

## CUMULATIVE ELIGIBLE CAPITAL DEDUCTION

Name of corporation	Account / Business Number	Taxation year-end Day   Month   Year
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- For use by a corporation that has eligible capital property. For more information, see the *T2 Corporation Income Tax Guide*.
- A separate cumulative eligible capital account must be kept for each business.

### BOX 1 – CALCULATION OF CURRENT YEAR DEDUCTION AND CARRY-FORWARD

Cumulative eligible capital – balance at beginning of taxation year (if negative, enter nil) .....	_____	A
Add: Cost of eligible capital property acquired during the taxation year * .....	_____ X 3/4 = _____	B
Subtotal (amount A <b>plus</b> amount B)	_____	C
Deduct: Proceeds of sale (less outlays and expenses) from the disposition of an eligible capital property during the taxation year .....	_____ D	
The gross amount of a reduction in respect of a forgiven debt obligation as provided for in subsection 80(7) .....	_____ E	
Subtotal (amount D <b>plus</b> amount E)	_____ X 3/4 = _____	F
Cumulative eligible capital balance (amount C <b>minus</b> amount F) .....	_____	G
(If amount G is negative, enter nil at line I and proceed to BOX 2)		
Current year deduction .....	Amount G _____ X 7% = _____	H
(Deduct amount H on Schedule T2S(1))		
Cumulative eligible capital balance at the end of the taxation year .....	_____	I
(Amount G <b>minus</b> amount H) (if negative, enter nil)		

\* The cost of eligible capital property acquired is to be reduced by the amount of any government assistance the taxpayer received or is entitled to receive in respect of the expenditure and to be increased by the amount of the repayment of such assistance.

### BOX 2 – AMOUNT TO BE INCLUDED IN INCOME ARISING FROM DISPOSITION

(Complete this box only if the amount at line G is negative)

Amount from line G above (show as a positive amount) .....	_____	J
Deduct: Total cumulative eligible capital deductions claimed for taxation years commencing before July 1, 1988 .....	_____ 1	
Less: Negative balances in the cumulative eligible capital account that were included in income for taxation years commencing before July 1, 1988 .....	_____ 2	
Line 1 <b>minus</b> line 2 .....	_____ X 1/2 = _____	K
(If negative, enter nil)		
Amount to be included in net income on Schedule T2S(1) .....	_____	
(Amount J <b>minus</b> amount K)		