



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	From	Date (YYYYMMDD)	to	Date (YYYYMMDD)	Was this your last year of farming? <input type="checkbox"/> Yes <input type="checkbox"/> No		
Main product or service				Industry code (see Chapter 2 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:

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 7, on page 5)	9790		
Subtotal of expenses			4B
Capital cost allowance (CCA). Enter amount ii 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			
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 (amount 5C of Form T2043, Return of Fuel Charge Proceeds to Farmers Tax Credit)	9951		
GST/HST rebate for partners received in the year	9974		
Total: Amount 5A plus line 9951 plus line 9974			5B
Other amounts deductible from your share of net partnership income (loss) (amount 6F)			9943
Net income (loss) after adjustments: Amount 5B minus line 9943			5C
Business-use-of-home expenses (amount 7P)			9945
Your net income (loss): Amount 5C 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 ii 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 5C) (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	

Note 1: Columns 4, 6, 8 and 9 apply only to designated immediate expensing properties (DIEPs). See subsection 1104(3.1) of the federal Income Tax Regulations for definitions. A DIEP is a property that you acquired after December 31, 2021, and that became available for use in the current year. For more information, see Guide T4002.

Note 2: The immediate expensing applies to DIEPs included in column 8. The total immediate expensing amount for the tax year (total of column 9) is limited to the lesser of:

- the immediate expensing limit, which is equal to one of the following, whichever is applicable:
 - \$1.5 million, if you are not associated with any other eligible person or partnership (EPOP) in the tax year
 - amount iv of Area G, if you are associated with one or more EPOPs in the tax year
 - zero, if you are associated with one or more EPOPs and an agreement that assigns a percentage to one or more of the associated EPOPs was not filed with the minister in a prescribed form
 - any amount allocated by the minister under subsection 1104(3.4) of the Regulations
- the UCC of DIEPs in column 8
- the amount from line 9946 before any CCA deductions, which is income earned from the business in which the DIEPs are used

For more information, see Guide T4002.

Note 3: Columns 11, 13 and 14 apply only to accelerated investment incentive properties (AIIPs) (see subsection 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 AIIP is a property (other than ZEV) that you acquired after November 20, 2018, and that 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 that 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 4: The proceeds of disposition of a ZEPV that has been included in Class 54 and that is subject to the \$59,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$59,000 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. The proceeds of disposition of a passenger vehicle purchased after April 18, 2021, that has been included in Class 10.1 and that is subject to the \$34,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$34,000 as a proportion of the actual cost of the vehicle. If the passenger vehicle in Class 10.1 is not designated for immediate expensing treatment, this special rule does not apply. For more information on proceeds of disposition, read "Class 10.1 (30%)" and "Class 54 (30%)" in Guide T4002.

Note 5: 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 AIIPs.

For more information on AIIPs, 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

Enter the total of amounts ii and iii on line 9936 of Part 4. **Total CCA on Part XVII properties: Total of column 6** ▶ **iii**

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 – Agreement between associated eligible persons or partnerships (EPOPs)

Are you associated in the fiscal period with one or more EPOPs that you have entered into an agreement with under subsection 1104(3.3) of the Regulations? Yes ☐ No ☐

If you answered **yes**, fill in the table below.

Enter the percentage assigned to each associated EPOP (including your business) as determined in the agreement.

This percentage will be used to allocate the immediate expensing limit. The total of all percentages assigned under the agreement should not exceed 100%. If the total does exceed 100%, then the associated group has an immediate expensing limit of zero. For more information about the immediate expensing limit, see Guide T4002.

1 Name of the EPOP	2 Identification number Note 6	3 Percentage assigned under the agreement
Total of percentage assigned: Total of column 3		▶

Immediate expensing limit allocated to your business: Multiply 1.5 million by the percentage assigned to your business in column 3 (see **note 7**) iv

Note 6: The identification number is the EPOP's social insurance number, business number or partnership account number.

Note 7: If the total of column 3 exceeds 100%, enter "0."

Area H – 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 to 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 (\$40,000 + GST and PST, or HST on \$40,000), whichever is more	_____	24
$[(\$900 + \text{GST and PST, or } \$900 + \text{HST}) \times \text{amount 22}] \div 30$	_____	25
Amount 25: _____ – amount 21: _____	_____	26
$[(\$34,000 + \text{GST and PST, or } \$34,000 + \text{HST}) \times \text{amount 20}] \div \text{amount 24}$	_____	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.