

# Information Return of the Beneficiary of a Designated Trust

Year concerned

01

See the instructions on page 3 before completing this form.

## 1 Information concerning the beneficiary and the designated trust

### 1.1 Beneficiary

Name (if an individual, last name and first name) Québec enterprise number (NEQ), if applicable

2a  2b

Address

Apartment number Street number Street name or P.O. box

3a  3b  3c

City, town or municipality Province Postal code

3d  3e  3f

Check the appropriate box and enter the requested number.

4a  Individual Social insurance number  4c  Corporation Identification number

4b  Trust Identification number  4d  Partnership Identification number  **S P**

### 1.2 Designated trust

Name Taxation year Identification number

5a  5b  5c

Address

Apartment number Street number Street name or P.O. box

6a  6b  6c

City, town or municipality Province Postal code

6d  6e  6f

Name of trustee<sup>1</sup> (if an individual, last name and first name)

7

Current address

Apartment number Street number Street name or P.O. box

8a  8b  8c

City, town or municipality Province Postal code

8d  8e  8f

Date on which the taxpayer became a beneficiary of the trust 9

## 2 Information to be provided in the case of a designated beneficiary

10 Did any of the trustees' addresses change during the year entered on line 5b or during one of the four preceding years?  Yes  No

If you checked **Yes**, enter the trustee's name and former address.<sup>2</sup>

Name of trustee (if an individual, last name and first name)

11a

Address

Apartment number Street number Street name or P.O. box

11b  11c  11d

City, town or municipality Province Postal code

11e  11f  11g

1. If there is more than one trustee, attach a sheet that contains the information requested on lines 7 through 8f.  
2. If this answer applies to more than one trustee, attach a sheet that contains the information requested on lines 11a through 11g.

12 Did any of the trust's trustees cease to act as trustees during the year entered on line 5b or during one of the four preceding years?  Yes  No  
 If you checked **Yes**, enter the name of the trustee and the trustee's address at the time such duties ceased.<sup>3</sup>

Name of trustee (if an individual, last name and first name) \_\_\_\_\_

13a \_\_\_\_\_

Address \_\_\_\_\_

Apartment number \_\_\_\_\_ Street number \_\_\_\_\_ Street name or P.O. box \_\_\_\_\_

13b \_\_\_\_\_ 13c \_\_\_\_\_ 13d \_\_\_\_\_

City, town or municipality \_\_\_\_\_ Province \_\_\_\_\_ Postal code \_\_\_\_\_

13e \_\_\_\_\_ 13f \_\_\_\_\_ 13g \_\_\_\_\_

14 If, during the year concerned, income of the trust was paid or became payable to the designated beneficiary, or if the designated beneficiary's share of the partnership's income for the fiscal period concerned included income of the trust, was that income **designated under subsection 104(13.1) or 104(13.2)** of the *Income Tax Act*?  Yes  No

If you checked **Yes**, enter the amount(s).

• Subsection 104(13.1)	_____	15	_____
• Subsection 104(13.2)	_____	16	_____
			+

**Tax credit**

In calculating income for the year, the **designated beneficiary** must carry the amount on line 15 or line 16 to the appropriate line of the income tax return. Complete lines 17 through 25 below to calculate the non-refundable tax credit to which the beneficiary is entitled.

Amount corresponding to the income tax that the trust would pay in Québec for the taxation year entered on line 5b, if the trust were subject to Québec income tax. Use form TP-646-V, *Trust Income Tax Return*, to do this calculation.<sup>5</sup>

_____	17	_____
Income tax payable by the trust to another province for the same taxation year <sup>5</sup>	18	_____
Enter the amount from line 17 or line 18, whichever is <b>less</b> .		19
Taxable income of the trust that relates to the provincial income tax entered on line 19		20
Divide line 19 by line 20.		21

Amount from line 15. In the case of a designated beneficiary that is an individual (including a trust), enter the amount from line 15 **plus** the amount of the gross-up of both the eligible dividends and the ordinary dividends included in the amount on line 15.<sup>6</sup>

_____	22	_____
Amount from line 16	+	23
Add lines 22 and 23.	=	_____
If the beneficiary is a corporation, enter the percentage of business carried on in Québec (line 421 of form CO-17, <i>Déclaration de revenus des sociétés</i> ). Otherwise, enter 100%.		_____ %
Multiply line 21 by line 24 and by the percentage shown above.		_____
<b>Carry the result to the beneficiary's income tax return</b> <sup>7</sup> (line 411 of Schedule E of the personal income tax return, line 128 of form TP-646-V, <i>Trust Income Tax Return</i> , or either line 421b or line 421c of form CO-17, <i>Déclaration de revenus des sociétés</i> , in which case you must also enter the code 304).		25

**Tax credit =** \_\_\_\_\_

**3 Certification**

I certify that the information provided on this form and in all enclosed documents is accurate and complete.

Signature of beneficiary or beneficiary representative	Date	Name of representative, where applicable (please print)
Address of representative, where applicable	Title or position	

3. If there is more than one trustee, attach a sheet that contains the information requested on lines 13a through 13g.
4. For information about designations made pursuant to subsection 104(13.1) or 104(13.2) of the *Income Tax Act*, see section 5.3.2 of the *Guide to Filing the Trust Income Tax Return* (TP-646.G-V).
5. Enclose any documents that substantiate the amounts entered on lines 17 and 18 (for example, a photocopy of either the income tax return or the notice of assessment).
6. For explanations regarding the calculation of the amount of the gross-up, see section 5.2 of the trust guide (TP-646.G-V).
7. This amount reduces the adjusted cost base (ACB) of the beneficiary's interest in the trust.

## Instructions

This form is to be completed by every tax-liable beneficiary of a designated trust and by every tax-liable member of a partnership that is a beneficiary of such a trust for a taxation year (referred to as the "year concerned") **ending in or after 2012**.

A "designated trust" means any trust:

- that is resident in Canada, but outside Québec, on the last day of its taxation year;
- that can make a designation pursuant to subsection 104(13.1) or 104(13.2) of the federal *Income Tax Act*; and
- that is not a unit trust.

We consider a beneficiary of a designated trust to be a **tax-liable beneficiary**, and a member of a partnership that is a beneficiary of a designated trust to be a **tax-liable member**, where the beneficiary or member, as applicable, is:

- an individual (including a trust) who is resident in Québec on the last day of the year concerned; or
- a corporation that has an establishment in Québec at any time in the year concerned.

However, if the beneficiary or member in question is an individual resident elsewhere in Canada who is subject to Québec income tax only because he or she carries on a business in Québec, the individual is not considered a tax-liable beneficiary or a tax-liable member.

The year concerned is, as applicable:

- the tax-liable beneficiary's taxation year in which the designated trust's taxation year (line 5b) ends; or
- the tax-liable member's taxation year in which the fiscal period of the partnership that is a beneficiary of the trust ends (that fiscal period is the one in which the designated trust's taxation year ends).

### Notes

- Generally, the residence of a trust is the same as that of the trustee. However, if the trustee is resident outside Québec, we may nonetheless consider the trust to be resident in Québec if the facts indicate that a significant amount of the responsibility for the control and administration of the trust's assets is borne by persons resident in Québec.
- If an individual dies or ceases to be resident in Canada in a taxation year, the last day of the individual's taxation year is the day of the individual's death or the last day on which the individual was resident in Canada.

## Part 2

This part (lines 10 through 25) must be completed only by a designated beneficiary.

A "designated beneficiary" means a tax-liable beneficiary or a tax-liable member who holds:

- a share of \$5,000 or more of the income interests in the trust; or
- a share of 10% or more of the capital interests or income interests in the trust.

In determining the share, you must take into account the share of the capital interests or income interests in the trust held by any person with whom the designated beneficiary is not dealing at arm's length.

## Penalties

Persons that **fail to provide any of the information** required on lines 1 through 16 are liable to a penalty of \$100 for each item of information not provided.

Also, designated beneficiaries of a trust that **fail to include in their income** for the year concerned the amounts on lines 15 and 16 are liable to a penalty equal to the **greater** of the following amounts:

- \$100; or
- 25% of the amount by which the income tax they would have had to pay for the year had they included those amounts in their income **exceeds** the income tax they paid for the year, based on the information they provided.

