

## Election not to be a Public Corporation

- For use by a corporation resident in Canada to elect not to be a public corporation under paragraph (c) of the definition **public corporation** in subsection 89(1) of the *Income Tax Act*.
- Mail one completed copy of this election to your tax centre on or before the date on which the corporation elects not to be a public corporation. Find your tax centre address at [www.cra.gc.ca/tso](http://www.cra.gc.ca/tso).
- If the directors of the corporation are entitled to administer the affairs of the corporation, attach to this form a certified copy of their resolution authorizing the election.
- If the directors of the corporation are not entitled to administer the affairs of the corporation, attach to this form a certified copy of the authorization of the making of the election by the person or persons legally entitled to administer the affairs of the corporation.
- The terms **block of shares**, **equity share**, and **insider of a corporation** are defined by regulation 4803 of the *Income Tax Regulations*.
- The statutory declaration on page 2 must be made by a director of the corporation.
- Paragraphs and subparagraphs referred to in this form are from the definition of **public corporation** in subsection 89(1) of the *Income Tax Act*.
- For more information, see Interpretation Bulletin IT-391, *Status of Corporations*.

**Do not use this area**

Corporation's name	Business number
Address	

### Information required

1. Date on which the corporation elects not to be a public corporation. . . . . 

Year	Month	Day
2. Attach a schedule that describes the shares. Include class, date of first issue, voting rights, preference to dividends, and other distinguishing features for each class of shares that:
  - a) was, at any time after the corporation last became a public corporation, listed on a designated stock exchange in Canada in subsection 262; or
  - b) provided the basis for an election under subparagraph b) i) or the basis for the designation of the corporation under subparagraph b) ii) and by virtue of which the corporation last became a public corporation.
3. At the time of this election, for each class of shares referred to in 2 above:
  - a) insiders of the corporation must hold more than 90% of the issued and outstanding shares; and
  - b) the corporation must have:
    - i) in the case of equity shares, less than 50 shareholders other than insiders;
    - ii) in any other case, less than 100 shareholders other than insiders; and
  - c) each shareholder (or group of shareholders) other than insiders must hold at least one block of shares having a fair market value of at least \$500.

Attach a list of shareholders who are insiders and their shareholdings. Also attach a list of any shareholders who are not insiders and indicate the blocks of shares they hold and the fair market value of the shares.

**Note**  
The corporation, at the time of the election, must not have any other class of shares that could form the basis of an election to be a public corporation under paragraph (b) of the definition in subsection 89(1) of the *Income Tax Act*.

### Election and certification

The corporation named above elects not to be a public corporation under paragraph (c) of the definition of public corporation in subsection 89(1) of the *Income Tax Act*.

I certify that the information given in this election, and in all documents attached, is correct and complete.

Name of authorized officer of the corporation	Position or office
Signature of authorized officer	Date yyyy/mm/dd

**Statutory declaration**

I, \_\_\_\_\_, solemnly declare that:  
Name of director

• I am a director of \_\_\_\_\_ ;  
Corporation's name

• to the best of my knowledge \_\_\_\_\_  
Corporation's name

complies with all the conditions prescribed by regulation 4800(2) of the *Income Tax Regulations* at the time of this election and

• I have made reasonable enquiry for the purpose of informing myself in this regard.

I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

Declared before me \_\_\_\_\_  
Name of commissioner of oaths

at \_\_\_\_\_  
Office, City

this \_\_\_\_\_ of \_\_\_\_\_ , \_\_\_\_\_ .  
Day Month Year

\_\_\_\_\_  
Signature of director making the declaration

\_\_\_\_\_  
Signature of person taking declaration