2 – Internet business activities

If your web pages or websites generate farming income, fill in this part of the form.

How many Internet web pages and websites does your business earn income from? Enter "0" if none

Provide up to five main web page or website addresses, also known as uniform resource locator (URL):

http:// _____

http:// _____

http:// _____

http:// _____

http:// _____

Percentage of your gross income generated from the web pages and websites (If no gross income was generated from the Internet, enter "0") %

Part 3 – Income

Wheat	9371	_____	
Oats	9372	_____	
Barley	9373	_____	
Mixed grains	9374	_____	
Corn	9375	_____	
Canola	9376	_____	
Flaxseed	9377	_____	
Soybeans	9378	_____	
Grains and oilseeds	9370	_____	
Fruit	9421	_____	
Potatoes	9422	_____	
Vegetables (not including potatoes)	9423	_____	
Tobacco	9424	_____	
Other crops	9420	_____	
Greenhouse and nursery products	9425	_____	
Forage crops or seeds	9426	_____	
Livestock sold			
Cattle	9471	_____	
Swine	9472	_____	
Poultry	9473	_____	
Sheep and lambs	9474	_____	
Livestock and animal products revenue	9470	_____	
Milk and cream (not including dairy subsidies)	9476	_____	
Eggs for consumption	9477	_____	
Other commodities	9520	_____	
Program payments			
Dairy subsidies	9541	_____	
Crop insurance	9542	_____	
Other program payments	9540	_____	
Rebates	9570	_____	
Custom or contract work (includes machine rentals)	9601	_____	
Insurance proceeds	9604	_____	
Patronage dividends	9605	_____	
Other income (specify)*: _____	9600	_____	
	9659	_____	
Gross income: Total of the income lines (enter this amount on line 14099 of your income tax and benefit return)		_____	

* You may have received assistance from COVID-related measures from the federal, provincial or territorial governments. For more information, go to canada.ca/cra-coronavirus.

Part 4 – Net income (loss) before adjustments

Gross income (line 9659 of Part 3)		4A
Expenses (enter only the business part)		
Containers and twine	9661	
Fertilizers and lime	9662	
Pesticides (herbicides, insecticides, fungicides)	9663	
Seeds and plants	9664	
Feed, supplements, straw and bedding	9711	
Livestock purchased	9712	
Veterinary fees, medicine and breeding fees	9713	
Machinery expenses		
Repairs, licences and insurance	9760	
Gasoline, diesel fuel and oil	9764	
Building repairs and maintenance (includes fence repairs)	9795	
Clearing, levelling and draining land	9796	
Crop insurance, Revenue Protection Program and stabilization premiums	9797	
Custom or contract work (includes machine rentals)	9798	
Electricity	9799	
Heating fuel and curing fuel	9802	
Insurance program overpayment recapture	9803	
Insurance	9804	
Interest and bank charges	9805	
Office expenses	9808	
Professional fees (includes legal and accounting fees)	9809	
Property taxes	9810	
Rent (land, buildings and pasture)	9811	
Salaries, wages and benefits (including employer's contributions)	9814	
Motor vehicle expenses (not including CCA) (amount 16 of Chart A)	9819	
Small tools	9820	
Mandatory inventory adjustment included in the previous year	9937	
Optional inventory adjustment included in the previous year	9938	
Other expenses (specify):		
Total other expenses (see Area A, column 6, on page 5)		9790
Subtotal of expenses		4B
Capital cost allowance (CCA). Enter amount i of Area A minus any personal part and any CCA for business-use-of-home expenses	9936	
Total farm expenses: Amount 4B plus line 9936		9898
Net income (loss) before inventory adjustments: Amount 4A minus line 9898		9899
Optional inventory adjustment included in the current year	9941	
Mandatory inventory adjustment included in the current year	9942	
Net income (loss) after inventory adjustments: Total of lines 9899, 9941 and 9942		4C

Part 5 – Your net income (loss)

Your share of amount 4C or the amount from your T5013 slip, Statement of Partnership Income	5A	
Return of Fuel Charge Proceeds to Farmers Tax Credit allocated to you in the year (box 237 of your T5013 slip or amount provided by your partnership in a letter)	5B	
GST/HST rebate for partners received in the year	9974	
Total: Amount 5A plus amount 5B plus line 9974		5C
Other amounts deductible from your share of net partnership income (loss) (amount 6F)	9943	
Net income (loss) after adjustments: Amount 5C minus line 9943		5D
Business-use-of-home expenses (amount 7P)	9945	
Your net income (loss): Amount 5D minus line 9945 (enter this amount on line 14100 of your income tax and benefit return)	9946	

Part 6 – Other amounts deductible from your share of net partnership income (loss)

Claim expenses you incurred that were not included in the partnership statement of income and expenses, and for which the partnership did not reimburse you. These claims must not be included in the claims already calculated for the partnership.

List details of expenses:

Expense amounts

	6A
	6B
	6C
	6D
	6E
Total other amounts deductible from your share of the net partnership income (loss): Add amounts 6A to 6E (enter this on line 9943 of Part 5)	6F

Part 7 – Calculating business-use-of-home expenses

Heat	7A
Electricity	7B
Insurance	7C
Maintenance	7D
Mortgage interest	7E
Property taxes	7F
Other expenses (specify):	7G
Subtotal: Add amounts 7A to 7G	7H
Personal-use part of the business-use-of-home expenses	7I
Subtotal: Amount 7H minus amount 7I	7J
Capital cost allowance (business part only), which means amount i of Area A minus any portion of capital cost allowance that is for personal use or entered on line 9936 of Part 4	7K
Amount carried forward from previous year	7L
Subtotal: Add amounts 7J to 7L	7M
Net income (loss) after adjustments (amount 5D) (if negative, enter "0")	7N
Business-use-of-home expenses available to carry forward: Amount 7M minus amount 7N (if negative, enter "0")	7O
Allowable claim: Amount 7M or 7N above, whichever is less (enter your share of this amount on line 9945 of Part 5)	7P

Part 8 – Details of other partners

Do not fill in this chart if you must file a partnership information return.

Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%

Part 9 – Details of equity

Total business liabilities	9931
Drawings in the current year	9932
Capital contributions in the current year	9933

Area A – Calculation of capital cost allowance (CCA) claim

[illegible]

* If you have a negative amount in column 6, add it to income as a recapture in Part 3 on line 9600. If no property is left in the class and there is a positive amount in the column, deduct the amount from income as a terminal loss in Part 4 on line 9790. Recapture and terminal loss do not apply to a Class 10.1 property. For more information, read Chapter 3 of Guide T4002.

*** For information on CCA for "Calculating business-use-of-home expenses," see "Special situations" in Chapter 4 of Guide T4002. To help you calculate the CCA, see the calculation charts in Areas B to F.

Note 1: Columns 4, 7 and 8 apply only to accelerated investment incentive properties (AIPs) (see Regulation 1104(4) of the federal Income Tax Regulations for the definition), zero-emission vehicles (ZEVs), zero-emission passenger vehicles (ZEPVs) and other eligible zero-emission automotive equipment and vehicles that become available for use in the year. In this chart, ZEV represents zero-emission vehicles, zero-emission passenger vehicles and other eligible zero-emission automotive equipment and vehicles. An AIP is a property (other than ZEV) that you acquired after November 20, 2018, and became available for use before 2028. A ZEV is a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019, and became available for use before 2028, or eligible zero-emission automotive equipment and vehicles included in Class 56 acquired after March 1, 2020, and that became available for use before 2028. For more information, see Guide T4002.

Note 2: The proceeds of disposition of a ZEPV that has been included in Class 54 and that is subject to the \$55,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 as a proportion of the actual cost of the vehicle. For dispositions after July 29, 2019, you will have to adjust the actual cost of the vehicle for any payments or repayments of government assistance that you may have received or repaid in respect of the vehicle. For more information on proceeds of disposition, read "Class 54 (30%)" in Guide T4002.

Note 3: The relevant factors for properties available for use before 2024 are 2 1/3 (Classes 43.1, 54 and 56), 1 1/2 (Class 55), 1 (Classes 43.2 and 53), 0 (Classes 12, 13, 14 and 15) and 1/2 for the remaining AIPs.

For more information on AIPs, see Guide T4002 or go to canada.ca/taxes-accelerated-investment-income.

Part XVII properties (acquired before 1972)

1 Year acquired	2 Kind of property	3 Month of disposition	4 Cost (business part)	5 Rate (%)	6 CCA for this year	7 Total CCA for this and previous years
Total CCA on Part XVII properties: Total of column 6 ▲						

Enter the total of amounts i and ii on line 9936 of Part 4.

i

ii

Area B – Equipment additions in the year

Area B – Equipment additions in the year

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total equipment additions in the year: Total of column 5 9925				

Area C – Building additions in the year

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total building additions in the year: Total of column 5				9927

Area D – Equipment dispositions in the year

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total equipment dispositions in the year: Total of column 5				9926

Note: If you disposed of property from your farming business in the year, see Chapter 3 of Guide T4002 for information about your proceeds of disposition.

Area E – Building dispositions in the year

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total building dispositions in the year: Total of column 5				9928

Note: If you disposed of property from your farming business in the year, see Chapter 3 of Guide T4002 for information about your proceeds of disposition.

Area F – Land additions and dispositions in the year

Total cost of all land additions in the year	9923	
Total proceeds from all land dispositions in the year	9924	

Note: You cannot claim capital cost allowance on land. For more information, see Chapter 3 of Guide T4002.

Area G – Quota additions and dispositions in the year

Total cost of all quota additions in the year	9929	
Total proceeds from all quota dispositions in the year	9930	

Chart A – Motor vehicle expenses

Kilometres you drove in the tax year to earn farming income	1
Total kilometres you drove in the tax year	2
Fuel and oil	3
Interest (use Chart B below)	4
Insurance	5
Licence and registration	6
Maintenance and repairs	7
Leasing (use Chart C below)	8
Electricity for zero-emission vehicles	9
Other expenses (specify):	10
	11
Total motor vehicle expenses: Add amounts 3 to 11	12
Business use part: Amount 1: ÷ amount 2: × amount 12: =	13
Business parking fees	14
Supplementary business insurance	15
Allowable motor vehicle expenses: Add amounts 13, 14 and 15 (enter this total on line 9819 of Part 4)	16

Note: You can claim capital cost allowance on motor vehicles in Area A.

Chart B – Available interest expense for passenger vehicles and zero-emission passenger vehicles

Total interest payable (accrual method) or paid (cash method) in the fiscal period	_____	17
$\$10^*$ × the number of days in the fiscal period for which interest was payable (accrual method) or paid (cash method)	_____	18
Available interest expense: Amount 17 or 18, whichever is less (include this in amount 4 of Chart A above)	_____	19

* For passenger vehicles bought after 2000.

Chart C – Eligible leasing cost for passenger vehicles**

Total lease charges incurred in your current fiscal period for the vehicle	_____	20
Total lease payments deducted before your current fiscal period for the vehicle	_____	21
Total number of days the vehicle was leased in your current and previous fiscal periods	_____	22
Manufacturer's list price	_____	23
Use a GST rate of 5% or HST rate applicable to your province.		
Amount 23 or (\$35,294 + GST and PST, or HST on \$35,294), whichever is more	▶ _____ × 85% =	24
$[(\$800 + \text{GST and PST, or } \$800 + \text{HST}) \times \text{amount 22}] \div 30$	=	25
Amount 25: _____ – amount 21: _____	=	26
$[(\$30,000 + \text{GST and PST, or } \$30,000 + \text{HST}) \times \text{amount 20}] \div \text{amount 24}$	=	27
Eligible leasing cost: Amount 26 or 27, whichever is less (enter in amount 8 of Chart A above)	_____	28

** Includes a vehicle that would qualify as a zero-emission passenger vehicle if you owned it.

See the privacy notice on your return.