



## Statement of Business or Professional Activities

- This form is used to help calculate self-employed business and professional income.
- For each business or profession, fill out a **separate** Form T2125.
- Fill out this form and send it with your income tax and benefit return.
- For more information on how to fill out this form, see Guide T4002, *Business and Professional Income*.

Identification									
Name					Social insurance number (SIN)				
Business name					Business number (15 characters)				
Business address					City and province or territory			Postal code	
Fiscal period		Year	Month	Day	Year	Month	Day	Was 2016 your last year of business? Yes <input type="checkbox"/> No <input type="checkbox"/>	
From:					To:				
Main product or service					Industry code (see the appendix in Guide T4002)				
Tax shelter identification number			Partnership business number (9 digits)					Your percentage of the partnership	
Name and address of person or firm preparing this form									

Internet business activities
How many Internet web pages does your business earn income from? _____
List below the site addresses (URL addresses) of your main web pages.
http:// _____
http:// _____
http:// _____
http:// _____
http:// _____
What percentage of your gross income is generated from the above web pages? _____

**Part 1 – Business income**

Fill in Part 1 **only** if you have business income. If you have professional income, leave this part blank and fill in Part 2.  
If you have both business and professional income, you have to fill out a separate Form T2125 for each.

**Part 2 – Professional income**

Fill in Part 2 **only** if you have professional income. If you have business income, leave this part blank and fill in Part 1.  
If you have both business and professional income, you have to fill out a separate Form T2125 for each.

**Part 1 – Business income**

Gross sales, commissions, or fees (include GST/HST collected or collectible) . . . . .	_____	<b>1</b>
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included on line 1) . . . . .	_____	<b>2</b>
<b>Subtotal</b> (line 1 minus line 2)	=====	<b>3</b>
<b>If you are using the quick method for GST/HST</b> – Government assistance calculated as follows:		
GST/HST collected or collectible on sales, commissions and fees eligible for the quick method . . . . .	_____	<b>4</b>
GST/HST remitted, calculated on (sales, commissions, and fees eligible for the quick method <b>plus</b> GST/HST collected or collectible) <b>multiplied</b> by the applicable quick method remittance rate . . . . .	_____	<b>5</b>
<b>Subtotal</b> (line 4 minus line 5)	=====	<b>6</b>
<b>Adjusted gross sales</b> (line 3 <b>plus</b> line 6) – Enter this amount in Part 3 at line 16 . . . . .	=====	<b>7</b>

**Part 2 – Professional income**

Gross professional fees including work-in-progress (WIP) (include GST/HST collected or collectible). . . . .	_____	<b>8</b>
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included on line 8) and any WIP at the end of the year you elected to exclude . . . . .	_____	<b>9</b>
<b>Subtotal</b> (line 8 minus line 9)	=====	<b>10</b>
<b>If you are using the quick method for GST/HST</b> – Government assistance calculated as follows:		
GST/HST collected or collectible on professional fees eligible for the quick method . . . . .	_____	<b>11</b>
GST/HST remitted, calculated on (professional fees eligible for the quick method <b>plus</b> GST/HST collected or collectible) <b>multiplied</b> by the applicable quick method remittance rate . . . . .	_____	<b>12</b>
<b>Subtotal</b> (line 11 minus line 12)	=====	<b>13</b>
Work-in-progress (WIP), start of the year, per election to exclude WIP (see Guide T4002, Chapter 2) . . . . .	_____	<b>14</b>
<b>Adjusted professional fees</b> (line 10 <b>plus</b> line 13 <b>plus</b> line 14) – Enter this amount in Part 3 at line 16 . . . . .	=====	<b>15</b>

**Part 3 – Gross business or professional income**

Adjusted gross sales (Part 1 line 7) or adjusted professional fees (Part 2 line 15) . . . . .	<b>8000</b>	_____	<b>16</b>
Reserves deducted last year. . . . .	<b>8290</b>	_____	<b>17</b>
Other income. . . . .	<b>8230</b>	_____	<b>18</b>
<b>Subtotal</b> (line 17 <b>plus</b> line 18)	=====	▶	<b>19</b>
<b>Gross business or professional income</b> (line 16 <b>plus</b> line 19) . . . . .	<b>8299</b>	=====	<b>20</b>

Report the gross business or professional income from line 20 on the applicable line of your income tax and benefit return as indicated below:

- business income at line 162;
- professional income at line 164; or
- commission income at line 166.

If you have business income, fill out Part 4. Enter only the business part of the costs.

**Part 5 – Net income (loss) before adjustments**

### Part 6 – Your net income (loss)

Page 3 of 6

**Part 7 – Other amounts deductible from your share of the 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.

List details of expenses:

Expense amounts

_____	_____ <b>A</b>
_____	_____ <b>B</b>
_____	_____ <b>C</b>
_____	_____ <b>D</b>
_____	_____ <b>E</b>
<b>Total other amounts deductible from your share of the net partnership income (loss)</b> (add lines A to E)	
Enter this amount in Part 6 at line 59 _____ <b>F</b>	

**Part 8 – Calculation of business-use-of-home expenses**

Heat .....	_____ <b>63</b>
Electricity .....	_____ <b>64</b>
Insurance .....	_____ <b>65</b>
Maintenance .....	_____ <b>66</b>
Mortgage interest .....	_____ <b>67</b>
Property taxes .....	_____ <b>68</b>
Other expenses (specify): _____	_____ <b>69</b>
<b>Subtotal</b> (add lines 63 to 69)	_____ <b>70</b>
Your personal use portion of the business-use-of-home expenses .....	_____ <b>71</b>
<b>Subtotal</b> (line 70 <b>minus</b> line 71)	_____ <b>72</b>
Capital cost allowance (business part only), which means the amount from Part 11 line G <b>minus</b> any portion of CCA that is for personal use or entered in Part 5 at line 52) .....	_____ <b>73</b>
Amount carried forward from previous year .....	_____ <b>74</b>
<b>Subtotal</b> (line 72 <b>plus</b> line 73 <b>plus</b> line 74 )	_____ <b>75</b>
Net income (loss) after adjustments (amount from Part 6 line 60 – if negative, enter "0") .....	_____ <b>76</b>
<b>Business-use-of-home expenses available to carry forward</b> (line 75 <b>minus</b> line 76 – if negative, enter "0") .....	_____ <b>77</b>
<b>Allowable claim</b> (enter the lesser amount of line 75 and 76 – Enter this amount in Part 6 at line 61). ....	_____ <b>78</b>

**Part 9 – Details of other partners**

Name and address	Share of net income or (loss) \$	Percentage of partnership
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

**Part 10 – Details of equity**

Total business liabilities .....	<b>9931</b> _____
Drawings in 2016 .....	<b>9932</b> _____
Capital contributions in 2016 .....	<b>9933</b> _____

For more information see Guide T4002, Chapter 3.

**Part 11 – Calculation of capital cost allowance (CCA) claim**

1 Class number	2 Undepreciated capital cost (UCC) at the start of the year	3 Cost of additions in the year (see Part 12 and Part 13)	4 Proceeds of dispositions in the year (see Part 14 and Part 15)	5* UCC after additions and dispositions (col. 2 <b>plus</b> col. 3 <b>minus</b> col. 4)	6 Adjustment for current-year additions (col. 3 <b>minus</b> col. 4) <b>divided</b> by 2. If negative, enter "0."	7 Base amount for CCA (col. 5 <b>minus</b> col. 6)	8 CCA Rate %	9 CCA for the year (col. 7 x col. 8 or an adjusted amount)	10 UCC at the end of the year (col. 5 <b>minus</b> col. 9)

**Total CCA claim for the year. Total of column 9. (Enter in Part 5 at line 52, the amount from line G **minus** any personal part and any CCA for business-use-of-home expenses \*\*)**

**G**

\* If you have a negative amount in column 5, add it to income as a recapture in Part 3 at line 8230, "Other income." If no property is left in the class and there is a positive amount in the column, deduct the amount from income as a terminal loss on line 9270, "Other expenses," in Part 5. Recapture and terminal loss do not apply to a class 10.1 property.

\*\* For information on CCA for "Calculation of business-use-of-home expenses," see "Special situations" in Guide T4002, Chapter 4. To help you calculate the capital cost allowance claim see the calculation charts in Parts 12 to Part 17.

**Part 12 – Equipment additions in the year**

1 Class number	2 Property details	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 <b>minus</b> column 4)

**Total equipment additions in the year. (Total of column 5)** **9925**

**Part 13 – Building additions in the year**

1 Class number	2 Property details	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 <b>minus</b> column 4)

**Total of building additions in the year. (Total of column 5)** **9927**

**Part 14 – Equipment dispositions in the year**

1 Class number	2 Property details	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 <b>minus</b> column 4)

**Total equipment dispositions in the year. (Total of column 5)** **9926**

**Part 15 – Building dispositions in the year**

1 Class number	2 Property details	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 <b>minus</b> column 4)

**Total building dispositions in the year. (Total of column 5)** **9928**

**Part 16 – Land additions and dispositions in the year**

Total cost of all land additions in the year . . . . .	<b>9923</b>
Total proceeds from all land dispositions in the year . . . . .	<b>9924</b>
<b>Note:</b> You cannot claim capital cost allowance on land.	

**Part 17 – Motor vehicle expenses**

Kilometres you drove in the fiscal period that was part of earning business income . . . . .	_____	<b>1</b>
Total kilometres you drove in the fiscal period . . . . .	_____	<b>2</b>
Fuel and oil . . . . .	_____	<b>3</b>
Interest (see Part 18). . . . .	_____	<b>4</b>
Insurance. . . . .	_____	<b>5</b>
Licence and registration . . . . .	_____	<b>6</b>
Maintenance and repairs . . . . .	_____	<b>7</b>
Leasing (see Part 19) . . . . .	_____	<b>8</b>
Other expenses (specify): _____	_____	<b>9</b>
	_____	<b>10</b>
<b>Total motor vehicle expenses</b> (Add lines 3 to 10)	_____	<b>11</b>
Business use part: $\left( \frac{\text{Kilometres you drove in the fiscal period that was part of earning business income (amount from line 1)}}{\text{Total kilometres you drove in the fiscal period (amount from line 2)}} \right) \times \text{Total motor vehicle expenses amount from line 11} . . . . . =$		
	_____	<b>12</b>
Business parking fees . . . . .	_____	<b>13</b>
Supplementary business insurance . . . . .	_____	<b>14</b>
<b>Total allowable motor vehicle expenses</b> (add lines 12, 13, and 14) – Enter this result in Part 5 at line 50 . . . . .	_____	<b>15</b>

**Note:** You can claim CCA on motor vehicles in Part 11.

**Part 18 – Available interest expense for passenger vehicles**

Total interest payable (accrual method) or paid (cash method) in the fiscal period . . . . .	_____	<b>16</b>
$\$10^* \times \text{the number of days in the fiscal period for which interest was payable (accrual method) or paid (cash method)} . . . . . =$	_____	<b>17</b>
<b>Available interest expense</b> (the amount at line 16 or 17, whichever is less) – Enter this amount in Part 17 at line 4. . . . .	_____	<b>18</b>

\* For passenger vehicles bought after 2000.

**Part 19 – Eligible leasing costs for passenger vehicles**

Total lease charges incurred in your 2016 fiscal period for the vehicle . . . . .	_____	<b>1</b>
Total lease payments deducted before your 2016 fiscal period for the vehicle . . . . .	_____	<b>2</b>
Total number of days the vehicle was leased in your 2016 and previous fiscal periods . . . . .	_____	<b>3</b>
Manufacturer's list price . . . . .	_____	<b>4</b>
Use a GST rate of 5% or the HST rate applicable to your province.		
Amount from line 4 or (\$35,294 <b>plus</b> GST and PST, or HST on \$35,294) whichever is more ► _____ × 85% =	_____	<b>5</b>
$\frac{(\$800 + \text{GST and PST, or HST on } \$800) \times \text{amount from line 3}}{30} - \text{amount from line 2} . . . . . =$	_____	<b>6</b>
$\frac{(\$30,000 + \text{GST and PST, or HST on } \$30,000) \times \text{amount from line 1}}{\text{Amount from line 5}} . . . . . =$	_____	<b>7</b>
<b>Eligible leasing cost</b> (the amount from line 6 or line 7, whichever is less) – Enter this amount in Part 17 at line 8. . . . .	_____	<b>8</b>

See the privacy notice on your return.

## Reconciliation of 2016 Business Income for Tax Purposes

- Use this form only if your first fiscal period ending in 2016 does not end on December 31, 2016.
- For more information and **instructions** on filling out this form, see Guide RC4015, *Reconciliation of Business Income for Tax Purposes 2016*.
- Fill out this form and send it with your 2016 income tax and benefit return to calculate your additional business income in Part 2.
- This form can collect the records for more than one business, if you have more than two businesses to report in any part of the form, use a separate sheet for the additional information. Only send one Form T1139 with your 2016 income tax and benefit return.

## Identification

Social insurance number (SIN)

\_\_\_\_\_

Business number

A horizontal number line with 15 tick marks, labeled from 1 to 15.

## Part 1 – Changing to a December 31 fiscal period end

Fill out Part 1 if you elected to keep a year-end other than December 31 and you now want to change it to December 31. It applies only to businesses that started before 2016 and that completed Form T1139 last year.

	List of details for business 1	List of details for business 2
Net income (loss) for your first <b>fiscal</b> period that ends between January 1, 2016, and December 30, 2016 . . . . .	_____ <b>A</b>	_____ <b>A</b>
Net income (loss) for the period that starts after the end of your first fiscal period in 2016, and up to December 31, 2016. . . . .	_____ <b>B</b>	_____ <b>B</b>
Subtotal (line A <b>plus</b> line B)	_____ <b>C</b>	_____ <b>C</b>
Last year's additional business income – Enter the amount from line G on last year's Form T1139. . . . .	_____ <b>D</b>	_____ <b>D</b>
<b>Net income (loss) for each business</b> (line C <b>minus</b> line D) – Report this amount on the appropriate line of your income tax and benefit return. . . . .	_____ <b>E</b>	_____ <b>E</b>

Report the amount from line E at self-employment income on your income tax and benefit return:

- For business income, enter it at line 135.
- For professional income, enter it at line 137.
- For commission income, enter it at line 139.
- For farming income, enter it at line 141.
- For fishing income, enter it at line 143.

**Part 2 – Alternative method – Electing to have a fiscal period that does not end on December 31**

Fill out Part 2 if you elect or have already elected to have a fiscal period that does not end on December 31. We refer to this as the alternative method.

For a final tax return in case of death of a partner or a proprietor see Guide RC4015.

	List of details for business 1		List of details for business 2
Net income (loss) for your <b>fiscal</b> periods ending in 2016 .....	_____ F		_____ F
Additional business income based on your fiscal year-end period. Use one of the formulas below.			
Enter the result at line G.	_____ G		_____ G

**Additional business income if your fiscal year-end is in 2016.**

$$\left( \text{Amount F} - \begin{array}{l} \text{Lesser of the total of amount F} \\ \text{considered to be a taxable} \\ \text{capital gain for the purpose of} \\ \text{the capital gains deduction, and} \\ \text{the total capital gains deduction} \\ \text{deducted for 2016} \end{array} \right) \times \frac{\begin{array}{l} \text{Number of days you carry on the} \\ \text{business after the fiscal year-end} \\ \text{up to December 31, 2016} \end{array}}{\begin{array}{l} \text{Number of days you carry on the} \\ \text{business that are in the fiscal period} \\ \text{ending in 2016} \end{array}} =$$

If your business started in 2016 and your fiscal year-end is in 2017, use the formula below.

Enter at line G the lesser of any amount designated as additional business income or the result of the following formula.

$$\left( \begin{array}{l} \text{Net income for} \\ \text{fiscal year} \\ \text{ending in 2017} \end{array} - \begin{array}{l} \text{Lesser of the total of the net} \\ \text{income considered to be a taxable} \\ \text{capital gain for the purpose of the} \\ \text{capital gains deduction, and the} \\ \text{capital gains deduction deducted} \\ \text{for 2017}^* \end{array} \right) \times \frac{\begin{array}{l} \text{Number of days you carry on the} \\ \text{business in 2016 that are in the} \\ \text{fiscal period ending in 2017} \end{array}}{\begin{array}{l} \text{Number of days you carry on the} \\ \text{business that are in the fiscal} \\ \text{period ending in 2017} \end{array}} =$$

Subtotal (line F plus line G) \_\_\_\_\_ H \_\_\_\_\_ H

\* If the net income for the fiscal year ending in 2017 is unknown, use reasonable estimated amounts.

Last year's additional business income – Enter the amount from line G on last year's Form T1139 ..... I I

**Net income (loss) for each business** (line H minus line I) – Report this amount on the appropriate line of your income tax and benefit return. .... J J

Report the amount from line J at self-employment income on the your income tax and benefit return:

- For business income, enter it at line 135.
- For professional income, enter it at line 137.
- For commission income, enter it at line 139.
- For farming income, enter it at line 141.
- For fishing income, enter it at line 143.

**Part 3 – Election**

Indicate your choice by ticking the box that applies to you:

- ☐ I choose to have a fiscal period that does not end on December 31 for all businesses listed in Part 2.
- ☐ I choose to change a fiscal period to end on December 31, and cancel my previously filed election to have a fiscal period that does not end on December 31. Attach a separate sheet that lists the businesses you want to change.

_____ Name	_____ Signature	<div style="display: flex; justify-content: space-around;"> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> <div style="border: 1px solid black; width: 20px; height: 20px;"></div> </div> <div style="display: flex; justify-content: space-around; font-size: small;"> <span>Year</span> <span>Month</span> <span>Day</span> </div>
------------	-----------------	---

See the privacy notice on your return.



### Calculation of capital cost allowance (CCA) claim

[illegible]

**Total CCA claim for the year**

Details of equipment additions in the year

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

Details of building additions in the year

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

Details of equipment dispositions in the year

1 Class number	2 Property details	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				9926

Details of building dispositions in the year

1 Class number	2 Property details	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				9928