



PRINCIPAL RESIDENCE WORKSHEET

Complete this worksheet together with Form T2091(IND), Designation of a Property as a Principal Residence by an Individual (Other than a Personal Trust), or Form T1255, Designation of a Property as a Principal Residence by the Legal Representative of a Deceased Individual, to calculate the reduction as a result of the capital gains election.

Note

If you were not a resident of Canada for the entire time you owned the designated property, call 1-800-959-8281. The period of non-residence may reduce or eliminate the availability of the principal residence exemption.

Information you need to calculate the reduction

The acquisition date is the date on which you last acquired or reacquired the property, or December 31, 1971, whichever is later. For the purpose of the calculation below, you are not considered to have disposed of and immediately reacquired the property as a result of the capital gains election.

Number of tax years ending after the acquisition date and before 1995 for which the property is designated as a principal residence:

Table with 2 columns: Description and Amount. Rows include 'Before 1982', 'After 1981 and before 1995', and 'Total number of years designated before 1995'.

Number of tax years ending after the acquisition date and before 1995 in which you owned the property (jointly with another person or otherwise):

Table with 2 columns: Description and Amount. Rows include 'Before 1982', 'After 1981 and before 1995', and 'Total number of years owned before 1995'.

Table with 2 columns: Description and Amount. Rows include 'Designated proceeds of disposition', 'Adjusted cost base at the end of February 22, 1994', 'Adjusted cost base on December 31, 1981', 'Fair market value at the end of February 22, 1994', 'Fair market value on December 31, 1981', 'Adjustments made to the cost base after 1981 and before February 23, 1994', and 'Elected capital gain'.

Chart 1

Complete this chart only if the amount on line 7 is more than the amount on line 10. Otherwise, enter the amount from line 10 on line 19.

Chart 1 calculation table with 2 columns: Description and Amount. Rows include 'Fair market value at the end of February 22, 1994 (line 10)', 'Designated proceeds of disposition (line 7)', 'Multiply line 14 by 1.1', 'Line 15 minus line 16 (if negative, enter "0")', and 'Line 14 minus line 17'.

Part 1

Part 1 calculation table with 2 columns: Description and Amount. Rows include 'Enter the amount from line 18 if you completed Chart 1. Otherwise, enter the amount from line 10.', 'Adjusted cost base at the end of February 22, 1994 (line 8)', 'Adjusted gain before principal residence exemption (line 19 minus line 20)', 'Amount from line 21', 'Line 3 plus 1 (one year is granted by law)', 'Multiply line 22 by line 23', 'Line 6', 'Divide line 24 by line 25', and 'Net adjusted gain from Part 1 (line 21 minus line 26)'.

Part 2

Complete this part **only** if you completed Part 2 of Form T2091(IND) or Form T1255. In all other cases, enter the amount from line 27 in Part 1 on line 59 in Part 3 below.

a) Adjusted pre-1982 gain – If you designated the property as a principal residence for all the years you owned it before 1982, do not complete lines 28 to 35 and enter "0" on line 36.

Fair market value on December 31, 1981 (line 11)	_____	28
Adjusted cost base on December 31, 1981 (line 9)	_____	29
Adjusted pre-1982 gain before principal residence exemption (line 28 minus line 29)	_____	30
Amount from line 30	_____	31
Line 1 plus 1 (one year is granted by law)	x _____	32
Multiply line 31 by line 32	_____	33
Line 4	_____	34
Divide line 33 by line 34	_____	35
Adjusted pre-1982 gain (line 30 minus line 35; if negative, enter "0")	_____	36

b) Adjusted post-1981 gain – If you designated the property as a principal residence for all the years you owned it after 1981, enter "0" on line 47 and complete areas d) and e) below.

Amount from line 19	_____	37
Fair market value on December 31, 1981 (line 11). If the fair market value of the property on December 31, 1981, is more than the amount on line 37, enter "0" on line 47 and complete areas c), d), and e) below.	_____	38
Adjustments made after 1981 and before February 23, 1994 (line 12)	+ _____	39
Line 38 plus line 39	_____	40
Adjusted post-1981 gain before principal residence exemption (line 37 minus line 40)	_____	41
Amount from line 41	_____	42
Line 2	x _____	43
Multiply line 42 by line 43	_____	44
Line 5	_____	45
Divide line 44 by line 45	_____	46
Adjusted post-1981 gain (line 41 minus line 46; if negative, enter "0")	_____	47

c) Adjusted post-1981 loss

Fair market value on December 31, 1981 (line 11)	_____	48
Amount from line 19	_____	49
Adjusted post-1981 loss (line 48 minus line 49; if negative, enter "0")	_____	50

d) Net adjusted gain from Part 2

Adjusted pre-1982 gain, if any (line 36)	_____	51
Adjusted post-1981 gain, if any (line 47)	+ _____	52
Line 51 plus line 52	_____	53
Adjusted post-1981 loss, if any (line 50)	- _____	54
Net adjusted gain from Part 2 (line 53 minus line 54; if negative, enter "0")	_____	55

e) Total adjusted gain before reduction for non-qualifying real property

Net adjusted gain from Part 1 (line 27)	_____	56
Net adjusted gain from Part 2 (line 55)	_____	57
Total adjusted gain before reduction for non-qualifying real property (line 56 or line 57, whichever is less)	_____	58

Part 3

Total adjusted gain before reduction for non-qualifying real property. If you completed Part 2 above, enter the amount from line 58. Otherwise, enter the amount from line 27.

Number of months you owned the property after February 1992 and before March 1994 (do not include any months you or your spouse or common-law partner designated the property as a principal residence)	_____	60
Multiply line 59 by line 60	_____	61
Number of months you owned the property after 1971 and before March 1994 (do not include any months you or your spouse or common-law partner designated the property as a principal residence)	_____	62
Divide line 61 by line 62	_____	63
Total adjusted gain (line 59 minus line 63)	_____	64
Elected capital gain (line 13)	_____	65
Reduction as a result of the capital gains election (line 64 or line 65, whichever is less)	_____	66

Enter the amount from line 66 above on line 55 of Form T2091(IND) or Form T1255.