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# **APPENDIX IRR-F**

HHHI's Schedule 4

(4-SEC-37)

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## CORPORATION LOSS CONTINUITY AND APPLICATION

e of corporation	Business number	Tax year-end Year Month Day	
Halton Hills Hydro Inc.	86742 9623 RC0001	2012-12-31	

- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited
  partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to
  previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for
  each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the Income Tax Act, when control has been acquired, no amount of capital loss incurred for a tax year ending (TYE) before
  that time is deductible in computing taxable income in a TYE after that time. Also, no amount of capital loss incurred in a TYE after that time is deductible in
  computing taxable income of a TYE before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the T2 Corporation Income Tax Guide.
- File one completed copy of this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.
- Parts, sections, subsections, paragraphs, and subparagraphs mentioned in this schedule refer to the Act.

Part 1 – Non-capital losses
Determination of current-year non-capital loss
Net income (loss) for income tax purposes
Deduct: (increase a loss)
Net capital losses deducted in the year (enter as a positive amount)
Taxable dividends deductible under sections 112, 113(1), or subsection 138(6)
Amount of Part VI.1 tax deductible c
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)
Subtotal (total of amounts a to d)
Subtotal (amount A minus amount B; if positive, enter "0")359,211
Deduct: (increase a loss)
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions
Subtotal (amount C minus amount D)359,211
Add: (decrease a loss)  Current-year farm loss (whichever is less: the net loss from farming or fishing included in the income, or the non-capital loss before deducting the farm loss. Enter amount F on line 310)
Current-year non-capital loss (amount E plus amount F; if positive, enter 0"; if negative, enter amount G on line 110 as a positive)
Continuity of non-capital losses and request for a carryback
Non-capital loss at the end of the previous tax year e
<b>Deduct:</b> Non-capital loss expired*
Non-capital losses at the beginning of the tax year (amount e minus amount f)
Add:
Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation  Current-year non-capital loss (amount G above)
Subtotal (amount g plus amount h) 359,211 359,211
Subtotal (amount H plus amount I)359,211
* A non-capital loss expires as follows:
<ul> <li>after 7 tax years if it arose in a tax year ending before March 23, 2004;</li> </ul>
<ul> <li>after 10 tax years if it arose in a tax year ending after March 22, 2004, and before 2006; and</li> <li>after 20 tax years if it arose in a tax year ending after 2005.</li> </ul>
An allowable business investment loss becomes a net capital loss as follows:  • after <b>7</b> tax years if it arose in a tax year ending before March 23, 2004; and

after 10 tax years if it arose in a tax year ending after March 22, 2004.

r Part 1 − Non-capital losses (continued)		
	Amount J from page 1	359,211
Deduct:		
Other adjustments (includes adjustments for an acquisition of control)	i	
ction 80 – Adjustments for forgiven amounts	j	
subsection 111(10) – Adjustments for fuel tax rebate	j.1	
Non-capital losses of previous tax years applied in the current tax year (enter on line 331 of the T2 Return)	k	
(enter on line 331 of the T2 Return)  Current and previous year non-capital losses applied against current-year taxable dividends	N	
subject to Part IV tax (enter on lines 330 and 335 of Schedule 3, Dividends Received,		
Taxable Dividends Paid, and Part IV Tax Calculation, respectively)		
Subtotal (total of amounts i to I)		K
Non-capital losses before any request for a carryback (amo	ount J <b>minus</b> amount K)	359,211 L
Deduct – Request to carry back non-capital loss to:		
First previous tax year to reduce taxable income	m	
Second previous tax year to reduce taxable income	n	
Third previous tax year to reduce taxable income	359,211 o	
First previous tax year to reduce taxable dividends subject to Part IV tax 911	p	
Second previous tax year to reduce taxable dividends subject to Part IV tax 912	q	
Third previous tax year to reduce taxable dividends subject to Part IV tax 913	r	
Total of requests to carry back non-capital losses to previous tax years (total of amounts m to p	359,211 ▶	359,211 M
Closing balance of non-capital losses to be carried forward to future tax years (amount L	minus amount M) 180	N
Part 2 - Capital losses		
Continuity of capital losses and request for a carryback		
Capital losses at the end of the previous tax year	21,069 a	
Capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation 205	b	
Subtotal (amount a plus amount b)	21,069	21,069 A
Deduct:		
Other adjustments (includes adjustments for an acquisition of control)	C	
ction 80 – Adjustments for forgiven amounts	d	
Subtotal (amount c plus amount d)		В
Subtotal (amo	ount A <b>minus</b> amount B)	<b>21,069</b> c
Add: Current-year capital loss (from the calculation on Schedule 6)	210	D
Unused non-capital losses that expired in the tax year*	e	
Allowable business investment losses (ABIL) that expired as non-capital losses in the tax year**	f	
Enter amount e or f, whichever is less		
ABILs expired as non-capital loss: line 215 divided by 0.500000	220	E
Subtotal	(total of amounts C to E)	<b>21,069</b> F
Ni-A-		
Note  If there has been an amalgamation or a windup of a subsidiary, do a separate calculation of the ABIL expired as		
non-capital loss for each predecessor or subsidiary. Add all these amounts and enter the total on line 220 above.		1
* If the losses were incurred in a tax year ending before March 23, 2004, enter the losses from the 8th previous tax		lina
tax year ending after March 22, 2004, and before 2006, enter the losses from the 11th previous tax year. Enter the	ne losses from the 21st previous t	
year if the losses were incurred in a tax year ending after 2005. Enter the part that was not used in previous year		lin a
** If the losses were incurred in a tax year ending before March 23, 2004, enter the losses from the 8th previous tax tax year ending after March 22, 2004, enter the losses from the 11th previous tax year. Enter the full amount on I		HIG

Part 2 - Capital losses (continued)		21.000
#	Amount F from page 2	21,069
Deduct: Capital losses from previous tax years applied against the current-year net capital	al gain (see Note 1)	G
Capital losses before any rec	uest for a carryback (amount F minus amount G)	21,069 н
Deduct – Request to carry back capital loss to (see Note 2):		
Capital (100'		
First previous tax year	951 g	
Second previous tax year	oca	
Third previous tax year	953	
	of amounts g to i)	T.
Closing balance of capital losses to be carried forward to f		21,069 J
	date tax years (amount it imites amount it	
Note 1 To get the net capital losses required to reduce the taxable capital gain included in the n amount from line 225 multiplied by 50% on line 332 of the T2 return.  Note 2 On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. W rate.		1
Part 3 – Farm losses		
Continuity of farm losses and request for a carryback		
Farm losses at the end of the previous tax year	a a	
Deduct: Farm loss expired*	300 b	
Farm losses at the beginning of the tax year (amount a minus amount b)	302	A
Add: Farm losses transferred on the amalgamation or the windup of a subsidiary corporation Current-year farm loss Subtotal (amount	c plus amount d) c Subtotal (amount A plus amount B)	B C
Deduct:	Subtotal (almount A plus amount b)	
Other adjustments (includes adjustments for an acquisition of control)	e	
	f  330 g  335 h  of amounts e to h) h  uest for a carryback (amount C minus amount D)	D
Deduct – Request to carry back farm loss to:		
First previous tax year to reduce taxable income		
Second previous tax year to reduce taxable income	j	
Third previous tax year to reduce taxable income	923 k	
First previous tax year to reduce taxable dividends subject to Part IV tax	931	
	m	
	n	
	of amounts i to n)	F
Closing balance of farm losses to be carried forward to fu	iture tax years (amount E <b>minu</b> s amount F) 380	G
<ul> <li>A farm loss expires as follows:</li> <li>after 10 tax years if it arose in a tax year ending before 2006; and</li> </ul>		
after 20 tax years if it arose in a tax year ending after 2005.		

Part 4 - Restri	cted farm losses —				
Current-year restric	ted farm loss				
Total losses for the ye	ear from farming business	***************		485	A
**inus the deductibl	le farm loss:				
(amount A above		\$2,500) <b>divided</b> by 2 =	a		
Amount a or \$	6,250, whichever is less		<b>&gt;</b>	b	
				<b>2,500</b> c	
		Subtotal (amou	nt b <b>plus</b> amount c)	2,500 ▶	2,500 B
	Cı	rrent-year restricted farm loss (amou		amount C on line 410)	с
Continuity of restric	ted farm losses and reque	st for a carryback			
Restricted farm losses	s at the end of the previous ta	x year		d	
Deduct: Restricted fa	arm loss expired*		400	e	
Restricted farm losses		ear (amount d <b>minus</b> amount e)	402	<u> </u>	D
Add:					
Restricted farm loss of a subsidiary corpo	es transferred on the amalgar	mation or the wind-up	405	f	
	ed farm loss (enter on line 23				
Carrona your roomot	od falli 1000 (officer off fill 20		nt f plus amount g)		-
		Subtotal (almou	A 11	unt D plus amount E)	
Deduct: Restricted farm loss (enter on line 333 of		plied against current farming income		h	
Section 80 - Adjustr	nents for forgiven amounts		440	1	
Other adjustments		Subtotal (total	450	,	G
		Restricted farm losses before any re	quest for a carryback (amour	nt F minus amount G)	н
'uct - Request to	carry back restricted farm	loss to:	9		
	r to reduce farming income		941	k	
	year to reduce farming income		942		
	ar to reduce farming income		943	m	
		Subtotal (total	of amounts k to m)	<b>&gt;</b>	1
	Closing balance of restricted	farm losses to be carried forward to	future tax years (amount H m	ninus amount I) 480	J
Note					
	the year from all farming bus	inesses are calculated without includ	ling scientific research expens	ses.	
* A restricted farm lo	ss expires as follows: rs if it arose in a tax year endi	1 7	,		
	rs if it arose in a tax year endi				
	F1	D .			

. 4		00142 9023 RC000
Part 5 – Listed personal property losses ———		
Continuity of listed personal property loss and request for a	carryback	
Listed personal property losses at the end of the previous tax year	a	
- 'uct: Listed personal property loss expired after seven tax years	500 b	
Listed personal property losses at the beginning of the tax year (amo	ount a minus amount b) 502	A
Add: Current-year listed personal property loss (from Schedule 6)	510	В
	Subtotal (amount A plus amount B)	c
Deduct: Previous year personal property losses applied in the current tax year.		
in the control of the	530 c	
Other adjustments		
	Subtotal (amount c plus amount d)	D
Listed personal property losses ren	naining before any request for a carryback (amount C <b>minus</b> amount D)	E
Deduct – Request to carry back listed personal property loss	to:	
First previous tax year to reduce listed personal property gains	961 e	
Second previous tax year to reduce listed personal property gains	962f	
Third previous tax year to reduce listed personal property gains	963	
	Subtotal (total of amounts e to g)	F
Closing balance of listed personal property losses to b	be carried forward to future tax years (amount E minus amount F) 580	G

	d partnership losse	S								
1	2		3	4		5		6		7
Partnership identifier	Tax year ending YYYY/MM/DD	share	oration's of limited rship loss	Corpora at-risk a		Total of corpo share of partr investment tay farming losse resource exp	nership ccredit, es, and	Column 4 <b>n</b> column (if negative, er	5	Current-yea limited partnership los (column 3 <b>minu</b>
600	602	(	604	60	6	608				620
						L				
					To	tal (enter this an	nount on	line 222 of Sche	edule 1)	
imited partnership	losses from previo	ous tax yea	The Late of the La					r		
1	2		3	4		5		6		7
Partnership identifier	Tax year ending YYYY/MM/DD	partners at the e	mited ship losses end of the s tax year		at-risk amount share of partnership		column 5 losses the applied in (the let		Limited partners losses that may applied in the y (the lesser o columns 3 and	
630	632	6	34	63	6	638				650
ontinuity of limited	d partnership losse	s that can	be carried f		uture tax	years	1	5		6
Partnership	Limited part	nership	Limited pa		Curre	nt-year limited	1 imite	ed partnership	C	urrent year limited
identifier	losses at the the previous	e end of tax year	losses tran- an amalga the wind subsi	sferred on mation or lup of a diary	partn	ership losses column 620)	loss in the (canno	ses applied current year t be more than lumn 650)	closing forv	artnership losses g balance to be ca vard to future year t + 664 + 670 – 67
660	662	1	66		Y	670		675		680
		Total	al (optor thin)	amount on I	no 225 o	f the T2 return)				
<b>:</b>		100	an (enter time)	attiount on i	ine 333 0	r the 12 return)			ļ	
u have any current-	or previous–year loss	es, enter y	our partnersh	ip identifier	on line 60	90, 630, or 660.				
t 8 – Election ι	ınder paragrap	h 88(1. <u>1</u>	)(f) —	γ						
	on under paragraph 8	88(1.1)(1)	heck the box						190	Yes
are making an election		1						nership loss		

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Schedule 4

# **Corporation Loss Continuity and Application**

Corporation's name	Business number Tax year-end Year Month Da		
Halton Hills Hydro Inc.	86742 9623 RC0001	2013-12-31	

- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the Income Tax Act, when control has been acquired, no amount of capital loss incurred for a tax year ending before that time is deductible in computing taxable income in a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after that time is deductible in computing taxable income of a tax year ending before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the T2 Corporation Income Tax Guide.
- File one completed copy of this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.
- · All legislative references are to the Income Tax Act. · Part 1 – Non-capital losses · Determination of current-year non-capital loss -2,114,700 A Net income (loss) for income tax purposes Deduct: (increase a loss) Net capital losses deducted in the year (enter as a positive amount) Taxable dividends deductible under section 112 or subsections 113(1) or 138(6) Amount of Part VI.1 tax deductible Amount deductible as prospector's and grubstaker's shares - Paragraph 110(1)(d.2) Subtofal (total of amounts a to d) -2.114,700 Subtotal (amount A minus amount B; if positive, enter "0") Deduct: (increase a loss) Section 110.5 or subparagraph 115(1)(a)(vii) - Addition for foreign tax deductions D -2,114,700 E Subtotal (amount C minus amount D) Add: (decrease a loss) Current-year farm loss (whichever is less: the net loss from farming or fishing included in the income, or the non-capital loss before deducting the farm loss! -2,114,700 G Current-year non-capital loss (amount E plus amount F; if positive, enter If amount G is negative, enter it on line 110 as a positive. Continuity of non-capital losses and request for a carryback Non-capital loss at the end of the previous tax year Deduct: Non-capital loss expired\* Non-capital losses at the beginning of the tax year (amount e minus amount f) Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation 2,114,700 h Current-year non-capital loss (from amount G) 2,114,700 2,114,700 <sub>I</sub> Subtotal (amount a plus amount h) 2,114,700 Subtotal (amount H plus amount I) A non-capital loss expires as follows: • after 10 tax years if it arose in a tax year ending after March 22, 2004, and before 2006; and after 20 tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss after 10 tax years if it arose in a tax year ending after March 22, 2004.



Part 1 - Non-capital losses (continued)	
Deduct:	
Other adjustments (includes adjustments for an acquisition of control) i	
Section 80 – Adjustments for forgiven amounts	
Subsection 111(10) – Adjustments for fuel tax rebate	
Non-capital losses of previous tax years applied in the current tax year	
Enter amount k on line 331 of the T2 Return.	
Current and previous year non-capital losses applied against current-year	
taxable dividends subject to Part IV tax**	.,
Subtotal (total of amounts i to I)	K
Non-capital losses before any request for a carryback (amount J <b>minus</b> amount K)	L
Deduct – Request to carry back non-capital loss to:	
First previous tax year to reduce taxable income	
Second previous tax year to reduce taxable income	
Third previous tax year to reduce taxable income	
First previous tax year to reduce taxable dividends subject to Part IV tax 911	
Second previous tax year to reduce taxable dividends subject to Part IV tax q	
Third previous tax year to reduce taxable dividends subject to Part IV tax	
Total of requests to carry back non-capital losses to previous tax years (total of amounts m to r) 2,114,700 2,114,700	М
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M) 180 I	N
** Amount I is the total of lines 330 and 335 from Schedule 3, Dividends Received, Taxable Dividends Raid, and Part IV Tax Calculation.	
Part 2 – Capital losses	٦
Continuity of capital losses and request for a carryback	
Capital losses at the end of the previous tax year	
Capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation 205 b	.
Castota/amos/ta pind/amounts/	۹
Other adjustments (includes adjustments for an acquisition of control)	
Section 80 – Adjustments for forgiven amounts	
Subtotal (amount A minus amount B) 21,069 (	
	1
Add: Current-year capital loss (from the calculation on Schedule 6, Summary of Dispositions of Capital Property)	D
Unused non-capital losses that expired in the tax year*	
Allowable business investment losses (ABIL) that expired as non-capital losses in the tax year**	
Enter amount e or f, whichever is less g	
ABILs expired as non-capital loss: line 215 <b>divided</b> by 0.500000	Εĺ
Subtotal (total of amounts C to E) 21,069 F	F
Note If there has been an amalgamation or a windup of a subsidiary, do a separate calculation of the ABIL expired as	
non-capital loss for each predecessor or subsidiary. Add all these amounts and enter the total on line 220 above.	1
* If the losses were incurred in a tax year ending after March 22, 2004, and before 2006, enter the losses from the 11th previous tax year. Enter the losses from the 21st previous tax year if the losses were incurred in a tax year ending after 2005. Enter the part that was not used in previous years and the current year on line e.	
** If the losses were incurred in a tax year ending after March 22, 2004, enter the losses from the 11th previous tax year. Enter the full amount on line f.	

Part 2 - Capital losses (continued)		5
<b>Deduct:</b> Capital losses from previous tax years applied against the current-year net capital gain***	**********	. <b>225</b> G
Capital losses before any request for a c	carryback (amount F <b>minus</b> am	ount G) 21,069_ H
educt – Request to carry back capital loss to****:		
Capitalgain	Amount carried back	
(100%)	(100%)	
First previous tax year	951	_ h
Second previous tax year	952	ï
Third previous tax year	953	
Subtotal (total of amounts		
Closing balance of capital losses to be carried forward to future tax ye		21,069 J
		, —
*** To get the net capital losses required to reduce the taxable capital gain included in the net incor amount from line 225 <b>multiplied</b> by 50% on line 332 of the T2 return.		
***** On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the inclusion rate.	e loss is applied, <b>multiply</b> this a	amount by the 50%
inquationate.		
Part 3 – Farm losses ——————————————————————————————————		
Continuity of farm losses and request for a carryback	A	
Farm losses at the end of the previous tax year		а
Deduct: Farm loss expired*	300	b
Farm losses at the beginning of the tax year (amount a minus amount b)	302	
		=/ ====-/`
Add:	205	
Farm losses transferred on the amalgamation or the windup of a subsidiary corporation	305	_ C
Current-year farm loss (amount F in Part 1)		_d
Subtotal (amount c plus amo	2	= B
	Subtotal (amount A plus amo	ount B)C
Deduct:	350	
Other adjustments (includes adjustments for an acquisition of control)	340	_ e
Section 80 – Adjustments for forgiven amounts  Farm losses of previous tax years applied in the current tax year	330	- '
Enter amount g on line 334 of the T2 Return.	. 000	_ 9
Current and previous year farm losses applied against		
сипеnt-year taxable dividends subject to Part IV tax**	335	_h
Subtotal (total of amounts		D
Farm losses before any request for a ca	arryback (amount C <b>minus</b> amo	ount D)E
Deduct – Request to carry back farm loss to:		
First previous tax year to reduce taxable income	. 921	_ i
Second previous tax year to reduce taxable income	922	_ j
Third previous tax year to reduce taxable income	, 923	_ k
First previous tax year to reduce taxable dividends subject to Part IV tax	931	_ 1
Second previous tax year to reduce taxable dividends subject to Part IV tax	. 932	_ m
Third previous tax year to reduce taxable dividends subject to Part IV tax	933	_n
Subtotal (total of amounts	siton)	FF
Closing balance of farm losses to be carried forward to future tax year	ars (amount E <b>minus</b> amount F)	380G
* A farm loss expires as follows:		
<ul> <li>after 10 tax years if it arose in a tax year ending before 2006; and</li> </ul>		
<ul> <li>after 20 tax years if it arose in a tax year ending after 2005.</li> </ul>		

\*\* Amount h is the total of lines 340 and 345 from Schedule 3.

Part 4 – Restricted farm losses —
Current-year restricted farm loss
Total losses for the year from farming business
Minus the deductible farm loss:
(amount A above \$2,500) <b>divided</b> by 2 = a
Amount a or \$ 15,000 *, whichever is less
2,500 c
Subtotal (amount b plus amount c) 2,500 ▶ 2,500 €
Current-year restricted farm loss (amount A minus amount B)
Continuity of restricted farm losses and request for a carryback  Restricted farm losses at the end of the previous tax year
Deduct: Restricted farm loss expired**  Restricted farm losses at the beginning of the tax year (amount d minus amounte)  400  e  402
Add:
Restricted farm losses transferred on the amalgamation or the wind-up
of a subsidiary corporation
Current-year restricted farm loss (from amount C)
Subtotal (amount f plus amount g)
Subtotal (amount D plus amount E) F
Deduct:
Restricted farm losses from previous tax years applied against current farming income h
Enter amount h on line 333 of the T2 return.
Section 80 – Adjustments for forgiven amounts
Other adjustments 450j
Subtotal (total of amounts h to j)
Restricted farm losses before any request for a carryback (amount F minus amount G)
Deduct – Request to carry back restricted farm loss to:
First previous tax year to reduce farming income
Second previous tax year to reduce farming income
Third previous tax year to reduce farming income
Subtotal (total of amounts k to m)
Closing balance of restricted farm losses to be carried forward to future tax years (amount H minus amount I) 480 J
Note
The total losses for the year from all farming businesses are calculated without including scientific research expenses.
* For tax years that end before March 21, 2013, use \$6,250 instead of \$15,000.
** A restricted farm loss expires as follows:
<ul> <li>after 10 tax years if it arose in a tax year ending before 2006; and</li> <li>after 20 tax years if it arose in a tax year ending after 2005.</li> </ul>
aner 20 tax years in it arose in a tax year enoing aner 2005.

Part 5 – Listed personal property losses ———		
Continuity of listed personal property loss and request for a c	arryback	
Listed personal property losses at the end of the previous tax year	a b	
'educt: Listed personal property loss expired after seven tax years	The state of the s	
Listed personal property losses at the beginning of the tax year (amo		A
Add: Current-year listed personal property loss (from Schedule 6)		В
	Subtotal (amount A plus amount B)	c
Deduct:		
Previous year personal property losses applied in the current tax ye personal property gains	520	
Enter amount c on line 655 of Schedule 6.		
Otheradjustments	d	
	Subtotal (amount c plus amount d)	D
Listed personal property losses rem	naining before any request for a carryback (amount C <b>minus</b> amount D)	E
Deduct – Request to carry back listed personal property loss t	co:	
First previous tax year to reduce listed personal property gains	e	
Second previous tax year to reduce listed personal property gains	962 🔏 f	
Third previous tax year to reduce listed personal property gains		
	Subtotal (total of amounts e tog)	F
Closing balance of listed personal property losses to be	e carried forward to future tax years (amount E minus amount F) 580	G

1	2		3	4		5		6		7
Partnership identifier	Taxyearending YYYY/MM/DD	share	ooration's e of limited ership loss	Corpora at-risk a		Total of corpo share of parti investment ta farming losse resource exp	nership x credit, es, and	Column 4 m column (if negative, er	5	Current-y limited partnership (column 3 m
600	602	j	604	60	6	608				620
					То	tal (enter this ar	mount on	line 222 of Sche	dule 1)	
imited partnersh	ip losses from prev	ious tax	vears that ma	v be appli	ed in the	current vear -				
1	2		3	4		5		6		7
Partnership identifier	Taxyearending YYYY/MM/DD	partner at the	mited ship losses end of the us tax year	Corpora at-risk a		Total of corpo share of partr investment ta: business or p losses, and re expense	nership x credit, roperty esource	Column 4 m column : (if negative, en	5	Limited partn losses that n applied in the (the lesse columns 3 a
630	632		634	63	6	638	$\Rightarrow$			650
ontinuity of limit	ed partnership loss	es that c	an be carried		future t	ax years	<u> </u>	5		6
Partnership identifier	Limited partr losses at the the previous	end of	Limited par losses trans an amalgar the wind subsid	rtnership sferred on mation or up of a	partn	nt-year limited ership lesses m line 620)	los in the (canno	ed partnership ses applied e current year at be more than line 650)	closing fon (colu	urrent year limit artnership losse g balance to be ward to future ye umn 2 plus colu us column 4 min column 5)
660	662		664	1	7	670		675		680
nave any current–c	or previous–year loss		A.	) V		f the T2 return)				
	nder paragraph		-\	Soft C		* **				

winding-up.

Agence du revenu du Canada

# **Corporation Loss Continuity and Application**

Corporation's name	Business number	Tax year-end Year Month Day
Halton Hills Hydro Inc.	86742 9623 RC0001	2014-12-31

- Use this form to determine the continuity and use of available losses; to determine a current-year non-capital loss, farm loss, restricted farm loss, or limited
  partnership loss; to determine the amount of restricted farm loss and limited partnership loss that can be applied in a year; and to ask for a loss carryback to
  previous years.
- A corporation can choose whether or not to deduct an available loss from income in a tax year. The corporation can deduct losses in any order. However, for
  each type of loss, deduct the oldest loss first.
- According to subsection 111(4) of the Income Tax Act, when control has been acquired, no amount of capital loss incurred for a tax year ending before
  that time is deductible in computing taxable income in a tax year ending after that time. Also, no amount of capital loss incurred in a tax year ending after
  that time is deductible in computing taxable income of a tax year ending before that time.
- When control has been acquired, subsection 111(5) provides for similar treatment of non-capital and farm losses, except as listed in paragraphs 111(5)(a) and (b).
- For information on these losses, see the T2 Corporation Income Tax Guide.

· All legislative references are to the Income Tax Act.

· File one completed copy of this schedule with the T2 return, or send the schedule by itself to the tax centre where the return is filed.

Part 1 – Non-capital losses	
Determination of current-year non-capital loss	
Net income (loss) for income tax purposes	-755,568 A
Deduct: (increase a loss)	
Net capital losses deducted in the year (enter as a positive amount)	
Taxable dividends deductible under section 112 or subsections 113(1) or 138(6)	
Amount of Part VI.1 tax deductible c	
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)	
Subtotal (total of amounts a to d)	B
Subtotal (amount A minus amount B; if positive, enter "0")	-755,568 c
Deduct: (increase a loss)	
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions	D
Subtotal (amount C minus amount D)  Add: (decrease a loss)	-755,568 <sub>E</sub>
Current-year farm loss (whichever is less: the net loss from farming or fishing included in the income, or the non-capital loss before deducting the farm loss	F
Current-year non-capital loss (amount E plus amount F; if positive, enter "0")	-755,568 <sub>G</sub>
If amount G is negative, enter it on line 110 as a positive.	
Continuity of non-capital losses and request for a carryback	
Non-capital loss at the end of the previous tax year e	
Deduct: Non-capital loss expired*	
Non-capital losses at the beginning of the tax year (amount e minus amount f)	н
Add:	
Non-capital losses transferred on an amalgamation or the wind-up of a subsidiary corporation , 105 g	
Current-year non-capital loss (from amount G) 110 755,568 h	
Subtotal (amount g plus amount h)755,568 ▶	755,568

- A non-capital loss expires as follows:
- after 10 tax years if it arose in a tax year ending after March 22, 2004, and before 2006; and
- after 20 tax years if it arose in a tax year ending after 2005.

An allowable business investment loss becomes a net capital loss after 10 tax years if it arose in a tax year ending after March 22, 2004.

755,568 J

Subtotal (amount H plus amount I)

Part 1 – Non-capital losses (continued)	
Deduct:	
Other adjustments (includes adjustments for an acquisition of control)	
Section 80 – Adjustments for forgiven amounts	
Subsection 111(10) – Adjustments for fuel tax rebate	
Non-capital losses of previous tax years applied in the current tax year	
Enter amount k on line 331 of the T2 Return.	
Current and previous year non-capital losses applied against current-year taxable dividends subject to Part IV tax**	
Subtotal (total of amounts i to I)	K
Non-capital losses before any request for a carryback (amount J minus amount K)	755,568 L
Deduct – Request to carry back non-capital loss to:	
First previous tax year to reduce taxable income	
Second previous tax year to reduce taxable income	
Third previous tax year to reduce taxable income	
First previous tax year to reduce taxable dividends subject to Part IV tax	
Second previous tax year to reduce taxable dividends subject to Part IV tax 912	
Third previous tax year to reduce taxable dividends subject to Part IV tax	
Total of requests to carry back non-capital losses to previous tax years (total of amounts m to r) 4 755,568	755,568 M
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M) 180	N
** Amount I is the total of lines 330 and 335 from Schedule 3, Dividends Received, Taxable Dividends Raid, and Part IV Tax Calculation.	
Amount his the total of lines 550 and 555 from Schedule 5, Dividends Neceived, Taxable Dividends Naid, and Part V Tax Calculation.	
Part 2 – Capital losses	
Continuity of capital losses and request for a carryback	
Capital losses at the end of the previous tax year	
Capital losses transferred on the amalgamation or the wind-up of a subsidiary corporation b	
Subtotal (amount a plus amount b) 21,069	21,069 A
Deduct:	
Other adjustments (includes adjustments for an acquisition of control) 250 c	
Section 80 – Adjustments for forgiven amounts	
Subtotal (amount c plus amount d)	В
Subtotal (amount A minus amount B)	21,069
	D
Unused non-capital losses that expired in the tax year*	
Allowable business investment losses (ABIL) that expired as non-capital losses in the tax year**	
Enter amount e or f, whichever is less g	
ABILs expired as non-capital loss: line 215 divided by 0.500000	E
Subtotal (total of amounts C to E)  Note	21,069 F
If there has been an amalgamation or a windup of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary. Add all these amounts and enter the total on line 220 above.	
* If the losses were incurred in a tax year ending after March 22, 2004, and before 2006, enter the losses from the 11th previous tax year. Enter from the 21st previous tax year if the losses were incurred in a tax year ending after 2005. Enter the part that was not used in previous years current year on line e.	
** If the losses were incurred in a tax year ending after March 22, 2004, enter the losses from the 11th previous tax year. Enter the full amount of	on line f.

Part 2 - Capital losses (continued)					
				000	
<b>Deduct:</b> Capital losses from previous tax years applied against the current-year	ar net capital gain***			225	G
Capital losses bef	fore any request for a ca	rryback (a	amount F <b>minus</b> amour	nt G)	21,069 H
Deduct – Request to carry back capital loss to****:					
	Capital gain	,	Amount carried back		
	(100%)		(100%)		
First previous tax year		951		h	
Second previous tax year		952		í	
Third previous tax year		953			
	btotal (total of amounts	D-01-01		). -	ì
				200	21,069
Closing balance of capital losses to be carried f	forward to future tax yea	ırs (amou	nt H minus amount I)	260	21,009 J
*** To get the net capital losses required to reduce the taxable capital gain in amount from line 225 multiplied by 50% on line 332 of the T2 return.	ncluded in the net incom	e (loss) fo	or the purpose of curren	t-year tax, enter the	
*****On line 225, 951, 952, or 953, whichever applies, enter the actual amour	nt of the loss. When the	loss is ap	plied, <b>multiply</b> this am	ount by the 50%	
inclusion rate.					
Part 3 – Farm losses					
Continuity of farm losses and request for a carryback		Λ			
		1	Λ.		
Farm losses at the end of the previous tax year		_ A		a	
Deduct: Farm loss expired*		300	<del>\</del>	b	
Farm losses at the beginning of the tax year (amount a <b>minus</b> amount b)		302			A
Add:		Y			
Farm losses transferred on the amalgamation or the windup of a subsidiary co	orporation (	305		С	
Current-year farm loss (amount F in Part 1)		310		d	
Subto	tal (amount c plus amou	unt d)		·	B
		Subtota	I (amount A <b>plus</b> amou	nt B)	C
Deduct:					
Other adjustments (includes adjustments for an acquisition of control)	£	350		е	
Section 80 – Adjustments for forgiven amounts		340		f	
Farm losses of previous tax years applied in the current tax year		330		g	
Enter amount g on line 334 of the T2 Return.	1				
Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax**		335		b	
	ototal (total of amounts e			•	Г
					E
Raim iosses bei	ore any request for a ca	ггураск (а	amount C <b>minus</b> amour	11 D)	
Deduct – Request to carry back farm loss to:					
First previous tax year to reduce taxable income		921		i	
Second previous tax year to reduce taxable income		922		' i	
Third previous tax year to reduce taxable income		923		k	
First previous tax year to reduce taxable dividends subject to Part IV tax		931		1	
Second previous tax year to reduce taxable dividends subject to Part IV tax		932		n	
Third previous tax year to reduce taxable dividends subject to Part IV tax		933		n	
Su	btotal (total of amounts	i to n)		·	F
Closing balance of farm losses to be carried for	orward to future tax year	rs (amour	nt E minus amount F)	380	G
	2 10/1 7 001	, <b>.</b>	A STATE OF THE PARTY OF THE PAR		
* A farm loss expires as follows:					
after 10 tax years if it arose in a tax year ending before 2006; and     after 20 tax years if it arose in a tax year ending offer 2005.					
<ul> <li>after 20 tax years if it arose in a tax year ending after 2005.</li> </ul>					
** Amount h is the total of lines 340 and 345 from Schedule 3.					

Part 5 – Listed personal property losses ———		
Continuity of listed personal property loss and request for a ca	arryback	
Listed personal property losses at the end of the previous tax year Jeduct: Listed personal property loss expired after seven tax years	a 500 b	
Listed personal property losses at the beginning of the tax year (amo	AND AND AND THE PART AND	Δ
Add: Current-year listed personal property loss (from Schedule 6)	510	В
	Subtotal (amount A plus amount B)	c
Deduct: Previous year personal property losses applied in the current tax ye personal property gains Enter amount c on line 655 of Schedule 6. Other adjustments	600	D
Listed personal property losses rem	naining before any request for a carryback (amount C <b>minus</b> amount D)	E
Deduct – Request to carry back listed personal property loss t		
First previous tax year to reduce listed personal property gains Second previous tax year to reduce listed personal property gains Third previous tax year to reduce listed personal property gains	961 e f g g Subtotal (total of amounts e to g)	_
Closing balance of listed personal property losses to be	e carried forward to future tax years (amount Eminus amount F) 580	
and a second percental property leaded to be		

Part 7 – Limited	partnership lo	sses
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1	2	3	4	5	6	7
Partnership identifier	Tax year ending YYYY/MM/DD	Corporation's share of limited partnership loss	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, farming losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Current-year limited partnership loss (column 3 <b>minu</b>
600	602	604	606	608		620

1	2	3	4	5	6	7
Partnership identifier	Taxyearending YYYY/MM/DD	Limited partnership losses at the end of the previous tax year	Corporation's at-risk amount	Total of corporation's share of partnership investment tax credit, business or property losses, and resource expenses	Column 4 minus column 5 (if negative, enter "0")	Limited partnershi losses that may be applied in the yea (the lesser of columns 3 and 6)
630	632	634	636	638		650

1	2	3	(4)	5	6
Partnership identifier	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred on an amalgamation or the windup of a subsidiary	Current-year limited partnership losses (from line 620)	Limited partnership losses applied in the current year (cannot be more than line 650)	Current year limited partnership losses closing balance to be carr forward to future years (column 2 plus column 4 minus column 5)
660	662	664	670	675	680

Total (enter this amount on line 335 of the T2 return)

### Note

If you have any current-or previous-year losses, enter your partnership identifier on line 600, 630, or 660.

F	art 8 -	Election	under	paragraph	88(1)	4)(f)

If you are making an election under paragraph 88(1,1)(f), check the box

190 Yes

Further to a winding-up of a subsidiary, the portion of a non-capital loss, restricted farm loss, farm loss, or limited partnership loss from a wholly-owned subsidiary is deemed to be the loss of a parent from its tax year starting after the commencement of the winding-up.

### Note

This election is only applicable for wind-ups under subsection 88(1) that are reported on Schedule 24, First-Time Filer after Incorporation, Amalgamation, or Winding-up of a Subsidiary into a Parent, and the deemed provision is only for the tax years that start after the commencement of the wind-up.