



Identification

Form with fields for First name, Last name, Address, Apt. Number, Street number and Street name, P.O. Box, RR, City, Prov./Terr. or State, Postal code or Zip code, Country.

Information about you section with fields for social insurance number, date of birth, language of correspondence, date of death, and entry/departure dates.

Before completing this form, please read the important information and definitions on the last page. Complete all parts of Section 1 that apply to you as well as Section 2. Report all amounts in Canadian dollars. In all cases, you must submit the documentation to support all transactions.

SECTION 1 - Tax calculations

Part A - Tax on Excess TFSA Amounts

If, at any time during the calendar year, there were excess contributions (other than a qualifying transfer or an exempt contribution) in your TFSA, complete Form RC243-SCH-A, Schedule A - Excess TFSA Amounts, to determine the total excess TFSA amounts and then enter the total on Line 1 below.

Table with 2 columns: Description and Amount. Rows include Total from line 13 of Section 2 from Schedule A, Rate, and Total tax on excess TFSA amounts.

Part B - Tax on Non-Resident Contributions

If, at any time during the calendar year, your TFSA contained contributions (other than a qualifying transfer or an exempt contribution) you made while a non-resident of Canada, complete Form RC243-SCH-B, Schedule B - Non-Resident Contributions to a Tax-Free Savings Account (TFSA), and enter the total amount subject to the 1% tax on Line 1 below.

Table with 2 columns: Description and Amount. Rows include Total from line 5 of Section 2 from Schedule B, Rate, and Total tax on non-resident contributions.

Part C - Tax on Non-Qualified Investments

Complete this part if, at any time in the calendar year, either you or your TFSA trust acquire a non-qualified investment or a previously acquired qualified investment became non-qualified. If the investment is both a non-qualified investment and a prohibited investment, complete Part D only.

Table with 4 columns: Date non-qualified investment was acquired or previously acquired qualified investment became non-qualified, Number, Full description of investment, Fair market value (FMV) at time of acquisition or when it became non-qualified. Includes a total row for FMV of non-qualified investments.

Table with 2 columns: Description and Amount. Rows include Total of FMV from line 1, Rate, and Total tax on non-qualified investments.

Part D – Tax on Prohibited Investments

Complete this part if, at any time in the calendar year, either you or your TFSA trust acquire a prohibited investment or a previously acquired qualified investment became prohibited.

Date prohibited investment was acquired or previously acquired qualified investment became prohibited	Number	Full description of investment	Fair market value (FMV) at time of acquisition or when it became prohibited
Total FMV of the prohibited investments			

Total of FMV from line 1. \$ 1.
 Rate. × 50% 2.
 Multiply line 2 by line 3. Tax on prohibited investments. **Enter this amount on line D of Section 2.** = 3.
 = 4.

Part E – Additional Tax on Prohibited Investments

Complete this part if, at any time in the calendar year, income was earned on a prohibited investment.

Enter the total amount of income earned during the calendar year by the prohibited investments.

Also include any related capital gain (full amount of capital gains net of capital losses)..... \$ 1.
 Rate × 43.5% 2.
 Multiply line 1 by line 2. Additional tax on prohibited investments. **Enter this amount on line E of Section 2.** = 3.

Part F – Tax on an Advantage

Complete this part if, during 2009, the holder or a person not dealing at arm's length with the holder was provided with an advantage in relation to their TFSA . This includes an advantage provided directly into your TFSA. A separate return must be filed for each individual who received an advantage. For more information on an advantage, see the definitions on the next page.

TFSA Contract or Account Number — specify the advantage received	Fair market value (FMV) of the benefit or amount of loan or debt
Total of all amounts. This is the tax on an advantage Enter this amount on line F of Section 2.	
	\$ 3.

SECTION 2 – Summary of Taxes

A. Tax on Excess TFSA Amounts from Part A of Section 1.	▶ \$	A.
B. Tax on Non-Resident Contributions from Part B of Section 1.	▶ \$	B.
C. Tax on Non-Qualified Investments from Part C of Section 1.	▶ \$	C.
D. Tax on Prohibited Investments from Part D of Section 1.	▶ \$	D.
E. Additional Tax on Prohibited Investments from Part E of Section 1.	▶ \$	E.
F. Tax on an Advantage from Part F of Section 1.	▶ \$	F.
Add lines A to F. Total tax payable	=	

Attach a **cheque or money order** payable to the Receiver General.
 Generally, we do not charge an amount of \$2 or less.

Amount enclosed

\$

I certify that the information given on this return and in any documents attached is correct and complete.

Sign here _____
 Signature of individual, trustee, or authorized officer

It is a serious offence to make a false return.

Telephone - - Date _____

For professional tax preparers only

Name: _____

Address: _____

Telephone: - - _____

Important information

Filing due date

If you are subject to tax at any time during the year, you have to file this TFSA return with a payment for any balance due no later than June 30 of the year following the end of the calendar year.

Interest

If you have a balance owing, you will be charged compound daily interest starting July 1 of the year following the end of the calendar year. This includes any balance owing if we reassess your return. In addition, you will be charged interest on the penalties defined below, starting the day after your return is due.

Penalties

If you file your return after the due date, you will be charged a late-filing penalty. The penalty is 5% of the balance owing plus 1% of the balance owing for each full month that the return is late, to a maximum of 12 months. Your late-filing penalty may be higher if you were charged a late-filing penalty on a return for any of the three previous years.

Mailing address

Send this return to: TFSA Processing Unit
PO Box 9768 STN T
Ottawa ON K1G 3X9

Refund of taxes paid on non-qualified or prohibited investments

You may be entitled to a refund of taxes paid on non-qualified investments or prohibited investments in Parts C and D if:

- the TFSA trust sells the property in question before the end of the calendar year following the calendar year in which the tax arose; or
- the property ceases to be a non-qualified or prohibited investment before the end of the calendar year following the calendar year in which the tax arose.

However, no refund will be issued if it is reasonable to expect that the holder knew, or should have known, at the time the property was acquired by the TFSA trust, that the property was, or would become, a non-qualified or a prohibited investment.

Note: In order to claim a refund, send a letter explaining why you are requesting a refund along with the documents detailing the information relating to the acquisition and disposition of the non-qualified or prohibited property. The documents must contain the name of the property, the number of shares or units, the date the property was acquired or became non-qualified or prohibited property and the date of the disposition or the date that the property became qualified or ceased to be prohibited.

For more information on TFSAs, go to www.cra.gc.ca/tfsa, see Guide RC4466, *Tax-Free Savings Account (TFSA)* or contact us at **1-800-959-8281**. Copies of our forms and publications are available on our Web site at www.cra.gc.ca or by calling **1-800-959-2221**.

Definitions

Advantage

- Any benefit, loan or indebtedness extended to any person who is, or who does not deal at arm's length with, the holder of the TFSA, that is, in any way, dependent on the existence of the TFSA, with certain exceptions;
- a benefit that is an increase in the fair market value of the investments held in connection with a TFSA if that benefit is tied, directly or indirectly, to transactions unlikely to have been made by parties dealing at arm's length in the open market, or certain payments to the holder or to any person not dealing at arm's length with the holder of the TFSA.

If you need more information regarding the specific "exceptions" or "payments" go to www.cra.gc.ca/tfsa or see Guide RC4466, *Tax-Free Savings Account (TFSA)*.

Arm's length

At "arm's length" is a concept describing a relationship in which the parties are acting independently of each other. The opposite, "not at arm's length", includes individuals who are related to each other by blood, marriage, adoption, and common-law relationships. "Not at arm's length" also includes people acting in concert without special interests, such as those with close business ties. An individual is not at arm's length with their TFSA.

Full description of investment

The full description of investment includes the type, the name, the class of the investment and the face value and maturity date of debt obligations.

Non-qualified investment

Any property that is not a qualified investment for the TFSA trust. If an investment ceases to be a qualified investment or becomes a prohibited investment while continuing to be held by the TFSA trust, it is treated as having been disposed of, and immediately reacquired, by the TFSA trust at its fair market value (FMV).

Note: The issuer of a TFSA that governs a trust has to notify the holder of the TFSA before March of a calendar year if, at any time during the preceding calendar year, the trust acquires or disposes of property that is a non-qualified investment for the trust; or property held by the trust becomes or ceases to be a non-qualified investment for the trust.

For the purposes of TFSA taxes, if a trust governed by a TFSA holds property at any time that is, for the trust, both a prohibited investment and a non-qualified investment, the property is not considered to be, at that time a non-qualified investment, but remains a prohibited investment.

Prohibited investment

This is an investment to which the TFSA holder is closely connected. It includes:

- a debt of the holder;
- a debt or equity investment in an entity in which the holder has a significant interest (generally a 10% or greater interest); and
- a debt or equity investment in an entity with which the holder, or an entity described in the previous bullet, does not deal at arm's length.

A prohibited investment does not include a mortgage loan that is insured by the Canada Mortgage and Housing Corporation (CMHC) or by an approved private insurer.

Qualified investment

Common types of qualified investments include money and deposits, Guaranteed Investment Certificates (GICs), government and corporate bonds, mutual funds and securities listed on a designated stock exchange. The types of investments that qualify for TFSAs are generally the same as those that qualify for RRSPs.