



**CONTINUITY OF RESERVES
(2011 and later tax years)**

Name of corporation	Business number	<table style="width:100%; border-collapse: collapse;"> <tr> <td style="border: none;">Tax year end</td> <td style="border: none;">Year</td> <td style="border: none;">Month</td> <td style="border: none;">Day</td> </tr> <tr> <td style="border: none;"> </td> <td style="border: none;"> </td> <td style="border: none;"> </td> <td style="border: none;"> </td> </tr> </table>	Tax year end	Year	Month	Day				
Tax year end	Year	Month	Day							

- For use by corporations to provide a continuity of all reserves claimed which are allowed for tax purposes.
- File one completed copy of this schedule with the corporation's *T2 Corporation Income Tax Return*.
- For more information, see the *T2 Corporation Income Tax Guide*.

Part 1 – Capital gains reserves

	Description of property	Balance at the beginning of the year \$	Transfer on an amalgamation or the wind-up of a subsidiary \$	Balance at the end of the year \$
	001	002	003	004
1.				
2.				
3.				
4.				
5.				
6.				
	Totals	008	009	010

The amount from line 008 **plus** the amount from line 009 should be entered on line 880 of Schedule 6, *Summary of Dispositions of Capital Property*. The amount from line 010 should be entered on line 885 of Schedule 6.

Part 2 – Other reserves

Description	Balance at the beginning of the year \$	Transfer on an amalgamation or the wind-up of a subsidiary \$	Balance at the end of the year \$
Reserve for doubtful debts	110	115	120
Reserve for undelivered goods and services not rendered	130	135	140
Reserve for prepaid rent	150	155	160
Reserve for returnable containers	190	195	200
Reserve for unpaid amounts	210	215	220
Other tax reserves	230	235	240
	Totals	270	280

The amount from line 270 **plus** the amount from line 275 should be entered on line 125 of Schedule 1, *Net Income (Loss) for Income Tax Purposes*, as an addition. The amount from line 280 should be entered on line 413 of Schedule 1 as a deduction.