



## Calculation of Capital Gains Deduction for 2022

Use this form if you disposed of **qualified farm or fishing property (QFFP)** or **qualified small business corporation shares (QSBCS)** in 2022, or are reporting a reserve in 2022 from the disposition of QFFP, QSBCS, qualified farm property (QFP), or qualified fishing property (QXP). For the definitions of qualified farm or fishing property and qualified small business corporation shares, see the "Definitions" section in Guide T4037, Capital Gains.

### Note

You have to be a resident of Canada throughout 2022 to be eligible to claim the capital gains deduction. For the purpose of this deduction, we also consider you to be a resident throughout 2022 if you were a resident of Canada for part of 2022 and throughout 2021 or 2023.

Deferred capital gains from the disposition of QSBCS do **not** qualify for this deduction.

If you have investment income or investment expenses in 2022, complete Form T936, Calculation of Cumulative Net Investment Loss (CNIL) to December 31, 2022, before you complete this form. Form T936 lists what we consider to be investment income and expenses. If you are reporting a reserve claimed on your 2021 return or claiming a reserve for 2022, you also have to complete Form T2017, Summary of Reserves on Dispositions of Capital Property. To get these forms, go to [canada.ca/cra-forms-publications](https://canada.ca/cra-forms-publications) or call 1-800-959-8281.

### What is the capital gains deduction limit?

If you disposed of QFFP, QSBCS, QFP, or QXP you may be eligible for the lifetime capital gains exemption (LCGE). Because you only include one half of a capital gain in your income, your cumulative capital gains deduction is one half the LCGE.

The total of your capital gains deductions on gains arising from dispositions in 2022 of qualifying capital property has increased to \$456,815 (one half of the \$913,630 LCGE for 2022).

For dispositions of QFFP after April 20, 2015, the LCGE is increased to \$1,000,000. This additional deduction does not apply to dispositions of QSBCS:

- The limit on gains arising from dispositions in 2022 of qualifying capital property is \$456,815 (one half of a LCGE of \$913,630)
- The limit on gains arising from dispositions in 2021 of qualifying capital property is \$446,109 (one half of a LCGE of \$892,218)
- The limit on gains arising from dispositions in 2020 of qualifying capital property is \$441,692 (one half of a LCGE of \$883,384)
- The limit on gains arising from dispositions in 2019 of qualifying capital property is \$433,456 (one half of a LCGE of \$866,912)
- The limit on gains arising from dispositions in 2018 of qualifying capital property is \$424,126 (one half of a LCGE of \$848,252)
- The limit on gains arising from dispositions in 2017 of qualifying capital property is \$417,858 (one half of a LCGE of \$835,716)
- The limit on gains arising from dispositions in 2016 of qualifying capital property is \$412,088 (one half of a LCGE of \$824,176)
- The limit on gains arising from dispositions in 2015 of qualifying capital property is \$406,800 (one half of a LCGE of \$813,600)
- The limit on gains arising from dispositions in 2014 of qualifying capital property is \$400,000 (one half of a LCGE of \$800,000)
- The limit on gains arising from the dispositions of qualifying capital property after 2008 and before 2014 is \$375,000 (one half of a LCGE of \$750,000)

For more information, see the section called "Claiming a capital gains deduction" in Guide T4037, Capital Gains.

**Qualified farm or fishing property (QFFP) and qualified small business corporation shares (QSBCS)**

When you dispose of QFFP or QSBCS and have a capital gain, you can claim a capital gains deduction in 2022 that is equal to one of the following amounts, whichever is **less**:

- your annual gains limit for 2022
- your cumulative gains limit for 2022
- your net taxable capital gains reported in 2022 from dispositions of QFFP or QSBCS, or if you are reporting a reserve in 2022 from the disposition of qualifying capital property
- your maximum capital gains deduction available for 2022

There is an election available to you if you own shares of a qualifying small business corporation that stops being a small business corporation because of one of the following reasons:

- a class of its shares is listed on a designated stock exchange
- after 1999, a class of another corporation's shares is listed on a designated stock exchange

This election will allow you to report a taxable capital gain on your income tax return and claim up to \$456,815 for the capital gains deduction, even though you did not actually sell your shares. The deduction applies to any gain you have on these shares to the date the shares are listed. To make this election, complete Form T2101, Election for Gains on Shares of a Corporation Becoming Public. To get this form go to **canada.ca/cra-forms-publications** or call **1-800-959-8281**.

**Calculation of Capital Gains Deduction for 2022****Part 1 – Calculating your annual gains limit for 2022**Total of lines 10700, 11000, and 12400 of Schedule 3  
(if the amount is a loss, show it in brackets)

Total of lines 7 and 11 of Form T2017

(if the amount is a loss, show it in brackets)

Total net capital gains (or losses):

Line 1 plus line 2 (if the amount is a loss, show it in brackets)

Total taxable capital gains (or losses):

Amount from line 3  $\times \frac{1}{2}$ Total taxable capital gains or net capital losses from line 19900 of  
Schedule 3 (if the amount is a loss, show it in brackets)

Amount from line 17600 on Schedule 3

(if negative, enter "0")  $\times \frac{1}{2}$ 

Line 5 minus line 6

Enter the amount from line 4 or 7, **whichever is less**;  
if line 8 is zero, you cannot claim a capital gains deduction for 2022**2022 eligible taxable  
capital gains**Net capital losses of other years deducted in 2022  
(line 25300 of your 2022 return)Net capital losses of other years applied against net non-eligible taxable  
capital gains in 2022 (line 9 of Chart A of Form T936 for 2022)

Net capital losses of other years:

Line 9 minus line 10 (if negative, enter "0")

Allowable business investment losses (line 21700 of your 2022 return)

Line 11 plus line 12

Line 8 minus line 13 (if negative, enter "0")

**Annual gains limit for 2022**

If line 14 is zero, do not complete the rest of this form, because you cannot claim a capital gains deduction for 2022.

1

+

2

=

3

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7

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11

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12

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13

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14

## Part 2 – Calculating your cumulative gains limit for 2022

Total taxable capital gains reported after 1984 and before 1992 (line 127 of your returns for these years). Do not include reserves reported on property disposed of before 1985.

1992 and 1993 eligible taxable capital gains (line 3 in Part 1 of Form T657 or Form T657A for 1992 and 1993)	+	16		
1994 eligible taxable capital gains (line 5 in Part 1 of Form T657 or T657A for 1994)	+	17		
1995 eligible taxable capital gains (line 7 in Part 1 of Form T657 or line 3 of Form T657A for 1995)	+	18		
1996 to 1999 eligible taxable capital gains (line 8 in Part 1 of Form T657 for those years)	+	19		
2000 eligible taxable capital gains (line 7 in Part 1 of Form T657 for 2000)	+	20		
2001 eligible taxable capital gains (line 8 in Part 1 of Form T657 for 2001)	+	21		
2002 to 2022 eligible taxable capital gains (line 10 in Part 1 of Form T657 for 2002 to 2017 or line 8 in Part 1 of Form T657 for 2018 and later years)	+	22		
Total of lines 15 to 22 <b>Cumulative eligible taxable capital gains</b>	=	▶		<b>23</b>
Allowable capital losses claimed in 1985 (amount shown in brackets on line 127 of your 1985 return; maximum of \$2,000)		24		
Total allowable business investment losses claimed after 1984 and before 2022 (line 217 on your returns for 1985 to 2018 and line 21700 on your returns for 2019 and later years)	+	25		
Total net capital losses of other years claimed after 1984 and before 2022 (enter the total of amounts in column G of Chart 1 on the last page)	+	26		
Total losses used to calculate your annual gains limit for 2022 (from line 13 of Part 1 above)	+	27		
Cumulative net investment loss to December 31, 2022 (line C in Part 3 of Form T936 for 2022)	+	28		
Total capital gains deductions claimed after 1984 and before 2022 (line 254 on your returns for 1985 to 2018 and line 25400 of your returns for 2019 and later years)	+	29		
Total of lines 24 to 29	=	▶	—	<b>30</b>
Line 23 minus line 30 (if negative, enter "0") <b>Cumulative gains limit for 2022</b>	=			<b>31</b>

If line 31 is zero, do not complete the rest of this form, because you cannot claim a capital gains deduction for 2022.

Answer the questions below by ticking the corresponding **Yes** or **No** box.

If you disposed of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) in 2022, and you are **not** reporting a reserve claimed in a previous year, begin at Part 3o.

Are you reporting a reserve in 2022 on dispositions of qualified farm property (QFP), qualified fishing property (QXP), or QSBCS to your child in 2013?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3a
Are you reporting a reserve in 2022 on dispositions of QFFP or QSBCS to your child in 2014?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3b
Are you reporting a reserve in 2022 on dispositions of QFFP or QSBCS to your child in 2015?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3c
Are you reporting a reserve in 2022 on dispositions of QFFP to your child after April 20, 2015, and before 2016?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3d
Are you reporting a reserve in 2022 on dispositions of QFFP or QSBCS to your child in 2016?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3e
Are you reporting a reserve in 2022 on dispositions of QFFP to your child in 2016?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3f
Are you reporting a reserve in 2022 on dispositions of QFFP or QSBC to your child in 2017?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3g
Are you reporting a reserve in 2022 on dispositions of QFFP to your child in 2017?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3h
Are you reporting a reserve in 2022 on dispositions of QFFP or QSBCS to your child in 2018?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3i
Are you reporting a reserve in 2022 on dispositions of QFFP to your child in 2018?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3j
Are you reporting a reserve in 2022 on dispositions of QFFP or QSBCS in 2019?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3k
Are you reporting a reserve in 2022 on dispositions of QFFP in 2019?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3l
Are you reporting a reserve in 2022 on dispositions of QFFP or QSBCS in 2020?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3m
Are you reporting a reserve in 2022 on dispositions of QFFP in 2020?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3n
Are you reporting a reserve in 2022 on dispositions of QFFP or QSBCS in 2021?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3o
Are you reporting a reserve in 2022 on dispositions of QFFP in 2021?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3p
Did you dispose of QFFP or QSBCS in 2022?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3q
Did you dispose of QFFP in 2022?	<input type="checkbox"/> Yes <input type="checkbox"/> No	Part 3r

## Part 3a – Calculating your capital gains deduction on qualified farm or fishing property and qualified small business corporation shares

Complete this part if you are reporting a reserve in 2022 on dispositions of qualified small business corporation shares (QSBCS), qualified farm property (QFP), or qualified fishing property (QXP) to your child in 2013.

Maximum capital gains deduction for QSBCS, QFP, and QXP disposed of after 2007 and before 2014

375,000.00 32

Capital gains deductions from previous years  
(line k of Chart 2 on the last page) (see **note A** below)

– 33

Deduction available for capital gains, from QSBC, QFP, or QXP disposed of after 2007 and before 2014 included in your 2022 income  
(line 32 minus line 33; if negative, enter "0")

= ▶ 34

Line 3 of Form T2017. If this amount is negative, enter in brackets. (see **note 1** below)

35

Line 11 of Form T2017. If this amount is negative, enter in brackets. (see **note 2** below)

+ 36

Line 35 plus line 36. Taxable capital gains from a reserve on QSBCS, QFP, or QXP disposed of after 2007 and before 2014 and included in your 2022 income (if negative, enter "0")

=  $\times \frac{1}{2}$  ▶ 37

Enter the amount from lines 34 or 37, whichever is **less**.

38

If you did **not** dispose of QFFP or QSBCS in 2022 and you are not bringing a reserve into 2022 income for any dispositions after 2013, the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14 from Part 1, 31 from Part 2, and 38. You can, however, choose to claim less than the maximum.

### Note A

You may have claimed a capital gains deduction for other eligible capital gains amounts beginning in the year this reserve was first included in income, up to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 33 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your Form T657 from the year of disposition when the reserve was first taken to 2021, plus the amount of all capital gains deductions you have already claimed from the year of disposition to 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you have claimed for other gains (not the reserve) from the year of disposition when the reserve was first taken to 2021, minus the maximum capital gains exemption increase allowed for other gains since the year of disposition when the reserve was first claimed, to the year the other gains are reported (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 33.

### Note 1

If line 3 of your Form T2017 includes a reserve from dispositions in 2014 and/or 2015 of QFFP, remove those parts from the amount you enter here.

### Note 2

If line 11 of your Form T2017 includes a reserve from dispositions after 2013 of QSBCS, remove those parts from the amount you enter here.

## Part 3b – Calculating your capital gains deduction on qualified farm or fishing property and qualified small business corporation shares

Complete this part if you are reporting a reserve in 2022 on dispositions of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) to your child in 2014.

Maximum capital gains deduction for QFFP and/or QSBCS disposed of in 2014		400,000.00	39
Capital gains deductions from previous years (line k of Chart 2 on the last page) (see <b>note B</b> below)	–		40
Capital gains deduction available for QFFP and/or QSBCS disposed of in 2014 included in your 2022 income (line 39 minus line 40; if negative, enter "0") (see <b>note 3</b> below)	=		41
Line 3 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 4</b> below)			42
Line 11 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 5</b> below)	+		43
Line 42 plus line 43. Taxable capital gains from a reserve on QFFP and/or QSBCS disposed of in 2014 included in your 2022 income (if negative, enter "0")	=	$\times 1/2$	44
Enter the amount from line 41 or 44, <b>whichever is less</b> .			45
Enter the amount from line 38 of Part 3a. If you did not complete Part 3a, enter "0".		+	46
Line 45 plus line 46. Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction	=		47

If you did **not** dispose of QFFP or QSBCS in 2022 and you are not bringing a reserve into 2022 income for any disposition after 2014, the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14 from Part 1, 31 from Part 2, and 47. You can, however, choose to claim less than the maximum.

### Note B

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2014 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 40 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2014 Form T657 plus the amount of all capital gains deductions you have already claimed from 2014 to 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2014 to 2021, minus the maximum capital gains exemption increase allowed for other gains from 2014 to the year the other gains are reported (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 40.

### Note 3

If you completed Part 3a of this form, you must also subtract from line 39 above, the amount from line 38 of Part 3a.

### Note 4

If line 3 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2014, remove that part from the amount you enter here.

### Note 5

If line 11 of your Form T2017 includes a reserve from a disposition of QSBCS in any year other than 2014, remove that part from the amount you enter here.

### Part 3c – Calculating your capital gains deduction on qualified farm or fishing property and qualified small business corporation shares

Complete this part if you are reporting a reserve in 2022 on dispositions of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) to your child in 2015.

Maximum capital gains deduction for QFFP and/or QSBCS disposed of in 2015		<u>406,800.00</u>	<u>48</u>
Capital gains deductions claimed from previous years (line k of Chart 2 on the last page) (see <b>note C</b> below)		<u>—</u>	<u>49</u>
Capital gains deduction available for QFFP and/or QSBCS disposed of in 2015 included in your 2022 income (line 48 minus line 49; if negative, enter "0") (see <b>note 6</b> below)		<u>=</u>	<u>▶ 50</u>
Line 7 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 7</b> below)			<u>51</u>
Line 11 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 8</b> below)	<u>+</u>		<u>52</u>
Line 51 plus line 52. Taxable capital gains from a reserve on QFFP and/or QSBCS disposed of in 2015 included in your 2022 income (if negative, enter "0")	<u>=</u>	<u>× 1/2</u>	<u>▶ 53</u>
Enter the amount from line 50 or 53, <b>whichever is less</b> .			<u>54</u>
Enter the amount from the last line you completed of lines 38 and 47. If you did <b>not</b> complete Part 3a or 3b, enter "0".			<u>+ 55</u>
Line 54 plus line 55. Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction:		<u>=</u>	<u>56</u>

If you are reporting a reserve in 2022 from the disposition of QFFP after April 20, 2015, and before 2016, and each of line 14, line 31, and line 56 is **greater than or equal** to line 50, complete Part 3d.

If you are **not** reporting a reserve in 2022 from the disposition of QFFP after April 20, 2015, and before 2016, not bringing a reserve into 2022 income for any disposition of QFFP or QSBCS after 2015, and not disposing of QFFP or QSBCS in 2022, the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 56. You can, however, choose to claim less than the maximum.

#### Note C

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2015 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 49 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2015 Form T657 plus the amount of all capital gains deductions you have already claimed, from 2015 to 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2015 to 2021, minus the maximum capital gains exemption increase allowed for other gains from 2015 to the year the other gains are reported (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 49.

#### Note 6

You must also subtract from line 48 above, the amount from the last line you completed of line 38 of Part 3a and line 47 of Part 3b.

#### Note 7

If line 7 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2015, remove that part from the amount you enter here.

#### Note 8

If line 11 of your Form T2017 includes a reserve from a disposition of QSBCS in any year other than 2015, remove that part from the amount you enter here.



### Part 3d – Calculating your capital gains deduction on qualified farm or fishing property

Complete this part **only** if you meet the following conditions:

- you are reporting a reserve in 2022 from the disposition of qualified farm or fishing property (QFFP) to your child after April 20, 2015, and before 2016
- each of lines 14, 31, and 56 are all **greater than or equal** to the amount on line 50 of Part 3c

#### Note

For this period, there is an additional \$93,200 to the capital gains deduction limit that can only be used after your cumulative capital gains deduction of \$406,800 has been used up. This additional amount does **not** apply to dispositions of qualified small business corporation shares (QSBCS).

Maximum capital gains deduction for QFFP disposed of after April 20, 2015, and before 2016	500,000.00	57
Capital gains deductions from previous years (line k of Chart 2 on the last page) (see <b>note D</b> below)	—	58
Capital gains deduction available for QFFP disposed of after April 20, 2015, and before 2016 included in your 2022 income (line 57 minus line 58; if negative, enter "0") (see <b>note 9</b> below)	=	59
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 10</b> below)	x 1/2	60
Enter the amount from line 59 or 60, <b>whichever is less</b> .		61
Enter the amount from line 56 of Part 3c.	+	62
Line 61 plus line 62	=	63
Enter the amount from line 60 or 63, <b>whichever is less</b> . Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction:		64

If you did **not** dispose of QFFP or QSBCS in 2022, and you are not bringing a reserve into 2022 income for any disposition after 2015, the maximum capital gains deduction you can claim at line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 64. You can, however, choose to claim less than the maximum.

#### Note D

You may have claimed a capital gains deduction for other eligible capital gains amounts after April 20, 2015, to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 58 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2016 Form T657 that only includes amounts claimed before April 21, 2015, plus the amount of all capital gains deductions you have already claimed after April 20, 2015, and before 2016 in respect of this reserve. Also, add to this amount the capital gains deductions you claimed after December 31, 2015, to 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) after April 20, 2015, to 2021, minus the maximum capital gains exemption increase allowed for other gains from 2015 to the year the other gains are reported (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 58.

#### Note 9

You must also subtract from line 57 above, the amount from line 56 of Part 3c.

#### Note 10

If line 6 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2015, remove that part from the amount you enter here.

### Part 3e – Calculating your capital gains deduction on qualified farm or fishing property, qualified small business corporation shares

Complete this part if you are reporting a reserve in 2022 on dispositions of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) to your child in 2016.

Maximum capital gains deduction for QFFP and/or QSBCS disposed of in 2016		<u>412,088.00</u>	<b>65</b>
Capital gains deductions from previous years (line k of Chart 2 on the last page) (see <b>note E</b> below)		<u>—</u>	<b>66</b>
Capital gains deduction available for QFFP and/or QSBCS disposed of in 2016 included in your 2022 income (line 64 minus line 65; if negative, enter "0") (see <b>note 11</b> below)		<u>=</u>	<b>67</b>
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 12</b> below)			<b>68</b>
Line 11 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 13</b> below)	<u>+</u>		<b>69</b>
Line 68 plus line 69. Taxable capital gains from a reserve on QFFP and/or QSBCS disposed of in 2016 included in your 2022 income (if negative, enter "0")	<u>=</u>	<u>× 1/2</u>	<b>70</b>
Enter the amount from line 67 or 70, <b>whichever is less</b> .			<b>71</b>
Enter the amount from the last line you completed of lines 38, 47, 56, and 64. If you did <b>not</b> complete Part 3a, 3b, 3c, or 3d, enter "0".		<u>+</u>	<b>72</b>
Add lines 71 and 72. Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction.		<u>=</u>	<b>73</b>

If you are reporting a reserve in 2022 from the disposition of QFFP in 2016 and each of line 14 from Part 1, line 31 from Part 2, and line 73 is **greater than or equal** to line 67, complete Part 3f.

If you are **not** reporting a reserve in 2022 income from the disposition of QFFP in 2016, you did **not** dispose of QFFP or QSBCS in 2022, and you are **not** bringing a reserve into 2022 income for any disposition after 2016, the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 73. You can, however, choose to claim less than the maximum.

#### Note E

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2016 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 66 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2016 Form T657 plus the amount of all capital gains deductions you have already claimed from 2016 to 2021, for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2016 to 2021 minus the maximum capital gains exemption increase allowed for other gains from 2016 to 2021 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 66.

#### Note 11

You must also subtract from line 65 above, the amount from the last line you completed of line 38 of Part 3a, line 47 of Part 3b, line 56 of Part 3c, and line 64 of Part 3d.

#### Note 12

If line 6 of your Form T2017 includes a reserve(s) from a disposition(s) of QFFP, QFP, or QXP in any year other than 2016, remove that part from the amount you enter here.

#### Note 13

If line 11 of your Form T2017 includes a reserve(s) from a disposition(s) of QSBCS in any year other than 2016, remove that part from the amount you enter here.

## Part 3f – Calculating your capital gains deduction on qualified farm or fishing property

Complete this part **only** if you meet the following conditions:

- you are reporting a reserve in 2022 from the disposition of qualified farm or fishing property (QFFP) to your child in 2016
- each of lines 14, 31, and 73 are all **greater than or equal** to the amount on line 67 of Part 3e

### Note

For 2016, there is an additional \$87,912 to the capital gains deduction limit that can only be used after your cumulative capital gains deduction of \$412,088 has been used up. This additional amount does **not** apply to dispositions of qualified small business corporation shares.

Maximum capital gains deduction for QFFP disposed of in 2016	500,000.00	74
Capital gains deductions from previous years (line k of Chart 2 on the last page) (see <b>note F</b> below)	—	75
Capital gains deduction available for QFFP disposed of in 2016 included in your 2022 income (line 74 minus line 75; if negative, enter "0") (see <b>note 14</b> below)	=	76
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 15</b> below)	x 1/2	77
Enter the amount from line 76 or 77, <b>whichever is less</b> .		78
Enter the amount from line 73 of Part 3e.	+	79
Line 78 plus line 79	=	80
Enter the amount from line 77 or 80, <b>whichever is less</b> . Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction:		81

If you did **not** dispose of QFFP or QSBCS in 2022 and you are **not** bringing a reserve into 2022 income for any disposition after 2016, the maximum capital gains deduction you can claim at line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 81. You can, however, choose to claim less than the maximum.

### Note F

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2016 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 75 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2016 Form T657 plus the amount of all capital gains deductions you have already claimed from 2016 to 2021; for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2016 to 2021 minus the maximum capital gains exemption increase allowed for other gains from 2016 to 2021 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 75.

### Note 14

You must also subtract from line 74 above, the amount from line 73 of Part 3e.

### Note 15

If line 6 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2016, remove that part from the amount you enter here.

## Part 3g – Calculating your capital gains deduction on qualified farm or fishing property and qualified small business corporation shares

Complete this part if you are reporting a reserve in 2022 on dispositions of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) to your child in 2017.

Maximum capital gains deduction for QFFP and/or QSBCS disposed of in 2017

417,858.00 82

Capital gains deductions from previous years  
(line k of Chart 2 on the last page) (see **note G** below)

– 83

Capital gains deduction available for QFFP and/or QSBCS disposed of in 2017 included in your 2022 income  
(line 82 minus line 83; if negative, enter "0") (see **note 16** below)

= 84

Line 6 of Form T2017. If this amount is negative, enter in brackets. (see **note 17** below)

85

Line 11 of Form T2017. If this amount is negative, enter in brackets. (see **note 18** below)

+ 86

Line 85 plus line 86. Taxable capital gains from a reserve on QFFP and/or QSBCS disposed of in 2017 included in your 2022 income  
(if negative, enter "0")

=  $\times 1/2$  87

Enter the amount from line 84 or 87, **whichever is less**.

88

Enter the amount from the last line you completed of lines 38, 47, 56, 64, 73, and 81. If you did **not** complete Part 3a, 3b, 3c, 3d, 3e, or 3f, enter "0".

+ 89

Add lines 88 and 89. Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction.

= 90

If you are reporting a reserve in 2022 from a disposition of QFFP in 2017 and each of line 14 from Part 1, line 31 from Part 2, and line 90 is **greater than or equal** to line 84, complete Part 3h.

If you are **not** reporting a reserve in 2022 income from the disposition of QFFP in 2017, you did not dispose of QFFP or QSBCS in 2022, and you are not bringing a reserve into 2022 income from any disposition after 2017, the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 90. You can, however, choose to claim less than the maximum.

### Note G

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2017 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 83 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2017 Form T657 plus the amount of all capital gains deductions you have already claimed in 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2017 to 2021 minus the maximum capital gains exemption increase allowed for other gains from 2017 to 2021 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 83.

### Note 16

You must also subtract from line 82 above, the amount from the last line you completed of line 38 of Part 3a, line 47 of Part 3b, line 56 of Part 3c, line 64 of Part 3d, line 73 of Part 3e, and line 81 of Part 3f.

### Note 17

If line 6 of your Form T2017 includes a reserve(s) from a disposition(s) of QFFP, QFP, or QXP in any year other than 2017, remove that part from the amount you enter here.

### Note 18

If line 11 of your Form T2017 includes a reserve(s) from a disposition(s) of QSBCS in any year other than 2017, remove that part from the amount you enter here.

## Part 3h – Calculating your capital gains deduction on qualified farm or fishing property

Complete this part **only** if:

- you disposed of qualified farm or fishing property (QFFP) to your child in 2017
- each of lines 14, 31, and 90 are all **greater than or equal** to the amount on line 84 of Part 3g

### Note

For 2017, there is an additional \$82,142 to the capital gains deduction limit that can only be used after your cumulative capital gains deduction of \$417,858 has been used up. This additional amount does **not** apply to dispositions of qualified small business corporation shares (QSBCS).

Maximum capital gains deduction for QFFP disposed of in 2017	<u>500,000.00</u>	<b>91</b>	
Capital gains deductions from previous years (line k of Chart 2 on the last page) (see <b>note H</b> below)	<u>—</u>	<b>92</b>	
Capital gains deduction available for QFFP disposed of in 2017 included in your 2022 income (line 91 minus line 92; if negative, enter "0") (see <b>note 19</b> below)	<u>=</u>		<b>93</b>
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 20</b> below)	<u>× 1/2</u>		<b>94</b>
Enter the amount from line 93 or 94, <b>whichever is less</b> .			<b>95</b>
Enter the amount from line 90 of Part 3g.		<u>+</u>	<b>96</b>
Line 95 plus line 96		<u>=</u>	<b>97</b>
Enter the amount from line 94 or 97, <b>whichever is less</b> . Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction:			<b>98</b>

If you did **not** dispose of QFFP or QSBCS in 2022 and are **not** bringing a reserve into 2022 income for any disposition after 2017, the maximum capital gains deduction you can claim at line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 98. You can, however, choose to claim less than the maximum.

### Note H

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2017 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 92 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2017 Form T657 plus the amount of all capital gains deductions you have already claimed in 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2017 to 2021 minus the maximum capital gains exemption increase allowed for other gains from 2017 to 2021 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 92.

### Note 19

You must also subtract from line 91 above, the amount from line 90 of Part 3g.

### Note 20

If line 6 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2017, remove that part from the amount you enter here.

## Part 3i – Calculating your capital gains deduction on qualified farm or fishing property and qualified small business corporation shares

Complete this part if you are reporting a reserve in 2022 on dispositions of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) to your child in 2018.

Maximum capital gains deduction for QFFP and/or QSBCS disposed of in 2018		424,126.00	99
Capital gains deductions from previous years (line k of Chart 2 on the last page) (see <b>note I</b> below)	—		100
Capital gains deduction available for QFFP and/or QSBCS disposed of in 2018 included in your 2022 income (line 99 minus line 100; if negative, enter "0") (see <b>note 21</b> below)	=		101
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 22</b> below)			102
Line 11 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 23</b> below)	+		103
Line 102 plus line 103. Taxable capital gains from a reserve on QFFP and/or QSBCS disposed of in 2018 included in your 2022 income (if negative, enter "0")	=	× 1/2	104
Enter the amount from line 101 or 104, <b>whichever is less</b> .			105
Enter the amount from the last line you completed of lines 38, 47, 56, 64, 73, 81, 90, and 98. If you did <b>not</b> complete Part 3a, 3b, 3c, 3d, 3e, 3f, 3g, or 3h, enter "0".		+	106
Add lines 105 and 106. Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction.	=		107

If you are reporting a reserve in 2022 from a disposition of QFFP in 2018 and each of line 14 from Part 1, line 31 from Part 2, and line 107 is **greater than or equal** to line 101, complete Part 3j.

If you are **not** reporting a reserve in 2022 income from the disposition of QFFP in 2018, you did not dispose of QFFP or QSBCS in 2022, and you are not bringing a reserve into 2022 income from any disposition after 2018, the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 107. You can, however, choose to claim less than the maximum.

### Note I

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2018 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 100 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2018 Form T657 plus the amount of all capital gains deductions you have already claimed in 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2018 to 2021 minus the maximum capital gains exemption increase allowed for other gains from 2018 to 2021 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 100.

### Note 21

You must also subtract from line 99 above, the amount from the last line you completed of line 38 of Part 3a, line 47 of Part 3b, line 56 of Part 3c, line 64 of Part 3d, line 73 of Part 3e, line 81 of Part 3f, line 90 of Part 3g, and line 98 of Part 3h.

### Note 22

If line 6 of your Form T2017 includes a reserve(s) from a disposition(s) of QFFP, QFP, or QXP in any year other than 2018, remove that part from the amount you enter here.

### Note 23

If line 11 of your Form T2017 includes a reserve(s) from a disposition(s) of QSBCS in any year other than 2018, remove that part from the amount you enter here.

### Part 3j – Calculating your capital gains deduction on qualified farm or fishing property

Complete this part **only** if:

- you disposed of qualified farm or fishing property (QFFP) to your child in 2018
- each of lines 14, 31, and 107 are all **greater than or equal** to the amount on line 101 of Part 3i

#### Note

For 2018, there is an additional \$75,874 to the capital gains deduction limit that can only be used after your cumulative capital gains deduction of \$424,126 has been used up. This additional amount does **not** apply to dispositions of qualified small business corporation shares (QSBCS).

Maximum capital gains deduction for QFFP disposed of in 2018	<u>500,000.00</u>	<b>108</b>	
Capital gains deductions from previous years (line k of Chart 2 on the last page) (see <b>note J</b> below)	<u>—</u>		<b>109</b>
Capital gains deduction available for QFFP disposed of in 2018 included in your 2022 income (line 108 minus line 109; if negative, enter "0") (see <b>note 24</b> below)	<u>=</u>	<b>▶</b>	<b>110</b>
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 25</b> below)	<u>× 1/2</u>	<b>▶</b>	<b>111</b>
Enter the amount from line 110 or 111, <b>whichever is less.</b>			<b>112</b>
Enter the amount from line 107 of Part 3i.		<b>+</b>	<b>113</b>
Line 112 plus line 113		<b>=</b>	<b>114</b>
Enter the amount from line 111 or 114, <b>whichever is less.</b> Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction:			<b>115</b>

If you did **not** dispose of QFFP or QSBCS in 2022 and you are not bringing a reserve into 2022 income for any disposition after 2018, the maximum capital gains deduction you can claim at line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 115. You can, however, choose to claim less than the maximum.

#### Note J

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2018 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 109 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2018 Form T657 plus the amount of all capital gains deductions you have already claimed in 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2018 to 2021 minus the maximum capital gains exemption increase allowed for other gains from 2018 to 2021 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 109.

#### Note 24

You must also subtract from line 108 above, the amount from line 107 of Part 3i.

#### Note 25

If line 6 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2018, remove that part from the amount you enter here.

### Part 3k – Calculating your capital gains deduction on qualified farm or fishing property and qualified small business corporation shares

Complete this part if you are reporting a reserve in 2022 on dispositions of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) in 2019.

Maximum capital gains deduction for QFFP and/or QSBCS disposed of in 2019		433,456,00	116
Capital gains deductions from previous years (line k of Chart 2 on the last page)(See <b>note K</b> below)		—	117
Capital gains deduction available for QFFP and/or QSBCS disposed of in 2019 included in your 2022 income (line 116 minus line 117; if negative, enter "0") (see <b>note 26</b> below)	=		118
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 27</b> below)			119
Line 11 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 28</b> below)	+		120
Line 119 plus line 120. Taxable capital gains from a reserve on QFFP and/or QSBCS disposed of in 2019 included in your 2022 income (if negative, enter "0")	=	x 1/2	121
Enter the amount from line 118 or 121, <b>whichever is less</b> .			122
Enter the amount from the last line you completed of lines 38, 47, 56, 64, 73, 81, 90, 98, 107, and 115. If you did <b>not</b> complete Part 3a, 3b, 3c, 3d, 3e, 3f, 3g, 3h, 3i, or 3j, enter "0".		+	123
Add lines 122 and 123. Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction.	=		124

If you are reporting a reserve in 2022 from a disposition of QFFP in 2019, and each of line 14 from Part 1, line 31 from Part 2, and line 124 is **greater than or equal** to line 118, complete Part 3l.

If you are **not** reporting a reserve in 2022 income from the disposition of QFFP in 2019 and **did not** dispose of QFFP or QSBCS in 2022, the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 124. You can, however, choose to claim less than the maximum.

#### Note K

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2019 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 117 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2019 Form T657 plus the amount of all capital gains deductions you have already claimed in 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2019 to 2021 minus the maximum capital gains exemption increase allowed for other gains from 2019 to 2021 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 117.

#### Note 26

You must also subtract from line 116 above, the amount from the last line you completed of line 38 of Part 3a, line 47 of Part 3b, line 56 of Part 3c, line 64 of Part 3d, line 73 of Part 3e, line 81 of Part 3f, line 90 of Part 3g, line 98 of Part 3h, line 107 of Part 3i, and line 115 of Part 3j.

#### Note 27

If line 6 of your Form T2017 includes a reserve(s) from a disposition(s) of QFFP, QFP, or QXP in any year other than 2019, remove that part from the amount you enter here.

#### Note 28

If line 11 of your Form T2017 includes a reserve(s) from a disposition(s) of QSBCS in any year other than 2019, remove that part from the amount you enter here.



## Part 3I – Calculating your capital gains deduction on qualified farm or fishing property

Complete this part **only** if:

- you disposed of qualified farm or fishing property (QFFP) in 2019
- each of lines 14, 31, and 124 are all **greater than or equal** to the amount on line 118 of Part 3k

### Note

For 2019, there is an additional \$66,544 to the capital gains deduction limit that can only be used after your cumulative capital gains deduction of \$433,456 has been used up. This additional amount does **not** apply to dispositions of qualified small business corporation shares (QSBCS).

Maximum capital gains deduction for QFFP disposed of in 2019	<u>500,000.00</u>	<b>125</b>	
Capital gains deductions from previous years (line k of Chart 2 on the last page)(see <b>note L</b> below)	<u>—</u>	<b>126</b>	
Capital gains deduction available for QFFP disposed of in 2019 included in your 2022 income (line 125 minus line 126; if negative, enter "0") (see <b>note 29</b> below)	<u>=</u>		<b>127</b>
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 30</b> below)	<u>× 1/2</u>		<b>128</b>
Enter the amount from line 127 or 128, <b>whichever is less.</b>			<b>129</b>
Enter the amount from line 124 of Part 3k.		<u>+</u>	<b>130</b>
Line 129 plus line 130		<u>=</u>	<b>131</b>
Enter the amount from line 128 or 131, <b>whichever is less.</b> Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction.			<b>132</b>

If you did **not** dispose of QFFP or QSBCS in 2022, the maximum capital gains deduction you can claim at line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 132. You can, however, choose to claim less than the maximum.

### Note L

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2019 to 2021. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 126 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2019 Form T657 plus the amount of all capital gains deductions you have already claimed in 2021 for this reserve.

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2019 to 2021 minus the maximum capital gains exemption increase allowed for other gains from 2019 to 2021 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 126.

### Note 29

You must also subtract from line 125 above, the amount from line 124 of Part 3k.

### Note 30

If line 6 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2019, remove that part from the amount you enter here.

### Part 3m – Calculating your capital gains deduction on qualified farm or fishing property and qualified small business corporation shares

Complete this part if you are reporting a reserve in 2022 on dispositions of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) in 2020.

Maximum capital gains deduction for QFFP and/or QSBCS disposed of in 2020			<b>441,692.00</b>	<b>133</b>
Capital gains deductions from previous years (line k of Chart 2 on the last page) (see <b>note M</b> below)		—		<b>134</b>
Capital gains deduction available for QFFP and/or QSBCS disposed of in 2020 and included in your 2022 income (line 133 minus line 134; if negative, enter "0") (see <b>note 31</b> below)		=		<b>135</b>
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 32</b> below)	+			<b>A</b>
Line 11 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 33</b> below)	+			<b>B</b>
Amount A plus amount B, Taxable capital gains from a reserve on QFFP and/or QSBCS disposed of in 2020 included in your 2022 income (if negative, enter "0")	=		$\times 1/2$	<b>136</b>
Enter the amount from line 135 or 136, <b>whichever is less.</b>				<b>137</b>
Enter the amount from the last line you completed of lines 38, 47, 56, 64, 73, 81, 90, 98, 107, 115, 124, and 132. If you did <b>not</b> complete parts 3a to 3l, enter "0".			+	<b>138</b>
Line 137 plus line 138. Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction.		=		<b>139</b>

If you are reporting a reserve in 2022 from a disposition of QFFP in 2020, and each of line 14 from Part 1, line 31 from Part 2, and line 139 is **greater than or equal** to line 135, complete Part 3n.

If you **are not** reporting a reserve in 2022 income from the disposition of QFFP in 2020 and did **not** dispose of QFFP or QSBCS in 2022, the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 139. You can, however, choose to claim less than the maximum.

#### Note M

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2020 to 2022. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 134 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2020 Form T657 plus the amount of all capital gains deductions you have already claimed in 2022 for this reserve..

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2020 to 2022 minus the maximum capital gains exemption increase allowed for other gains from 2020 to 2022 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 134.

#### Note 31

You must also subtract from line 133 above, the amount from the last line you completed of line 38 of Part 3a, line 47 of Part 3b, line 56 of Part 3c, line 64 of Part 3d, line 73 of Part 3e, line 81 of Part 3f, line 90 of Part 3g, line 98 of Part 3h, line 107 of Part 3i, line 115 of Part 3j, line 124 of Part 3k, and line 132 of Part 3l.

#### Note 32

If line 6 of your Form T2017 includes a reserve(s) from a disposition(s) of QFFP, QFP, or QXP in any year other than 2020, remove that part from the amount you enter here.

#### Note 33

If line 11 of your Form T2017 includes a reserve(s) from a disposition(s) of QSBCS in any year other than 2020, remove that part from the amount you enter here.

## Part 3n – Calculating your capital gains deduction on qualified farm or fishing property

Complete this part **only** if you meet the following conditions:

- you disposed of qualified farm or fishing property (QFFP) in 2020
- each of lines 14, 31, and 139 are all **greater than or equal** to the amount on line 135 of Part 3m

### Note

For 2020, there is an additional \$58,308 to the capital gains deduction limit that can only be used after your cumulative capital gains deduction of \$441,692 has been used up. This additional amount does **not** apply to dispositions of qualified small business corporation shares (QSBCS).

Maximum capital gains deduction for QFFP disposed of in 2020	500,000.00	140
Capital gains deductions from previous years (line k of Chart 2 on the last page) (see <b>note N</b> below)	—	141
Capital gains deduction available for QFFP disposed of in 2020 included in your 2022 income (line 140 minus line 141; if negative, enter "0") (see <b>note 34</b> below)	=	▶ 142
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 35</b> below)	+	▶ 143
Enter the amount from line 142 or 143, <b>whichever is less</b> .	x 1/2	▶ 144
Enter the amount from line 139 of Part 3m.	+	145
Line 144 plus line 145.	=	146
Enter the amount from line 144 or 146, <b>whichever is less</b> . Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction.		147

If you did **not** dispose of QFFP or QSBCS in 2022, the maximum capital gains deduction you can claim at line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 147. You can, however, choose to claim less than the maximum.

### Note N

You may have claimed a capital gains deduction for other eligible capital gains amounts from 2020 to 2022. If so, use the amount you calculate with the following instructions instead of the amount on line k of Chart 2 of this T657 form (line 141 of this page).

Calculate amount A:

The amount from line k of Chart 2 of your 2020 Form T657 plus the amount of all capital gains deductions you have already claimed in 2022 for this reserve

Calculate amount B:

The amount of capital gains deductions you claimed for other gains (not the reserve) from 2020 to 2022 minus the maximum capital gains exemption increase allowed for other gains from 2020 to 2022 (if negative, use "0").

After you calculate amounts A and B, add them and enter the result on line 141.

### Note 34

You must also subtract from line 140 above, the amount from line 139 of Part 3m.

### Note 35

If line 6 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2020, remove that part from the amount you enter here.

## Part 3o – Calculating your capital gains deduction on qualified farm or fishing property and qualified small business corporation shares

Complete this part if you disposed of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) in 2021.

Maximum capital gains deduction for QFFP and/or QSBCS disposed of in 2021

446,109.00 148

Capital gains deductions from previous years  
(line k of Chart 2 on the last page)

– 149

Capital gains deduction available for QFFP and/or QSBCS disposed of in 2021 and included in your 2022 income (line 148 minus line 149; if negative, enter "0")(see **note 36** below)

= ▶ 150

Line 6 of Form T2017. If this amount is negative, enter in brackets. (see **note 37** below)

+ A

Line 11 of Form T2017. If this amount is negative, enter in brackets. (see **note 38** below)

+ B

Amount A plus amount B, Taxable capital gains from a reserve on QFFP and/or QSBCS disposed of in 2021 included in your 2022 income (if negative, enter "0")

=  $\times \frac{1}{2}$  ▶ 151

Enter the amount from line 150 or 151, **whichever is less**.

152

Enter the amount from the last line you completed of lines 38, 47, 56, 64, 73, 81, 90, 98, 107, 115, 124, 132, 139, and 147.

+ 153

Line 152 plus line 153. Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction.

= 154

If you are reporting a reserve in 2022 from a disposition of QFFP in 2021, and each of line 14 from Part 1, line 31 from Part 2, and line 154 is **greater than or equal** to line 150, complete Part 3p.

If you are **not** reporting a reserve in 2022 income from the disposition of QFFP in 2021 and did not dispose of QFFP or QSBCS in 2022, the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 154. You can, however, choose to claim less than the maximum

### Note 36

You must also subtract from line 148 above, the amount from the last line you completed of line 38 of Part 3a, line 47 of Part 3b, line 56 of Part 3c, line 64 of Part 3d, line 73 of Part 3e, line 81 of Part 3f, line 90 of Part 3g, line 98 of Part 3h, line 107 of Part 3i, line 115 of Part 3j, line 124 of Part 3k, line 132 of Part 3l, line 139 of Part 3m, and line 147 of Part 3n.

### Note 37

If line 6 of your Form T2017 includes a reserve(s) from a disposition(s) of QFFP, QFP, or QXP before 2021, remove that part from the amount you enter here.

### Note 38

If line 11 of your Form T2017 includes a reserve(s) from a disposition(s) of QSBCS before 2021, remove that part from the amount you enter here.

## Part 3p – Calculating your capital gains deduction on qualified farm or fishing property

Complete this part **only** if you meet the following conditions:

- you disposed of qualified farm or fishing property (QFFP) in 2021
- each of lines 14, 31, and 154 are all **greater than or equal** to the amount on line 150 of Part 3o

### Note

For 2021, there is an additional \$53,891 to the capital gains deduction limit that can only be used after your cumulative capital gains deduction of \$446,109 has been used up. This additional amount does **not** apply to dispositions of qualified small business corporation shares (QSBCS).

Maximum capital gains deduction for QFFP disposed of in 2021	<u>500,000.00</u>	<b>155</b>
Capital gains deductions from previous years (line k of Chart 2 on the last page)	<u>—</u>	<b>156</b>
Capital gains deduction available for QFFP disposed of in 2021 included in your 2022 income (line 155 minus line 156; if negative, enter "0") (see <b>note 39</b> below)	<u>=</u>	<b>157</b>
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 40</b> below)	<u>+</u>	<b>158</b>
Enter the amount from line 157 or 158, <b>whichever is less.</b>	<u>×</u> 1/2	<b>159</b>
Enter the amount from line 154 of Part 3o.	<u>+</u>	<b>160</b>
Line 159 plus line 160.	<u>=</u>	<b>161</b>
Enter the amount from line 159 or 160, <b>whichever is less.</b> Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction.		<b>162</b>

If you did **not** dispose of QFFP or QSBCS in 2022, the maximum capital gains deduction you can claim at line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 161. You can, however, choose to claim less than the maximum.

### Note 39

You must also subtract from line 155 above, the amount from line 154 of Part 3o.

### Note 40

If line 6 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2021, remove that part from the amount you enter here.

### Part 3q – Calculating your capital gains deduction on qualified farm or fishing property and qualified small business corporation shares

Complete this part if you disposed of qualified farm or fishing property (QFFP) or qualified small business corporation shares (QSBCS) in 2022.

Maximum capital gains deduction for QFFP and/or QSBCS disposed of in 2022

456,815.00 163

Capital gains deductions from previous years  
(line k of Chart 2 on the last page)

— 164

Capital gains deduction available for dispositions of QFFP and/or QSBCS  
(line 163 minus line 164; if negative, enter "0") (see **note 41** below)

= 165

Taxable capital gains arising from dispositions in 2022 of QFFP and/or QSBCS included in your 2022 income:

Line 10700 of Schedule 3

Line 11000 of Schedule 3

+

Line 12400 of Schedule 3

+

Line 6 of Form T2017. If this amount is negative,  
enter in brackets. (see **note 42** below)

+

Line 11 of Form T2017. If this amount is negative,  
enter in brackets. (see **note 43** below)

+

**Total** (if negative, enter "0")

=

$\times \frac{1}{2}$

►

166

Enter the amount from line 165 or 166, **whichever is less**.

167

Enter the amount from the last line you completed of lines 38, 47, 56, 64, 73, 81, 90, 98, 107, 115,  
124, 132, 139, 147 and 162

+

168

Line 167 plus line 168. Total amount of capital gains included in your 2022 income that is eligible  
for the capital gains deduction.

=

169

If you disposed of QFFP in 2022, and each of line 14 from Part 1, line 31 from Part 2, and line 169 is **greater than or equal** to line 165, complete Part 3r.

If you did **not** dispose of QFFP in 2022 the maximum capital gains deduction you can claim on line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 169. You can, however, choose to claim less than the maximum.

#### Note 41

You must also subtract from line 163 above, the amount from the last line you completed of line 38 of Part 3a, line 47 of Part 3b, line 56 of Part 3c, line 64 of Part 3d, line 73 of Part 3e, line 81 of Part 3f, line 90 of Part 3g, line 98 of Part 3h, line 107 of Part 3i, line 115 of Part 3j, line 124 of Part 3k, line 132 of Part 3l, line 139 of Part 3m, line 147 of Part 3n, line 154 of Part 3o and line 162 of Part 3p.

#### Note 42

If line 6 of your Form T2017 includes a reserve(s) from a disposition(s) of QFFP, QFP, or QXP before 2022, remove that part from the amount you enter here.

#### Note 43

If line 11 of your Form T2017 includes a reserve(s) from a disposition(s) of QSBCS before 2022, remove that part from the amount you enter here.

## Part 3r – Calculating your capital gains deduction on qualified farm or fishing property

Complete this part **only** if you meet the following conditions:

- you disposed of qualified farm or fishing property (QFFP) in 2022
- each of lines 14, 31, and 169 are all **greater than or equal** to the amount on line 165 of Part 3q

### Note

For 2022, there is an additional \$43,185 to the capital gains deduction limit that can only be used after your cumulative capital gains deduction of \$456,815 has been used up. This additional amount does **not** apply to dispositions of qualified small business corporation shares (QSBCS).

Maximum capital gains deduction for QFFP disposed of in 2022		<u>500,000.00</u>	<b>170</b>
Capital gains deductions from previous years (line k of Chart 2 on the last page)		<u>—</u>	<b>171</b>
Capital gains deduction available for QFFP disposed of in 2022 included in your 2022 income (line 170 minus line 171; if negative, enter "0") (see <b>note 44</b> below)		<u>=</u>	<b>172</b>
Taxable capital gains arising from dispositions in 2022 of QFFP included in your 2022 income:			
Line 11000 of Schedule 3	+		
Line 12400 of Schedule 3	+		
Line 6 of Form T2017. If this amount is negative, enter in brackets. (see <b>note 45</b> below)	+		
<b>Total</b> (if negative, enter "0")	=	<u>× 1/2</u>	<b>173</b>
Enter the amount from line 172 or 173, <b>whichever is less</b> .			<b>174</b>
Enter the amount from line 169 of Part 3q.		+	<b>175</b>
Line 174 plus line 175. Total amount of capital gains included in your 2022 income that is eligible for the capital gains deduction:		=	<b>176</b>

The maximum capital gains deduction you can claim at line 25400 of your 2022 income tax and benefit return is the **lesser** amount of lines 14, 31, and 176. You can, however, choose to claim less than the maximum.

### Note 44

You must also subtract from line 170 above, the amount from line 169 of Part 3q.

### Note 45

If line 6 of your Form T2017 includes a reserve from a disposition of QFFP in any year other than 2022, remove that part from the amount you enter here.

**Chart 1 – Calculating line 26 (net capital losses of other years)****Column A:**

Enter the **total** amount of net capital losses from other years claimed for each year indicated amount from line 253 of each return.

**Column B:**

For 1985, 1986, and 1987, enter 1/2 of the **total** reserves included in capital gains for capital property disposed of before 1985 (1/2 of those reserves reported on your Schedule 3 for 1985, 1986, and 1987).

For 1988 and 1989, enter 2/3 of the **total** reserves included in capital gains for capital property disposed of before 1985 (2/3 of the amounts entered on line 395 of Form T2017 for 1988 and 1989).

For 1990 and 1991, enter 3/4 of the **total** reserves included in capital gains for capital property disposed of before 1985 (3/4 of the amounts entered on line 395 of Form T2017 for 1990 and 1991).

**Column C:**

For 1992, enter the amount from line 127 of your 1992 return or the amount from line (f) in Part A of Form T936 for 1992, **whichever is less.**

For 1993, enter the amount from line 127 of your 1993 return or the amount from line (d) in Chart A of Form T936 for 1993, **whichever is less.**

For 1994, enter the amount from line (p) in Chart B of Form T936 for 1994.

For 1995, enter the amount from line (m) in Chart B of Form T936 for 1995.

For 1996 to 1999, enter the **total** amount from line 17 in Chart A of Form T936 for 1996 to 1999.

For 2000, enter the amount from line 24 in Chart A of Form T936 for 2000.

For 2001, enter the **total** amount from line 17 in Chart A of Form T936 for 2001.

For 2002 to 2017, enter the amount from line 10 in Chart A of Form T936 for 2002 to 2017.

For 2018 to 2021, enter the amount from line 9 in Chart A of Form T936 for 2018 to 2021.

**Column D:**

For 1992, enter the amount from line (k) in Part B of Form T936 for 1992.

For 1993, enter the amount from line (k) in Chart B of Form T936 for 1993.

Year(s)	A	B	C	D	E (C – D) If negative, enter "0"	F (B + E)	G (A – F) If negative, enter "0"
1985 to 1987			N/A	N/A	N/A		
1988 and 1989			N/A	N/A	N/A		
1990 and 1991			N/A	N/A	N/A		
1992		N/A					
1993		N/A					
1994		N/A		N/A			
1995		N/A		N/A			
1996 to 1999		N/A		N/A			
2000		N/A		N/A			
2001 to 2021		N/A		N/A			

**Add** the amounts in column G and enter the result on line 26 in Part 2 of this form. Due to space restrictions, some years have been combined on a single row on this chart. However, to ensure a correct result, complete the calculations **separately** for each year that applies to you.



**Chart 2 – Calculating lines 33, 40, 49, 58, 66, 75, 83, 92, 100, 109, 117, 126, 134, 141, 149, 156, 164 and 171 (capital gains deductions from previous years)**

Total capital gains deductions claimed after 1984 and before 1988  
(line 254 of your 1985 to 1987 returns)

Capital gains deductions claimed in 1988 and 1989, excluding eligible capital property  
(line 254 of your 1988 and 1989 returns, minus any amounts reported on lines 543 and 544 on Schedule 3 for 1988 and 1989; if negative, enter "0")

Adjustment of 1988 and 1989 capital gains deductions excluding eligible capital property  
(enter 1/4 of amount on line b)

Capital gains deductions claimed in 1988 and 1989 for eligible capital property  
(total of lines 254 of your 1988 and 1989 returns, minus the amount on line b above, not to exceed the total of lines 543 and 544 on Schedule 3 for 1988 and 1989)

Adjustment of 1988 and 1989 capital gains deductions for eligible capital property  
(enter 1/3 of amount on line d)

Total capital gains deductions claimed in 1990 to 1999 (line 254 of your returns for these years)

Adjustment of 1990 to 1999 capital gains deductions (enter 1/3 of amount on line f)

Total capital gains deduction claimed in 2000 (line 254 of your 2000 return)

Adjustment of 2000 capital gains deduction. **Amount from line h  $\times$   $[1 - (1 \div (2 \times \text{IR}))]$**  (see note)

Total capital gains deduction claimed in 2001 to 2020 (line 254 of your 2001 to 2018 tax returns and line 25400 of your 2019 and later tax returns)

Total of lines a to j

		<b>a</b>
+		<b>b</b>
–		<b>c</b>
+		<b>d</b>
–		<b>e</b>
+		<b>f</b>
–		<b>g</b>
+		<b>h</b>
–		<b>i</b>
+		<b>j</b>
=		<b>k</b>

**Note**

IR represents your inclusion rate for 2000. This rate is on line 16 in Part 4 of Schedule 3 for 2000, or from your notice of assessment or latest notice of reassessment for 2000.

See the privacy notice on your return.