



Request for Re-appropriation of T2 Statute-barred Credits

Use this form to request the re-appropriation of T2 statute-barred credits under subsection 221.2(1) of the *Income Tax Act* to an established debt (defined on page 4). Fill out a separate form for each unique business number. For more information and instructions, see page 4.

Part 1 – Identification

Corporation's legal name				Authorized contact's name				
Business Number (if applicable)			Telephone number			Alternate telephone number		
Mailing address							Postal code	
City							Province or territory	

Part 2 – T2 statute-barred credit details

Provide the details of the tax year-end(s) where there are T2 statute-barred credit(s). If you need more space, attach a letter containing the details.

Tax year-end where there is a T2 statute-barred credit	Amount of T2 statute-barred credit
Tax year-end Year Month Day 	
Tax year-end Year Month Day 	
Tax year-end Year Month Day 	
Tax year-end Year Month Day 	

Part 3 – Details of established debt

Do you have established debt (defined on page 4) in respect of this business number? Yes No

If **yes**, complete the area below. The amount applied **cannot** be more than the established debt on your account.

If **no**, see "Established debt" on page 4.

Program account number to which statute-barred credit will be applied	Tax year-end to which the credit is to be applied	Amount of T2 statute-barred credit to be applied (cannot be more than the established debt)
Program Account Number	Year Month Day 	
Program Account Number	Year Month Day 	
Program Account Number	Year Month Day 	
Program Account Number	Year Month Day 	

Part 7 – Certification

I, _____ (Print name)			_____ Position, title, officer's rank		
am an authorized signing officer of the corporation. I certify that I have examined this form, including accompanying information and statements, and that the information given on this form is, to the best of my knowledge, correct and complete.					
Date	Signature of authorized signing officer or representative			Telephone number	

Privacy statement

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source www.cra-arc.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html, personal information bank CRA PPU 047.

General information**Who should use this form?**

Use this form to request the re-appropriation of T2 statute-barred credits under subsection 221.2(1) of the *Income Tax Act* to an established debt (defined below). Complete a separate form for each unique business number. When we review your request to re-appropriate T2 statute-barred credits, we will review your accounts to determine if your business is operational and if you are currently compliant with all your tax obligations.

Supporting documentation

If you have submitted your request through My Business Account, keep your documentation in case we ask to see it. Otherwise, submit all relevant documents to support your request, including correspondence from the Canada Revenue Agency (CRA).

How do I make my request?

You can make your request by using the Enquiries service in the Corporation section of My Business Account. You will have to provide the same details requested on this form in your enquiry. You can also make your request by sending this completed form with all the supporting documentation to one of the addresses listed below.

Definitions

Established debt – for the purposes of this form, established debt means any debt that may be outstanding in respect of any of the following program account numbers (defined below) associated with a particular business number and administered by the CRA:

- goods and services tax/harmonized sales tax (GST/HST)
- payroll
- import/export
- corporation income tax
- excise tax
- insurance premium tax
- air travellers security charge
- registered charity

Established debt does **not** include:

- debt outstanding on another business entity's account (the first nine digits of the business number are different);
- tax debt with a balance due date that is earlier than the filed date of the return that generated the statute-barred credit;
- protected balances (such as advanced deposits);
- amounts owing as a result of a section 152(7) arbitrary assessment of a return.

Program account number – consists of the following:

- the nine-digit business number;
- a two-letter program identifier, used to identify the program type; and
- a four-digit reference number to identify each account a business may have within a program type, for example 123456789RC0001.

What do you do if you do not have an established debt?

If the Minister of National Revenue approves your request to re-appropriate T2 statute-barred credits but you do not have any established debt, you can ask that the credits be applied when a debt is established in the future.

General information (continued)

Example

Marie's Chocolate Factory requested the re-appropriation of \$14,000 of T2 statute-barred credits on January 1, 2014. The request was approved but there was no established debt on any of the company's program accounts.

However, Marie's Chocolate Factory was required to make \$1,000 quarterly instalment payments in 2014. The company decided not to make any of their instalment payments or pay their balance due.

When the company filed their T2 return on June 30, 2015, there was a balance owing of \$5,000 plus interest and penalties. After Marie's Chocolate Factory got their 2014 notice of assessment, the owner made a request to have \$5,000 of the approved T2 statute-barred credits applied to the outstanding balance as follows.

To cover the quarterly instalments:

\$1,000 on March 31, 2014

\$1,000 on June 30, 2014

\$1,000 on September 30, 2014

\$1,000 on December 31, 2014

To cover the balance owing:

\$1,000 on February 28, 2015

When the CRA applied the amounts as requested, interest and penalties were no longer applicable. Marie's Chocolate Factory has a \$9,000 balance of T2 statute-barred credits available to apply to any future established debt.

Note

You are responsible for all of your tax obligations and any interest and penalties incurred if you miscalculate the application of your T2 statute-barred credits.

Appeals and objections

If your request to re-appropriate T2 statute-barred credits has been approved and you would like to apply the T2 statute-barred credits to a debt for which an appeal or objection has been filed, you will have to wait until the appeal or objection has been resolved before we apply the credits to the debt. Once the appeal or objection has been resolved, you can submit your request to apply the T2 statute-barred credits that have been approved for re-appropriation to the debt. We will then apply the amount to the debt using an interest date that is the same day as the date the request to re-appropriate T2 statute-barred credits was received by the CRA. Interest and/or penalties will be adjusted accordingly. However, you are responsible for any interest and penalties owing on the amount of the debt that exceeds the amount of the T2 statute-barred credits approved for re-appropriation. You are also responsible for any interest and penalties accrued before the CRA received the request to re-appropriate the T2 statute-barred credits.

Where do you send this form?

If your corporation is resident in Canada, send this completed form with all supporting documents to:

T2 Re-appropriation, Corporate Accounts

Business Returns Division

Winnipeg Tax Centre

66 Stapon Road

Winnipeg MB R3C 3M2

If your corporation is non-resident in Canada, send this completed form with all supporting documents to:

T2 Re-appropriation, Corporate Accounts

International and Ottawa Tax Services Office

2204 Walkey Road

Ottawa ON K1A 1A8

What if you need help?

For more information, go to www.cra.gc.ca/t2return or call 1-800-959-5525.

To get our forms and publications, go to www.cra.gc.ca/forms or call 1-800-959-5525.