Canada Revenue Agency   Agence du revenu du Canada

Non-Residents and Income Tax

2023

T4058(E) Rev. 23

Canada

Find out if this guide is for you

This guide is for you if you were a non-resident of Canada or a deemed non-resident of Canada for all of 2023.

Generally, you were a **non-resident of Canada** in 2023 if you normally, customarily, or routinely lived in another country and were **not** considered a resident of Canada for tax purposes. You will find more information about non-residents on page 4.

You were a **deemed non-resident of Canada** in 2023 if you were a resident (including a deemed resident) of Canada and, under a tax treaty between Canada and another country or region, you were considered to be a resident of another country or region. If so, the same rules apply to you as to a non-resident (including the way you complete your tax return).

This guide will introduce you to the Canadian income tax system and will help you to understand the tax implications of being a non-resident or deemed non-resident.

Do **not** use this guide if either of the following situations applied to you in 2023:

- You moved permanently to Canada or you emigrated from Canada (see Pamphlet T4055, Newcomers to Canada, or go to **canada.ca/taxes-international**)
- You were a deemed resident of Canada and, under a tax treaty, were **not** considered to be a resident of another country or region (use the Income Tax Package for Non-Residents and Deemed Residents of Canada)

The CRA's publications and personalized correspondence are available in braille, large print, e-text, and MP3. For more information, go to **canada.ca/cra-multiple-formats** or call **1-800-959-8281**.

If you are outside Canada and the United States, call **613-940-8495**. The CRA only accepts collect calls made through a telephone operator. After your call is accepted by an automated response, you may hear a beep and notice a normal connection delay. This service operates in Eastern Standard Time and is open Monday to Friday from 8 am to 8 pm and Saturday from 9 am to 5 pm.

La version française de ce guide est intitulée Les non-résidents et l'impôt.

Unless otherwise stated, all legislative references are to the Income Tax Act or, where appropriate, the Income Tax Regulations.

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Before you start

Canada's tax system

Canada's tax system is similar to that of many countries. Employers and other payers usually deduct taxes from the income they pay you whereas individuals with business or rental income usually pay their taxes by instalment.

Each year, you must determine your final tax obligation, and depending on your situation, you may be required to complete a tax return and send it to the Canada Revenue Agency (CRA). On the return, you report your income and claim your deductions, calculate your federal and provincial or territorial tax, and determine if you have a balance of tax owing for the year, or a refund of some or all of the tax that was deducted from your income during the year. For more information, see "Find out if you have to file a return" on this page.

Under Canada's tax system, you have the right and responsibility to determine your income tax status, and make sure you pay your required amount of tax each year according to the law.

Guide RC17, Taxpayer Bill of Rights Guide: Understanding your rights as a taxpayer, outlines the fair treatment you are entitled to receive when you deal with the CRA. For more information, go to **canada.ca/taxpayer-rights**.

Canada's tax system uses different methods to tax non-residents than it does to tax residents of Canada (for more information on how Canada taxes non-residents, see pages 6 and 7). Therefore, before you can complete your Canadian tax return, you must first determine your residency status.

Non-resident of Canada

You are a non-resident of Canada for tax purposes if any of the following applies:

- You did **not** have significant **residential ties** in Canada and lived outside Canada throughout the year, except if you were a deemed resident of Canada. For example, you could be a deemed resident of Canada if you were an employee of the Government of Canada posted abroad (for more information, go to **canada.ca/taxes-international**)
- You did **not** have significant **residential ties** in Canada and you stayed in Canada for **less than 183 days** in the tax year. Any day or part of a day spent in Canada counts as a day. If you lived in the United States and commuted to work in Canada, do not include commuting days in the calculation
- You were a deemed non-resident of Canada under the Income Tax Act because of the provisions of a tax treaty that Canada has with another country or region

> **Note**
> You may not be considered a deemed resident if you left or entered Canada permanently in the year. For information about the rules that apply to these situations, see Pamphlet T4055, Newcomers to Canada, or go to **canada.ca/taxes-international**.

Residential ties

Significant **residential ties** to Canada include:

- a home in Canada
- a spouse or common-law partner in Canada (see the definition in your tax guide)
- dependants in Canada

Secondary residential ties that may be relevant include:

- personal property in Canada, such as a car or furniture
- social ties in Canada, such as memberships in Canadian recreational or religious organizations
- economic ties in Canada, such as Canadian bank accounts or credit cards
- a Canadian driver's licence
- a Canadian passport
- health insurance with a Canadian province or territory

For more information, see Income Tax Folio S5-F1-C1, Determining an Individual's Residence Status.

If you need help determining your residency status

If you are still not sure whether you were a non-resident of Canada for tax purposes in 2023, complete Form NR74, Determination of Residency Status (Entering Canada), or Form NR73, Determination of Residency Status (Leaving Canada), whichever applies, and send it to the CRA as soon as possible. The CRA will provide you with an opinion on your residency status based on the information you provide.

Find out if you have to file a return

File a Canadian income tax return for 2023 if:

- You received federal COVID-19 benefits or provincial or territorial COVID-19 benefits, or both
- You have to pay tax for the year
- You want to claim a refund
- The CRA sent you a request to file a return
- You realized a taxable capital gain or disposed of taxable Canadian property in 2023 (see "Disposing of certain types of Canadian property" on page 9)
- You want to transfer unused tuition fees or carry forward unused tuition, education, and textbook amounts to a future year

> **Note**
> If you have no Canadian-source income, tuition fees paid in **2023 cannot** be claimed.

- You want to report income that would allow you to contribute to an RRSP, a pooled registered pension plan (PRPP), or a specified pension plan (SPP) to keep your RRSP deduction limit for future years up to date (for more information, see Guide T4040, RRSPs and Other Registered Plans for Retirement)

- You filed Form NR5, Application by a Non-Resident of Canada for a Reduction in the Amount of Non-Resident Tax Required to be Withheld, for 2023, and the CRA approved it. You may also have to file a return electing under section 217 of the Income Tax Act for each year of the period covered by the approved Form NR5 (see "Electing under section 217" on page 8)

> **Note**
> If the CRA approved Form NR5, it is valid for a period covering five tax years. However, if your situation changes, you may have to file a new Form NR5. For more information, go to **canada.ca/taxes-international** and select "Form NR5, 5-year Administrative Policy."

- You filed Form NR6, Undertaking to File an Income Tax Return by a Non-Resident Receiving Rent from Real or Immovable Property or Receiving a Timber Royalty, for 2023, and the CRA approved it. You also have to file a separate return electing under section 216 of the Income Tax Act (see "Electing under section 216" on page 7)

- You filed Form T1287, Application by a Non-Resident of Canada (Individual) for a Reduction in the Amount of Non-Resident Tax Required to be Withheld on Income Earned from Acting in a Film or Video Production, for 2023, and the CRA approved it. You also have to file a return electing under section 216.1 of the Income Tax Act (see "Electing under section 216.1" on page 7)

Deceased persons

If you are the legal representative (executor, administrator, or liquidator) of the estate of a person who died in 2023, you may have to file a return for 2023 for that person. If there are no legal documents designating a legal representative, you may request to be the deceased person's representative by completing an Affidavit form for intestate situations. For more information, see Guide T4011, Preparing Returns for Deceased Persons, and Information Sheet RC4111, Canada Revenue Agency – What to Do Following a Death (includes "Request for the Canada Revenue Agency to Update Records").

Find out which tax package is for you

If any of the following situations apply to you, use the tax package specified:

- If you are reporting **only** income from employment in Canada or from a business or partnership with a permanent establishment in Canada, including a non-resident actor electing to file a return under section 216.1 (see "Electing under section 216.1" on page 7), use the tax package for the province or territory where you earned the income

> **Note**
> If you are **also** reporting other types of Canadian-source income such as taxable scholarships, fellowships, bursaries or research grants, or capital gains from disposing of taxable Canadian property, you will need Form T2203, Provincial and Territorial Taxes for Multiple Jurisdictions, to calculate your provincial and territorial tax payable.

- If you are reporting **only** Canadian-source income from taxable scholarships, fellowships, bursaries, research grants, capital gains from disposing of taxable Canadian property, or from a business **without** a permanent establishment in Canada (including a non-resident actor electing to file under section 216.1), or if you are filing an elective return under section 217 of the Income Tax Act, use the Income Tax Package for Non-Residents and Deemed Residents of Canada. It includes the return, Federal Worksheet and schedules you need. For more information, see "Electing under section 217" on page 8

- If you received rental income from real or immovable property in Canada or timber royalties on a timber resource property or a timber limit in Canada **and** you are electing to file a return under section 216 of the Income Tax Act, use Guide T4144, Income Tax Guide for Electing under Section 216. Guide T4144 includes the return you will need. For more information, see "Electing under section 216" on page 7

Due dates

Your 2023 return and payment are due **on or before** the date below that applies to you:

- For most people, the return is due April 30, 2024, and payment is due April 30, 2024

- For a **self-employed** person or their spouse or common-law partner carrying on a business in Canada in 2023 (other than a business whose expenditures are primarily in connection with a tax shelter), the return is due June 15, 2024, and the payment is due April 30, 2024

- For a **deceased person** and their surviving spouse or common-law partner filing a Canadian tax return, see Guide T4011, Preparing Returns for Deceased Persons

> **Note**
> If you are filing an elective return under section 216 or section 217 of the Income Tax Act, see Guide T4144, Income Tax Guide for Electing under Section 216, or Pamphlet T4145, Electing under Section 217 of the Income Tax Act, for the due dates for these types of returns.

When a due date falls on a Saturday, Sunday, or public holiday recognized by the CRA, your return is considered on time if the CRA receives it or if it is postmarked on or before the next business day.

For more information, go to **canada.ca/taxes-dates-individuals**.

How to send your return to the CRA

Use the envelope provided with this guide to mail your return to your tax centre. Otherwise, use the address provided on the back cover of this guide.

If you provide services in the film and television industry and are electing to file a Canadian tax return under section 216.1 (see "Electing under section 216.1" on page 7), send your return to the Film Services Unit that serves the province or territory where the services were provided. You can find the address at **canada.ca/taxes-film**.

Social insurance number

A social insurance number (SIN) is a nine-digit identification number issued by Service Canada. You are usually required to have a SIN to work in Canada, and your SIN is used for income tax purposes under section 237 of the Income Tax Act. You have to give your SIN to anyone who prepares tax information slips (such as T4 or T5013 slips) for you.

For more information, or to get an application for a SIN, visit **servicecanada.gc.ca** or call **1-866-274-6627** (from Canada and the United States (U.S.)). If you are outside Canada and the U.S., you can write to Service Canada Social Insurance Registration Office, P.O. Box 7000, Bathurst NB E2A 4T1, CANADA, or call **1-506-548-7961**.

If you are **not** eligible for a SIN, complete Form T1261, Application for a Canada Revenue Agency Individual Tax Number (ITN) for Non-Residents, and send it to the CRA as soon as possible.

> **Note**
> Do **not** complete Form T1261 if you **already** have a SIN, an individual tax number (ITN), or a temporary tax number (TTN).

If you have requested but not yet received a SIN or an ITN, and the deadline for filing your return is near, file your return without your SIN or ITN to avoid a late-filing penalty and interest charges. Attach a note to your return to let the CRA know.

Goods and services tax/harmonized sales tax (GST/HST) credit

The goods and services tax (GST) is a tax that you pay on most goods and services sold or provided in Canada. In some provinces, the GST has been blended with provincial sales tax and is called the harmonized sales tax (HST).

As a non-resident of Canada, you are **not** eligible to receive the GST/HST credit.

Taxing Canadian-source income

As a non-resident of Canada, you are subject to Canadian income tax on most Canadian-source income paid or credited to you during the year unless all or part of it is exempt under a tax treaty. Canada's income tax system uses the following two methods to calculate the tax payable on Canadian-source income you receive.

Method 1 – Non-resident tax

Canadian financial institutions and other payers have to withhold non-resident tax at a rate of 25% on certain types of Canadian-source income they pay or credit to you as a non-resident of Canada. The most common types of income that could be subject to non-resident withholding tax include:

- interest
- dividends
- rental payments
- pension payments
- old age security pension
- Canada Pension Plan or Quebec Pension Plan benefits
- retiring allowances
- registered retirement savings plan payments
- first home-savings account payments
- pooled registered pension plan payments
- registered retirement income fund payments
- annuity payments
- royalty payments

However, if there is a tax treaty between Canada and your country or region of residence, the terms of the treaty may reduce the rate of non-resident tax to be withheld on certain types of income. To find out if Canada has a tax treaty with your country or region of residence, see "Tax treaties" on page 16.

> **Note**
> Generally, interest you receive or that is credited to you is exempt from Canadian withholding tax if the payer is dealing at **arm's length** with you. For more information, see "Definitions" on page 16.

For more information about rates of non-resident withholding tax for the various countries or regions that Canada has a tax treaty with, go to **canada.ca/part-xiii-calculator**, see information circular IC76-12R8, Applicable Rate of Part XIII Tax on Amounts Paid or Credited to Persons in Countries with Which Canada has a Tax Convention, or contact the CRA.

Reporting income that has non-resident tax withheld

If a non-resident tax was withheld on any of the types of income listed previously in method 1 in 2023, you do **not** have to report the income or tax withheld on your Canadian tax return. In general, the non-resident tax withheld is your final tax obligation to Canada on this income. However, if you receive rental income, certain pension payments, or film and video acting services income, you can choose to report these types of income on a Canadian tax return and pay tax using an alternative tax method. For more information, see "Elective returns" in the next section.

If you receive old age security pension, you may have to file the Old Age Security Return of Income (OASRI) each year. For more information, see Guide T4155, Old Age Security Return of Income (OASRI) Guide for Non-Residents.

If your Canadian payer withheld more than the necessary non-resident tax

If the provisions of a tax treaty were not considered, Canadian payers may have withheld non-resident tax from tax-exempt income or may have withheld more tax than necessary. If so, you can ask the CRA for a refund of the excess tax withheld by completing Form NR7-R, Application for Refund of Part XIII Tax Withheld.

Generally, the CRA can refund excess non-resident tax withheld if you complete and send Form NR7-R **no later than two years after** the end of the calendar year that the payer sent the CRA the tax withheld. For example, if the payer sent the CRA more than the required amount of tax withheld in 2023, you have to send the CRA Form NR7-R by December 31, 2025. Depending on the tax treaty Canada has signed with your country or region of residence, the period you can get a refund for may be longer.

Transfers to registered plans or funds

Certain Canadian-source amounts can be transferred directly to a registered pension plan (RPP), registered retirement income fund (RRIF), registered retirement savings plan (RRSP), pooled registered pension plan (PRPP) or a first home savings account (FHSA) without having non-resident tax withheld.

These amounts may include payments out of an RPP, a deferred profit-sharing plan, an RRIF, an RRSP, a PRPP, a retiring allowance or FHSA.

The amounts have to be transferred directly, and you must complete Form NRTA1, Authorization for Non-Resident Tax Exemption, before the transfer can be made. For more information, contact the CRA.

Method 2 – Tax on taxable income

Certain types of income you earn in Canada must be reported on a Canadian tax return. The most common types of income include:

- federal and provincial or territorial COVID-19 benefits
- income from employment in Canada
- income from a business carried on in Canada
- the taxable part of Canadian scholarships, fellowships, bursaries, and research grants
- taxable capital gains from disposing of taxable Canadian property

You may be entitled to claim certain deductions from income to arrive at the taxable amount. You can also claim a credit for any tax withheld at source or paid on this income.

If there is a tax treaty between Canada and your country or region of residence, the terms of the treaty may reduce or eliminate the tax on certain types of income. To find out if Canada has a tax treaty with your country or region of residence, see "Tax treaties" on page 16. If it does, contact the CRA to find out if the provisions of the treaty apply.

By filing the return, you determine whether you are entitled to a refund of some or all of the tax withheld or have a balance of tax owing for the year. The CRA will issue you a notice of assessment to tell you the result.

Elective returns

Canadian payers are required to withhold non-resident tax on certain types of income paid or credited to you as a non-resident of Canada. This tax withheld is usually your final tax obligation to Canada on that income. However, under sections 216, 216.1, 217, and 218.3 of the Income Tax Act, you have the option of filing a Canadian tax return and paying tax on certain types of Canadian-source income using an alternative tax method. By doing so, you may receive a refund for some or all of the non-resident tax withheld.

Electing under section 216

As a non-resident of Canada, you may have received the following types of income in 2023:

- rental income from real or immovable property in Canada
- timber royalties on a timber resource property or a timber limit in Canada

If so, you can choose to send the CRA a separate return to report this income for the year. Choosing to send this return is called "Electing under section 216 of the Income Tax Act." This allows you to pay tax on your net Canadian-source rental or timber royalty income instead of on the gross amount. If the non-resident tax withheld on this income is more than the amount you have to pay under section 216, the CRA will refund the difference to you.

For more information, see Guide T4144, Income Tax Guide for Electing under Section 216. This guide contains the return you need.

Electing under section 216.1

If you are a non-resident actor, a non-resident withholding tax of 23% applies to amounts paid, credited, or provided as a benefit to you for film and video acting services rendered in Canada. Generally, the non-resident withholding tax is considered your final tax obligation to Canada on that income. However, you can choose to report this income on a Canadian tax return for 2023 by electing under section 216.1 of the Income Tax Act (see "Find out which tax package is for you" on page 5). By doing this, you may receive a refund of some or all of the non-resident tax withheld on this income.

Write "ACTOR'S ELECTION" in capital letters at the top of page 1 of your return.

Generally, if you choose to file a return under section 216.1, your return for 2023 has to be filed **on or before April 30, 2024**.

If you are self-employed, your return for 2023 has to be filed **on or before June 15, 2024**. However, if you have a balance owing, you still have to pay it **on or before April 30, 2024**.

If you send the CRA your return after the due date, your election will **not** be valid. The 23% non-resident withholding tax will be considered the final tax obligation to Canada on that income.

> **Note**
> This election does **not** apply to other persons employed or providing services within the movie industry, such as directors, producers, and other personnel working behind the scenes. It also does not apply to persons in other sectors of the entertainment industry, such as musical performers, ice or air show performers, stage actors or stage performers, or international speakers.

Reducing tax withheld at source

If you intend to elect under section 216.1, you can apply to the CRA for a reduction in the required amount of non-resident tax withheld on amounts paid, credited, or provided as a benefit to you for film and video acting services rendered in Canada.

You have to apply **before** you provide the acting services in Canada. To apply, complete and send the CRA Form T1287, Application by a Non-Resident of Canada (Individual) for a Reduction in the Amount of Non-Resident Tax Required to be Withheld on Income Earned from Acting in a Film or Video Production, or Form T1288, Application by a Non-Resident of Canada (Corporation) for a Reduction in the Amount of Non-Resident Tax Required to be Withheld on Income Earned from Acting in a Film or Video Production. For more information, go to **canada.ca/taxes-film**.

Electing under section 217

As a non-resident of Canada, you may have received the following types of income in 2023:

- old age security pension
- Canada Pension Plan or Quebec Pension Plan benefits
- superannuation or pension benefits
- registered retirement savings plan payments
- pooled registered pension plan payments
- registered retirement income fund payments
- death benefits
- employment insurance benefits
- retiring allowances
- registered supplementary unemployment benefit plan payments
- deferred profit-sharing plan payments
- amounts received from a retirement compensation arrangement or the purchase price of an interest in a retirement compensation arrangement
- prescribed benefits under a government assistance program
- Auto Pact benefits

If so, you may be able to report this income on a Canadian tax return for 2023 and pay tax using an alternative method. Choosing to send this return is called “Electing under section 217 of the Income Tax Act.” By doing this, you may receive a refund of some or all of the non-resident tax withheld.

For more information, see Pamphlet T4145, Electing under Section 217 of the Income Tax Act. To file a section 217 tax return, use the Income Tax and Benefit Package for Non-Residents and Deemed Residents of Canada, which includes the return and schedules you need.

Electing under section 218.3

If you as a non-resident investor have Canadian mutual fund investments with 15% tax withheld from assessable distributions paid or credited to you, both the assessable distributions and the withholding tax will be shown on an NR4 slip, Statement of Amounts Paid or Credited to Non-Residents of Canada. Generally, this 15% tax on the assessable distributions is considered the final tax obligation to Canada on that income.

If you have a loss on your disposition of a Canadian mutual fund investment, you can apply your loss to offset any assessable distributions paid or credited to you after 2004, as long as your loss is not more than your total assessable distributions paid or credited to you on the investment. To apply the loss, you must file a Part XIII.2 tax return.

For more information, see Form T1262, Part XIII.2 Tax Return for Non-Resident’s Investments in Canadian Mutual Funds.

Disposing of certain types of Canadian property

Types of Canadian property

As a non-resident of Canada, you have to follow certain procedures if you have disposed of, or are planning to dispose of, the following types of property:

- a taxable Canadian property (as outlined in this section)
- a life insurance policy in Canada
- a Canadian real property (other than capital property)
- a Canadian resource property
- a Canadian timber resource property

Taxable Canadian property

For the steps in the following section, taxable Canadian property includes:

- real or immovable property situated in Canada
- property used or held in a business carried on in Canada
- designated insurance property belonging to an insurer
- shares of corporations not listed on a designated stock exchange, an interest in a partnership or trust, if at any time in the previous 60-month period, **more than 50%** of the fair market value of the shares or interest was derived (otherwise than through a corporation, partnership or trust the shares or interests in which were not themselves taxable Canadian property at the particular time) from one or any combination of:
  - real or immovable property located in Canada
  - Canadian resource property
  - Canadian timber resource property
  - options or interests in any of the above
- shares of corporations listed on a designated stock exchange, share of a mutual fund corporation, or unit of a mutual fund trust if, at any time in the previous 60-month period, they met the following two conditions:
  - **25% or more** of the issued shares of any class, or **25% or more** of the issued units, belonged to any combination of the taxpayer or persons that the taxpayer did **not** deal with at arm's length, or partnerships that the taxpayer or persons that the taxpayer did **not** deal with at arm's length holds a membership interest directly or indirectly through one or more partnerships (see "Definitions" on page 16)
  - **more than 50%** of the fair market value of the shares or unit was derived from one or any combination of:
    - real or immovable property located in Canada
    - Canadian resource property
    - Canadian timber resource property
    - options or interests in any of the above
- an option or interest in any property listed above

For more information, go to **canada.ca/cra-non-residents-dispositions** or contact the CRA.

Steps to follow when disposing of taxable Canadian property

If you disposed of, or are planning to dispose of, any of the types of property listed at the beginning of this section, follow steps 1 to 3.

> **Note**
> If, in 2023, you disposed of taxable Canadian property and the gain from the disposition is exempt under a tax treaty, you may not have to follow these steps. For more information, go to **canada.ca/cra-non-residents-dispositions.**

Step 1

Complete one of the following forms and send it to the CRA with your payment (or acceptable security) to inform them of the disposition or proposed disposition and to cover the resulting tax payable:

- Form T2062, Request by a Non-Resident of Canada for a Certificate of Compliance Related to the Disposition of Taxable Canadian Property
- Form T2062A, Request by a Non-Resident of Canada for a Certificate of Compliance Related to the Disposition of Canadian Resource or Timber Resource Property, Canadian Real Property (Other than Capital Property), or Depreciable Taxable Canadian Property
- Form T2062B, Notice of Disposition of a Life Insurance Policy in Canada by a Non-Resident of Canada

> **Notes**
> You and your representatives can submit your notification for a Section 116 Certificate of Compliance (T2062, T2062A, T2062B, T2062C) online through My Account, Represent a Client, or My Business Account. To sign in or to register, go to **canada.ca/cra-login-services.**
>
> Your insurance company will send Form T2062B and any required payment to the CRA.

Step 2

If you are letting the CRA know about an **actual disposition** and provide payment (or acceptable security) to cover the resulting tax payable, the CRA will issue you a certificate of compliance, Form T2068, Certificate – The Disposition of Property by a Non-Resident of Canada.

> **Note**
> Notify the CRA no later than 10 days after the actual disposition otherwise the CRA can impose a penalty of $25 a day for each day you are late up to a maximum of $2,500. The minimum penalty is $100.

If you are letting the CRA know about a **proposed disposition** and you provide payment (or acceptable security) to cover the resulting tax payable, the CRA will issue you a certificate of compliance, Form T2064, Certificate – Proposed Disposition of Property by a Non-Resident of Canada.

When you actually dispose of the property, if the facts and amounts of the actual disposition differ from those you reported to the CRA for the proposed disposition, you must complete and send the CRA another form with the changes and provide the CRA with acceptable security or any additional payment to cover the increase in tax payable. The CRA will issue you a certificate of compliance, Form T2068.

> **Note**
> If the CRA issues a Form T2064, but the purchase price of the property is more than the limit in the certificate and you do not let the CRA know about the actual purchase price, the buyer may become liable to pay a specified amount of tax resulting from the disposition on behalf of the vendor. In this case, the buyer is entitled to withhold or recover 25% (50% on certain types of property) of the cost of the property acquired by the buyer minus the amount of the certificate limit, if any, from the proceeds of disposition.

Step 3

File a Canadian tax return to report the disposition. All payments, excluding penalties and interest, that you or the buyer makes to the CRA as a result of a disposition are considered interim payments. You make a final settlement of tax for the disposition when you file your return. If you make an overpayment, the CRA will send you a refund with your notice of assessment.

However, you are not required to file a tax return for the year if **all** of the following apply:

- You are a non-resident of Canada
- No tax is payable for the tax year in which you have disposed of the property
- You are not liable to pay any amount to the CRA for any previous tax year
- Each Canadian property you have disposed of in the tax year is **one** of the following:
  - excluded property
  - not required to pay an amount or provide acceptable security for the CRA to issue a Form T2064 or Form T2068 (Certificate of Compliance)

> **Notes**
> Even though you meet the four previous conditions, you have to file an income tax return if you sold or disposed of a property in Canada that you are able to claim a principal residence exemption for some or all of the capital gain. You must include Schedule 3 and 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 designate the property as your principal residence. For more information about designating a principal residence and what qualifies as a principal residence, see Chapter 6 of Guide T4037, Capital Gains, or Income Tax Folio S1-F3-C2, Principal Residence.
>
> If you were **not** a resident of Canada for the entire time you owned the designated property, your period of non-residence may reduce the amount of the principal residence exemption or eliminate it. For more information, contact the CRA.

For more information, go to **canada.ca/cra-non-residents-dispositions**, see Information Circular IC72-17R6, Procedures Concerning the Disposition of Taxable Canadian Property by Non-Residents of Canada – Section 116, or contact the CRA.

Completing your return

Use the information in this section along with the instructions in the Income Tax and Benefit Guide for Non-Residents and Deemed Residents of Canada, to complete your tax return.

Gather all the documents you need to complete your return including your information slips (such as T4, T4A, T4A-NR, and T5013 slips) and receipts for any deductions or credits you want to claim.

If you are completing a provincial or territorial Form 428, you may have to complete and attach Schedule A, Statement of World Income, and Schedule D, Information about your Residency Status (Form T1248), to your return. You will find Schedules A and D in the centre of this guide.

If you were employed in Canada during 2023, your employer must send you your T4 information slip showing your earnings and the amount of tax deducted at source for the year by February 28, 2024.

Identification

Complete the “Identification and other information” section on page 1 of your return. Incomplete or incorrect information **may delay** the processing of your return and any refund you may be entitled to receive.

> **Note**
> If you are a non-resident actor electing to file a return under section 216.1, write “ACTOR’S ELECTION” in capital letters at the top of page 1 of your return.

Residence information

Your province or territory of residence on December 31, 2023

If you are reporting income from employment in Canada or from a business with a permanent establishment in Canada, enter the province or territory where you earned the income on your income tax and benefit return.

If you are reporting **only** other types of Canadian-source income (such as taxable scholarships, fellowships, bursaries, research grants, or capital gains from disposing of taxable Canadian property or from a business with no permanent establishment in Canada), “Other” is already entered for you on your income tax and benefit return for non-residents and deemed residents of Canada. Do **not** enter a province or territory even if you were staying in a province or territory on December 31.

Your country of residence on December 31, 2023

Enter the name of the country where you normally reside.

Province or territory where your business had a permanent establishment

If you were **self-employed in** 2023 carrying on business through a permanent establishment **in Canada**, enter the province or territory where you had a permanent business establishment in Canada on your income tax and benefit return. If **not**, enter “Other” on your income tax and benefit return for non-residents and deemed residents of Canada.

Attach a note to your return to let the CRA know how many days you stayed in Canada during 2023.

Schedule D, Information about your Residency Status

If you are completing a provincial or territorial Form 428 as a non-resident, deemed non-resident, or factual resident of Canada, you also have to complete Schedule D (Form T1248) and attach it to your return.

Income

As a non-resident of Canada, you must report certain types of Canadian-source income on your return. However, if Canada has a tax treaty with your country or region of residence, all or part of that income may be exempt from tax in Canada. To find out whether Canada has a tax treaty with your country or region of residence, see “Tax treaties” on page 16.

Employment income

If you received Canadian-source employment income (including tips, gratuities, and security option benefits) in 2023 for employment duties that you performed in Canada in 2023 or an earlier year, report it on line 10100 of your income tax and benefit return for the province or territory where you earned the income.

Under some tax treaties, employment income is exempt if:

- It is less than a certain amount
- You were present in Canada for **183 days or less** and you received it from an employer who was **not** a resident of Canada and did **not** have a permanent establishment in Canada

If a portion of the total income is exempt from Canadian tax under the provisions of a treaty, claim the exempt amount on line 25600 of your return.

If you are not sure if your employment income is taxable in Canada, contact the CRA to find out how the provisions of the treaty apply to you.

For more information about reporting employment income earned in Canada, see Archived Interpretation Bulletin IT-420R3, Non-Residents – Income Earned in Canada.

If you were a resident of Canada in a previous year and left Canada before 2023

You may have to report certain types of Canadian-source income you received in 2023, such as employment income from a job you had while you lived in Canada. This could include vacation pay, sick-leave pay, bonuses, or security option benefits.

If you received employment income from a Canadian resident for work you performed in another country or region in 2023

You have to report it on your return only if, under the terms of an agreement or convention between Canada and that country or region, the employment income is exempt from tax in that other country or region. For more information, contact the CRA.

Taxable capital gains

If you disposed of **taxable Canadian property** in 2023 (see page 9), complete Schedule 3, Capital Gains (or Losses), which is included in your tax package, and attach it to your tax return. On line 12700 of your return, report the taxable capital gain resulting from the disposition.

> **Note**
> Do not report any gain or claim a loss from the disposition of taxable Canadian property if, under a tax treaty, any gain from the disposition of the property would be exempt from tax in Canada. If you have to file a return, attach a note stating you have not reported the gain or claimed the loss because of a tax treaty.

If you disposed of certain **other types of Canadian property** such as Canadian life insurance property, Canadian real property (other than capital property), Canadian resource property, or Canadian timber resource property, report the gain from the disposition on line 13000 or 13500 (whichever applies) of your tax return. Do **not** report these dispositions on Schedule 3. **Instead**, attach to your return a note or other document showing the details of the disposition. If, under a tax treaty, the gain is exempt from tax in Canada, claim an offsetting deduction on line 25600 of your return.

For more information, see Guide T4037, Capital Gains.

Taxable scholarships, fellowships, bursaries, study grants, and artists’ project grants

If you were a student in full-time attendance at an educational institution in Canada or moved from Canada to attend a post-secondary educational institution outside Canada, you have to report taxable Canadian scholarship, fellowship, bursary, and research grant income you received in 2023.

If you are an artist, or to determine the amount you must report on your return, see Guide P105, Students and income tax.

If you moved from Canada to do research or similar work under a grant, you have to report the Canadian research grant you received. Deduct your expenses from it, and report the net amount on line 10400 of your return. Attach a list of your expenses to your return. For more information about allowable expenses, see Guide P105, Students and Income Tax.

If you receive money from a parent or guardian for support while you are in Canada, you do not have to report this money as income on your return.

Fees, commissions, and self-employment income

If you received fees, commissions, or self-employment income, you may have had tax withheld under subsection 105(1) of the Income Tax Regulations. This subsection states that, when a payment is made to you for services you rendered in Canada, the payer has to withhold 15% of the gross amount. This subsection does not apply to amounts paid to you as salary or wages from employment.

This generally applies to lecturers, consultants, behind-the-scenes personnel working in the film industry, entertainers, artists, and athletes. If you received Canadian-source income subject to withholding tax under subsection 105(1) of the Income Tax Regulations, report the income on your return, and claim the tax withheld, as shown on your T4A-NR slip, as a credit on line 43700 of your return.

Report the gross income on line 13499, 13699, or 13899, whichever applies, and the net income (gross income minus expenses) on line 13500, 13700, or 13900, whichever applies, of your return. If all or part of this income is exempt from tax in Canada under the provisions of a tax treaty, claim the exempt net amount on line 25600 of your return.

> **Note**
> Do **not** claim a loss from a business carried on in Canada if, under a tax treaty, the income from that business would be exempt from tax in Canada. If you have to file a return, attach a note stating you have not claimed the loss because of a tax treaty.

For more information about this type of withholding tax or to find out how to apply for a tax waiver, go to **canada.ca/cra-rendering-services-canada** or see Information Circular IC75-6R2, Required Withholding from Amounts Paid to Non-Residents Providing Services in Canada.

Non-resident actors providing services in Canada

If you are a non-resident actor providing services in Canada, a non-resident tax of 23% applies to amounts paid, credited, or provided as a benefit to you for film and video acting services rendered in Canada. Generally, the non-resident withholding tax is considered your final tax obligation to Canada on that income.

If you are electing to file a return under section 216.1, report the income on your income tax and benefit return as employment income (line 10100) or self-employment income (gross income on line 13499, 13699, or 13899 and net income on line 13500, 13700, or 13900, whichever lines apply). For more information about this election, see page 7.

Deductions

Generally, you are entitled to claim the same deductions on your return as a resident of Canada. However, certain restrictions apply to the following deductions.

Registered pension plan, registered retirement savings plan (RRSP), pooled registered pension plan (PRPP), and specified pension plan (SPP) contributions

If you contributed to a pension plan or social security arrangement in another country, see Form RC267, Employee Contributions to a United States Retirement Plan for Temporary Assignments, or Form RC269, Employee Contributions to a Foreign Pension Plan or Social Security Arrangement for Non-United States Plans or Arrangements or contact the CRA.

Depending on your RRSP deduction limit, you may be able to claim your contributions to an RRSP, a PRPP, and an SPP in Canada. Your RRSP deduction limit for 2023 is based on some Canadian-source income that you reported on your Canadian tax returns for 1990 to 2022.

For more information, see Guide T4040, RRSPs and Other Registered Plans for Retirement.

First home savings account (FHSA)

If you opened an FHSA in 2023, you may be able to deduct contributions you made to your FHSAs between April 1, 2023 and December 31, 2023.

For more information, go to **canada.ca/tax-deductions-fhsa**.

Child care expenses

To determine whether you can claim child care expenses, see Form T778, Child Care Expenses Deduction for 2023.

> **Note**
> You must have paid these expenses to a **resident of Canada** for child care services provided **in Canada** during 2023.

Moving expenses

Non-residents are usually not allowed to claim moving expenses incurred for a move into, or out of, Canada. However, if you were a **full-time student** during 2023 who received a Canadian scholarship, bursary, fellowship, or research grant that you had to report as income, you may be eligible to claim your moving expenses. For more information, see Form T1-M, Moving Expenses Deduction.

Losses of other years

You may be able to claim your unapplied non-capital losses of other years on line 25200 of your return and unapplied net capital losses of other years on line 25300 of your return. For more information, see archived Interpretation Bulletin IT-262R2, Losses of Non-Residents and Part-Year Residents, or contact the CRA.

Calculating your taxes payable

If you are reporting income from employment in Canada or from a business with a permanent establishment in Canada, you will pay federal tax on that income **plus** tax to the province or territory where you earned the income.

If you are **also** reporting other types of Canadian-source income (such as taxable scholarships, fellowships, bursaries, research grants, capital gains from disposing of taxable Canadian property, income from a business **without** a permanent establishment in Canada, federal COVID-19 benefits, or provincial or territorial COVID-19 benefits), you will pay federal tax on that income **plus** the surtax for non-residents and deemed residents of Canada. You will also have to complete Form T2203, Provincial and Territorial Taxes for Multiple Jurisdictions, to calculate your provincial and territorial taxes payable.

Federal tax and credits

Complete Step 5 of your return to calculate your federal tax and any credits that apply to you.

Schedule A, Statement of World Income

You have to complete Schedule A to report your world income. World income is income from Canadian sources and sources outside Canada. Your **net** world income from Schedule A is used to determine your allowable amount of federal and provincial or territorial non-refundable tax credits on Schedule B (Form T1234).

> **Note**
> Your income from sources outside Canada is reported **only** on your Schedule A.

Federal non-refundable tax credits

These credits reduce your federal income tax. However, if the total of these credits is more than your federal income tax, you will not get a refund for the difference.

The federal non-refundable tax credits that you can claim depend on the percentage of net world income (line 14 of Schedule A) that is included in your net income (line 23600 on your return).

Disability tax credit

The disability tax credit (DTC) is a non-refundable tax credit that helps people with impairments, or their supporting family member, reduce the amount of income tax they may have to pay.

The DTC aims to offset some of the extra costs related to the impairment by reducing the amount of income tax they may have to pay.

If you have a severe and prolonged impairment, you can apply for the credit. If you are approved, you can claim the credit when you file your income tax and benefit return.

For more information about the DTC, go to **canada.ca /disability-tax-credit** or call **1-800-959-8281**.

Schedule B, Allowable Amount of Federal and Provincial or Territorial Non-Refundable Tax Credits

Complete Schedule B (Form T1234) to calculate the allowable amount of federal and provincial or territorial non-refundable tax credits you can claim.

Line 3 of Schedule B is 90% or more
You can claim all of the federal and provincial or territorial non-refundable tax credits that apply to you.

Your allowable amount of federal non-refundable tax credits is the amount on line 35000 of your return.

Your allowable amount of provincial or territorial non-refundable tax credits, if applicable, is the amount on line 61500 of your provincial or territorial Form 428.

Line 3 of Schedule B is less than 90%
You can claim the following federal non-refundable tax credits that apply to you if you are reporting Canadian-source income:

- Canada Pension Plan or Quebec Pension Plan contributions
- social security arrangement contributions (see Form RC269, Employee Contributions to a Foreign Pension Plan or Social Security Arrangement for Non-United States Plans or Arrangements)
- employment insurance premiums
- the disability amount for self
- interest paid on Canadian student loans for post-secondary education made to you under the Canada Student Loans Act, the Canada Student Financial Assistance Act, the Apprentice Loans Act, or similar provincial or territorial government laws
- the tuition amount for yourself

Your allowable amount of federal non-refundable tax credits is:

- 15% of the total of the amounts on lines 30800, 31200, 31217, 31600, 31900, and 32300 (tuition amounts only) of your return; **plus**
- the amount for donations and gifts on line 34900 of your return

> **Note**
> Attach Schedule A, Statement of World Income, to your return for the CRA to allow the full amount of your federal non-refundable tax credits.

Your allowable amount of provincial or territorial non-refundable tax credits is:

- the total of the amounts on lines 58240, 58300, 58305, 58440, 58520 and 58560 (tuition amounts only) of your provincial or territorial Form 428; **multiplied by**
- the lowest tax rate on Form 428 for the province or territory where you earned employment income in Canada or income from a business that had a permanent establishment in Canada; **plus**
- the amount for donations and gifts on line 58969 of your provincial or territorial Form 428

Your tuition, education, and textbook amounts

If you do **not** have any Canadian-source income, you **cannot** claim tuition fees paid in 2023.

If you were a student, you can claim the tuition fees paid to an educational institution inside or outside Canada that provided courses you took in 2023 at the post-secondary level, **plus** any unused part of your tuition amount carried forward from a previous year.

> **Note**
> You cannot claim an amount for other expenses, such as board and lodging or students' association fees.

Eligible tuition fees paid for courses taken after 2016 at a post-secondary educational institution in Canada that are **not** at the post-secondary school level (for example, training in a second language or in basic literacy and numeracy) will also qualify for the tuition tax credit if you meet both of the following conditions:

- You are at least 16 years of age at the end of the year
- You enrolled in the educational institution to obtain or improve your skills in an occupation

The fees you paid to each educational institution for the year **must be more than $100**.

If the fees were paid or reimbursed by your employer, an employer of one of your parents, or an organization, you can claim them only if the payment or reimbursement was included in your or your parent's income.

You can claim tuition fees paid to:

- a university, college, or another educational institution **in Canada**, if the fees were for a course at the post-secondary school level or you were at least 16 years of age at the end of the year and enrolled in the educational institution to obtain or improve your skills in an occupation
- an institution **in Canada** certified by the Minister of Employment and Social Development Canada, if you were 16 years of age or older on December 31, 2023, and the fees were for courses to develop or improve your skills in an occupation
- a university **outside Canada** for courses lasting at least three consecutive weeks and lead to a degree if you were in full-time attendance

You can transfer all or part of your unused current-year tuition amount to a designated individual or you can carry forward your unused federal tuition, education, and textbook amounts to a future year.

To make your claim for the tuition amount, your educational institution has to complete Form T2202, Tuition and Enrolment Certificate, or Form TL11A, Tuition and Enrolment Certificate – University Outside Canada, or provide an official tax receipt. For more information, go to **canada.ca/taxes-students** or see Guide P105, Students and Income Tax.

Provincial or territorial tax (Form 428)

To calculate your provincial or territorial tax, complete Form 428 for the province or territory where you earned employment income or income from a business with a permanent establishment in Canada. For more information, see the tax package for the province or territory where you earned your income.

If you have to pay Quebec provincial tax, you must file a Revenu Québec Income Tax Return. You can get information about your Quebec tax liability by contacting Revenu Québec.

If you earned income from **more than one** province or territory in Canada, complete Form T2203, Provincial and Territorial Taxes for Multiple Jurisdictions, to calculate your provincial and territorial taxes. Attach a copy of Form T2203 to your return.

Provincial or territorial non-refundable tax credits

Provincial or territorial non-refundable tax credits are used to reduce your provincial or territorial tax. Eligibility for claiming most provincial or territorial non-refundable tax credits is the same as for claiming the corresponding federal non-refundable tax credits. However, the provincial and territorial amounts may be different from the federal amounts for these credits.

As a non-resident of Canada, you can claim the provincial or territorial non-refundable tax credits corresponding to the federal non-refundable tax credits you claimed on your return.

The rules that apply to the federal non-refundable tax credits (see "Schedule B, Allowable Amount of Federal and Provincial or Territorial Non-Refundable Tax Credits" on page 13) also apply to the provincial or territorial non-refundable tax credits. Complete Schedule B (Form T1234) to calculate the allowable amount of provincial or territorial non-refundable tax credits you can claim.

> **Note**
> The education and textbook amounts may still be available depending on your province or territory. For more information, go to **canada.ca/prov-terr-tax-information**.

Provincial or territorial refundable tax credits

Generally, you **cannot** claim provincial or territorial tax credits if you are **not** a resident of that province or territory.

Overpayments to the Canada Pension Plan (CPP) and Quebec Pension Plan (QPP)

If you were a non-resident of Canada, any overpayment of CPP or QPP contributions will be refunded or used to reduce your balance on your **federal** tax return.

To calculate your claim at lines 30800 and 22215 of your return and to calculate any overpayment, complete Schedule 8, Canada Pension Plan Contributions and Overpayment, or Schedule 8, Quebec Pension Plan Contributions, or Form RC381, Inter-Provincial Calculation for CPP and QPP Contributions and Overpayments, whichever applies.

If you are filing the federal income tax and benefit return for residents of Quebec (Form 5005-R), write "55520" above line 43700 on page 8 of your return. Enter the overpayment amount to the right of code 55520 and add this amount to your total credits on line 48200 of your return.

If you are filing a federal return for another province or territory, enter the overpayment on line 44800 of your return.

Eligible educator school supply tax credit

If you were an eligible educator and line 3 of Schedule B (Form T1234) is **90% or more**, you can claim an amount for eligible teaching supplies you bought in 2023.

For more information, see line 46900 of the Income Tax and Benefit Guide for Non-Residents and Deemed Residents of Canada.

Canadian journalism labour tax credit

If you are a member of a partnership that is a Canadian qualifying journalism organization, you can claim the refundable credit allocated to you by the partnership.

For more information, see line 47555 of the Income Tax and Benefit Guide for Non-Residents and Deemed Residents of Canada.

Return of fuel charge proceeds to farmers tax credit

If you are a self-employed farmer or an individual who is a member of a partnership operating a farming business with one or more permanent establishments in Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Ontario, Prince Edward Island or Saskatchewan, you may be eligible to have a portion of fuel charge proceeds returned to you.

To claim this credit, complete Form T2043, Return of Fuel Charge Proceeds to Farmers Tax Credit, and enter the result on line 47556 of your return.

For more information, see line 47556 of the Income Tax and Benefit Guide for Non-Residents and Deemed Residents of Canada.

Air quality improvement tax credit

If you were a member of a partnership in 2023, you can claim the amount of the credit allocated to you by the partnership for its fiscal period ending in 2023.

The amount allocated to you is shown in box 238 of your T5013 slip or in a letter provided to you by the partnership.

Enter on line 47557 of your return the total amount allocated to you from all partnerships.

Balance owing

Your balance owing is due **no later than April 30, 2024**. Generally, the CRA does not charge a difference of **$2 or less**.

Do not mail cash or include it with your return.

NEW! As of January 1, 2024, remittances or payments to the Receiver General of Canada should be made as an electronic payment if the amount is **more than $10,000**. Payers may face a penalty unless they cannot reasonably remit or pay the amount electronically. For more information, go to **canada.ca/payments**.

The CRA will charge daily compound interest on any outstanding balance starting May 1, 2024, until your balance is paid in full.

You or your representative can make a payment using:

- your or your representative's Canadian financial institution's online banking, mobile banking app, telephone banking services or in person with a remittance voucher (from My Account at **canada.ca/my-cra-account** or by contacting the CRA)
- the CRA's My Payment service at **canada.ca/cra-my-payment** using your Visa® Debit card, Debit MasterCard® or Interac® Online card (does **not** include credit cards)
- your credit card, Interac e-transfer, or PayPal **for a fee** through one of the CRA's third-party service providers
- pre-authorized debit (PAD) at **canada.ca/my-cra-account (**for more information on PADs go to **canada.ca/pay-authorized-debit**)
- cash or debit at any Canada Post outlet across Canada **for a fee** if you have a remittance voucher with a QR code or a self-generated QR code

You or your representative can make a payment without an account at a Canadian bank or credit union using:

- a wire transfer
- an international money order
- a bank draft drawn on a Canadian bank
- an internationally issued credit card through a third-party service provider **for a fee**

For more information, go to **canada.ca/payments**.

You can file your return early and make a post-dated payment as late as April 30, 2024. If the CRA processes your return before the date of payment, your payment will appear on your notice of assessment, but it will not reduce your balance owing. The CRA will credit your account on the date of the payment.

The CRA will charge you a fee for any payment not honoured by your financial institution.

Tax treaties

Canada has tax conventions, agreements, and arrangements (commonly referred to as tax treaties) with many countries and regions. These tax treaties are designed to avoid double taxation for those who would otherwise have to pay tax in two countries or regions on the same income. Generally, tax treaties determine how much each country or region can tax income such as wages, salaries, pensions, and interest. For more information, go to **canada.ca/cra-tax-treaties**.

If you receive Canadian-source employment income or Canadian self-employment business income exempt from tax in Canada because of a tax treaty, you can ask your employer or the payer not to withhold tax. Before your employer or the payer can stop withholding tax from your income, you need a waiver letter from the CRA. Send your request for a waiver letter to the International Waivers Centre of Expertise that serves your Canadian employer or the payer. If the officials at the tax office agree you qualify, they will send you a waiver letter to give to your employer or payer. For more information on where to send your waiver applications, go to **canada.ca/cra-rendering-services-canada** and select "Where to send waiver application."

Canada has tax treaties with the following countries and regions:

Algeria
Argentina
Armenia
Australia
Austria
Azerbaijan
Bangladesh
Barbados
Belgium
Brazil
Bulgaria
Cameroon
Chile
China (PRC)
Colombia
Croatia
Cyprus
Czech Republic
Denmark
Dominican Republic
Ecuador
Egypt
Estonia
Finland
France
Gabon
Germany
Greece
Guyana
Hong Kong
Hungary
Iceland
India
Indonesia
Ireland
Israel
Italy
Ivory Coast
Jamaica
Japan
Jordan
Kazakhstan
Kenya
Korea, Republic of
Kuwait
Kyrgyzstan
Latvia
Lithuania
Luxembourg
Madagascar
Malaysia
Malta
Mexico
Moldova
Mongolia
Morocco
Netherlands
New Zealand
Nigeria
Norway
Oman
Pakistan
Papua New Guinea
Peru
Philippines
Poland
Portugal
Romania
Russia
Senegal
Serbia
Singapore
Slovak Republic
Slovenia
South Africa
Spain
Sri Lanka
Sweden
Switzerland
Taiwan
Tanzania
Thailand
Trinidad and Tobago
Tunisia
Turkey
Ukraine
United Arab Emirates
United Kingdom
United States
Uzbekistan
Venezuela
Vietnam
Zambia
Zimbabwe

Definitions

Arm's length refers to a relationship or a transaction between unrelated persons who act in their separate interests. An arm's length transaction is generally a transaction that reflects ordinary commercial dealings between parties acting in their separate interests.

Related persons are not considered to deal with each other at arm's length. Related persons include individuals connected by blood relationship, marriage, common-law partnership or adoption (legal or in fact). A corporation and another person or two corporations may also be related persons.

Unrelated persons may not be dealing with each other at arm's length at a particular time. Each case will depend upon its own facts. The following criteria will be used to determine if parties to a transaction are not dealing at arm's length:

- whether there is a common mind that directs the bargaining for the parties to a transaction
- whether the parties to a transaction act in concert without separate interests; ("acting in concert" means, for example, that parties act with considerable interdependence on a transaction of common interest)
- whether there is de facto control of one party by the other because of, for example, advantage, authority or influence

For more information, see Income Tax Folio S1-F5-C1, Related Persons and Dealing at Arm's Length.

Non-arm's length generally refers to a relationship or transaction between persons who are related to each other.

However, a non-arm's length relationship might also exist between unrelated individuals, partnerships or corporations, depending on the circumstances. For more information, see the definition of "Arm's length."

For more information

If you need help

If you need more information after reading this guide, go to **canada.ca/taxes** or call the CRA. You will find our address and telephone numbers on the back cover of this guide.

If you work in the film or video production industry and you need more information, go to **canada.ca/taxes-film**. Click on "Contact us" to find the address, telephone number, and fax number for each film service unit.

Forms and publications

If you need a paper version of the CRA's forms and publications, go to **canada.ca/cra-forms-publications** or call one of the following numbers:

- **1-800-959-8281**, from Canada and the United States
- **613-940-8495**, from outside Canada and the United States. The CRA only accepts collect calls made through a telephone operator. After your call is accepted by an automated response, you may hear a beep and notice a normal connection delay. This service operates in Eastern Standard Time and is open Monday to Friday from 8:00 am to 8:00 pm and Saturday from 9:00 am to 5:00 pm

Electronic mailing lists

The CRA can send you an email when new information on a subject of interest to you is available on the website. To subscribe to the electronic mailing lists, go to **canada.ca/cra-email-lists**.

Tax Information Phone Service (TIPS)

For tax information by telephone, use the CRA's automated service, TIPS, by calling **1-800-267-6999**.

Formal disputes (objections and appeals)

You have the right to file an objection if you disagree with an assessment, determination or decision.

For more information about objections and related deadlines, go to **canada.ca/cra-file-objection**.

CRA Service Feedback Program

Service complaints

You can expect to be treated fairly under clear and established rules, and get a high level of service each time you deal with the CRA. For more information about the Taxpayer Bill of Rights, go to **canada.ca/taxpayer-rights**.

You may provide compliments or suggestions, and if you are not satisfied with the service you received:

1. Try to resolve the matter with the employee you have been dealing with or call the telephone number provided in the correspondence you received from the CRA. If you do not have contact information for the CRA, go to **canada.ca/cra-contact**
2. If you have not been able to resolve your service-related issue, you can ask to discuss the matter with the employee's supervisor
3. If the problem is still not resolved, you can file a service-related complaint by filling out Form RC193, Service Feedback. For more information and to learn how to file a complaint, go to **canada.ca/cra-service-feedback**

If you are not satisfied with how the CRA has handled your service-related complaint, you can submit a complaint to the Office of the Taxpayers' Ombudsperson.

Reprisal complaints

If you have received a response regarding a previously submitted service complaint or a formal review of a CRA decision and feel you were not treated impartially by a CRA employee, you can submit a reprisal complaint by filling out Form RC459, Reprisal Complaint.

For more information, go to **canada.ca/cra-reprisal-complaints**.

Contact the Canada Revenue Agency

By telephone

Calls from Canada and the United States **1-800-959-8281**

Hours of service

Monday to Friday (except holidays)
8 am to 8 pm (local time)

Saturdays (except holidays)
9 am to 5 pm (local time)

Calls from outside Canada and the United States **613-940-8495**

The CRA only accepts collect calls made through a telephone operator. After your call is accepted by an automated response, you may hear a beep and notice a normal connection delay.

Hours of service

Monday to Friday (except holidays)
8 am to 8 pm (Eastern Standard Time)

Saturdays (except holidays)
9 am to 5 pm (Eastern Standard Time)

Teletypewriter (TTY) users

If you have a hearing or speech impairment and use a TTY for a hearing or speech impairment, call **1-800-665-0354**.

If you use an **operator-assisted relay service**, call the CRA's regular telephone numbers instead of the TTY number.

By mail

Use the envelope provided with this guide to mail your return to your tax centre.

Use following chart if you do not have an envelope.

Country of residence	Tax centre
Denmark France Netherlands United Kingdom United States	Winnipeg Tax Centre PO Box 14001, Station Main Winnipeg MB R3C 3M3 CANADA Fax: 204-984-5164
All other regions and countries	Sudbury Tax Centre 1050 Notre Dame Avenue Sudbury ON P3A 5C2 CANADA Fax: 705-671-3994 and 1-855-276-1529