



ADDITIONAL INFORMATION ON NON-RESIDENT CORPORATIONS IN CANADA
(2005 and later tax years)

Name of corporation	Business Number	Year	Tax year-end Month	Day
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- Non-resident corporations must complete and file this schedule with their *T2 Corporation Income Tax Return*.
- A non-resident corporation includes an emigrant corporation and a deemed non-resident corporation according to subsection 250(5) of the *Income Tax Act*.
- Parts, sections, subsections, and paragraphs referred to on this schedule are from the *Income Tax Act*.

Part 1 – Incorporation information

Indicate the name of the country in which the corporation was incorporated [or deemed to have been incorporated according to subsection 250(5.1)]: **200** _____

If the corporation was incorporated in Canada, was a certificate of discontinuance issued? **210** 1 Yes 2 No

Part 2 – Canadian income of a non-resident corporation

300 Tick **only one** of the following that most closely applies to the non-resident corporation:

01 **Treaty-based exempt corporation:** A corporation that carried on a treaty-protected business in Canada, had a taxable capital gain subject to tax in Canada, or disposed of a taxable Canadian property that was a treaty-protected property. Complete and attach Schedule 91, *Information Concerning Claims for Treaty-Based Exemptions*. If you are claiming a refund of the withholding tax for services rendered in Canada, provide the original T4A-NR slip along with a copy of your contract.

Note: Box 01 also includes a non-resident corporation [or deemed non-resident according to subsection 250(6)] with income earned in Canada from the operation of a ship or aircraft in international traffic which is exempt from tax under paragraph 81(1)(c).

02 **Disposition of taxable Canadian property:** A corporation reporting a disposition of taxable Canadian property. Attach Form T2064, *Certificate – Proposed Disposition of Property by a Non-resident of Canada*, or Form T2068, *Certificate with Respect to the Disposition of Property by a Non-resident of Canada*. See section 116 and Information Circular IC72-17, *Procedures concerning the disposition of taxable Canadian property by non-residents of Canada – Section 116*.

Note: If the corporation disposed of a taxable Canadian property (other than real property) that was a treaty-protected property or had a taxable capital gain in respect of a property that was a treaty-protected property, tick box 01 rather than box 02. If the corporation carried on business in Canada through a permanent establishment and disposed of a taxable Canadian property, tick box 07 rather than box 02.

03 **Section 216:** A corporation that is electing to file a Canadian income tax return under section 216. If a corporation files its T2 return under subsection 216(1), it will be subject to Part I tax on the net rental income and must file its income tax return within two years from the end of the tax year unless an election under subsection 216(4) has been filed. Where an election under subsection 216(4) has been filed, the income tax return is required to be filed within six months from the end of the tax year. See Interpretation Bulletin IT-393, *Election Re: Tax on Rents and Timber Royalties Non-Residents*.

Note: If both rental income and disposition of a taxable Canadian property are required to be reported during the tax year, file a **separate** tax return under section 116 for capital gains. Tick box 02 for the separate return.

04 **Travelling corporation:** A corporation that operated in Canada for a limited period of time in a tax year and through which services were provided by an entertainer such as an actor (other than film and video services income, see box 12), a musician or an athlete to a third party. For more information, see the article on artists and athletes in the appropriate tax convention. If the corporation carried on business in Canada through a permanent establishment, complete and attach Schedule 20, *Part XIV – Additional Tax on Non-Resident Corporations*.

Note: If the travelling corporation is claiming a treaty-based exemption for business carried on in Canada, tick box 01 rather than box 04.

06 **Emigrant corporation:** A corporation that ceased to be resident in Canada and is subject to Part I and Part XIV taxes. See section 219.1, subsection 250(5), and Interpretation Bulletin IT-451, *Deemed Disposition and Acquisition on Ceasing to be or Becoming Resident in Canada*.

Part 2 – Canadian income of a non-resident corporation (cont'd)

- 07 **Canadian branch:** A corporation that earned income from a business carried on in Canada through a branch office. Complete and attach Schedule 20, *Part XIV – Additional Tax on Non-Resident Corporations*. See sections 115 and 219 and Interpretation Bulletin IT-137, *Additional Tax on Certain Corporations Carrying on Business in Canada*.
Note: If the corporation is a non-resident insurance company, please refer to box 10 or box 11.
- 08 **Limited liability company (LLC):** A corporation registered under the laws of a state of the United States that is generally recognized as a partnership that is not subject to U.S. taxes, unless it has checked the box on the U.S. tax return to be treated as a corporation for U.S. tax purposes. If the LLC has checked the box on the U.S. tax return, it must provide documentation from the IRS substantiating that it has elected to be taxed as a corporation. If the LLC has not checked the box on the U.S. tax return, it is not considered to be resident of the U.S. for the purposes of Article IV of the Canada-U.S. Income Tax Convention. It is subject to Part I and Part XIV taxes and it does not qualify for the reduced tax rates on Canadian source income. Complete and attach Schedule 20, *Part XIV – Additional Tax on Non-Resident Corporations*.
- 09 **Authorized foreign bank:** A foreign bank that carried on business in Canada through branch offices and is subject to Part XIII.1 tax as per section 218.2. Provide and identify calculations as Schedule 92, *Part XIII.1 Tax – Additional Tax on Authorized Foreign Banks*.
- 10 **Life insurance company:** A corporation that carried on a life insurance business in Canada at any time in the year. See sections 115, 138, and 219 and Interpretation Bulletin IT-137, *Additional Tax on Certain Corporations Carrying on Business in Canada*.
- 11 **Other insurance company:** A corporation that carried on an insurance business **other than life insurance** in Canada at any time in the year. See sections 115, 138, and 219 and Interpretation Bulletin IT-137, *Additional Tax on Certain Corporations Carrying on Business in Canada*.
Note: If the insurance company carried on a **life insurance business** as well as another type of insurance business in Canada, tick box 10.
- 12 **Actor corporation (section 216.1):** A corporation electing to file a Canadian tax return under section 216.1 will be subject to the applicable taxes on the net Canadian-source acting income from film and video services rendered in Canada.