



**Part 3A – Business income**

Fill in this part **only** if you have business income. If you have professional income, leave this part blank and fill in Part 3B.  
If you have both business and professional income, you have to fill out a separate Form T2125 for each.

**Part 3B – Professional income**

Fill in this part **only** if you have professional income. If you have business income, leave this part blank and fill in Part 3A.  
If you have both business and professional income, you have to fill out a separate Form T2125 for each.

**Note:** New proposed rules allow you to include your work in progress (WIP) progressively if you elected to use billed basis accounting for the last tax year that started before March 22, 2017. Generally, for the first tax year that starts after March 21, 2017, you must include 50% of the lesser of the cost and the fair market value of WIP. For more information, see chapter 2 of guide T4002.

**Part 3A – Business income**

Gross sales, commissions, or fees (include GST/HST collected or collectible) . . . . .	_____	1
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 1) . . . . .	_____	2
<b>Subtotal: Amount 1 minus amount 2</b>	_____	3
<b>If you are using the quick method for GST/HST – Government assistance calculated as follows:</b>		
GST/HST collected or collectible on sales, commissions and fees eligible for the quick method . . . . .	_____	4
GST/HST remitted, calculated on (sales, commissions, and fees eligible for the quick method <b>plus</b>		
GST/HST collected or collectible) <b>multiplied</b> by the applicable quick method remittance rate . . . . .	_____	5
<b>Subtotal: Amount 4 minus amount 5</b>	_____	6
<b>Adjusted gross sales: Amount 3 plus amount 6 (enter on line 8000 of Part 3C)</b> . . . . .	_____	7

**Part 3B – Professional income**

Gross professional fees including work-in-progress (WIP) (include GST/HST collected or collectible) . . . . .	_____	8
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 8) and any WIP at the end of the year you elected to exclude . . . . .	_____	9
<b>Subtotal: Amount 8 minus amount 9</b>	_____	10
<b>If you are using the quick method for GST/HST – Government assistance calculated as follows:</b>		
GST/HST collected or collectible on professional fees eligible for the quick method . . . . .	_____	11
GST/HST remitted, calculated on (professional fees eligible for the quick method <b>plus</b> GST/HST collected or collectible) <b>multiplied</b> by the applicable quick method remittance rate . . . . .	_____	12
<b>Subtotal: Amount 11 minus amount 12</b>	_____	13
Work-in-progress (WIP), start of the year, per election to exclude WIP (see Guide T4002, Chapter 2) . . . . .	_____	14
<b>Adjusted professional fees: Amount 10 plus amount 13 plus amount 14 (enter on line 8000 of Part 3C)</b> . . . . .	_____	15

**Part 3C – Gross business or professional income**

Adjusted gross sales (amount 7 of Part 3A) or adjusted professional fees (amount 15 of Part 3B) . . . . .	8000	_____	
Reserves deducted last year . . . . .	8290	_____	
Other income . . . . .	8230	_____	
<b>Subtotal: Line 8290 plus line 8230</b>		_____	▶ 16
<b>Gross business or professional income: Line 8000 plus amount 16</b> . . . . .	8299	_____	16

Report the gross business or professional income from line 8299 on the applicable line of your income tax and benefit return as indicated below:

- business income on line 162
- professional income on line 164
- commission income on line 166

For Parts 3D, 4, and 5, if GST/HST has been remitted or an input tax credit has been claimed, do not include GST/HST when you calculate the cost of goods sold, expenses, or net income (loss).

**Part 3D – Cost of goods sold and gross profit**

If you have business income, fill in this part. Enter only the business part of the costs.

Gross business income (line 8299 of Part 3C) . . . . .	_____	17	
Opening inventory (include raw materials, goods in process, and finished goods) . . . . .	8300	_____	
Purchases during the year (net of returns, allowances, and discounts) . . . . .	8320	_____	
Direct wage costs . . . . .	8340	_____	
Subcontracts . . . . .	8360	_____	
Other costs . . . . .	8450	_____	
<b>Subtotal: Add the amounts above</b>		_____	18
<b>Minus: Closing inventory (include raw materials, goods in process, and finished goods)</b> . . . . .	8500	_____	
<b>Cost of goods sold: Amount 18 minus line 8500</b>	8518	_____	▶ 19
<b>Gross profit (or loss): Amount 17 minus amount 19</b> . . . . .	8519	_____	19

**Part 4 – Net income (loss) before adjustments**

<b>Gross business or professional income</b> (line 8299 of Part 3C) or <b>Gross profit</b> (line 8519 of Part 3D) .....		_____	a
<b>Expenses</b> (enter only the business part)			
Advertising .....	8521		
Meals and entertainment .....	8523		
Bad debts .....	8590		
Insurance .....	8690		
Interest and bank charges .....	8710		
Business taxes, licences, and memberships .....	8760		
Office expenses .....	8810		
Office stationery and supplies .....	8811		
Professional fees (includes legal and accounting fees) .....	8860		
Management and administration fees .....	8871		
Rent .....	8910		
Repairs and maintenance .....	8960		
Salaries, wages, and benefits (including employer's contributions) .....	9060		
Property taxes .....	9180		
Travel expenses .....	9200		
Utilities .....	9220		
Fuel costs (except for motor vehicles) .....	9224		
Delivery, freight, and express .....	9275		
Motor vehicle expenses (not including CCA) (amount 15 of Chart A) .....	9281		
Capital cost allowance (CCA). Enter amount i of Area A <b>minus</b> any personal part and any CCA for business-use-of-home expenses .....	9936		
Other expenses (specify): _____	9270		
<b>Total expenses:</b> Total of the above amounts	9368		_____ b
<b>Net income (loss) before adjustments:</b> Amount a <b>minus</b> amount b .....		9369	_____

**Part 5 – Your net income (loss)**

Your share of line 9369 or the amount from your T5013 slip, <i>Statement of Partnership Income</i> .....	9974		c
<b>Plus:</b> GST/HST rebate for partners that was received in the year .....			
<b>Total:</b> Amount c <b>plus</b> line 9974			_____ d
<b>Minus:</b> Other amounts deductible from your share of the net partnership income (loss) (amount 6 of Part 6) .....			9943
<b>Net income (loss) after adjustments:</b> Amount d <b>minus</b> line 9943 .....			_____ e
<b>Minus:</b> Business-use-of-home expenses (amount 16 of Part 7) .....			9945
<b>Your net income (loss):</b> Amount e <b>minus</b> line 9945 .....			9946
Report the net income amount from line 9946 on the applicable line of your income tax and benefit return as indicated below:			
<ul style="list-style-type: none"> <li>• business income on line 135</li> <li>• professional income on line 137</li> <li>• commission income on line 139</li> </ul>			

**Part 6 – Other amounts deductible from your share of the net partnership income (loss)**

Claim expenses you incurred that were not included in the partnership statement of income and expenses, and for which the partnership did not reimburse you. These claims must not be included in the claims already calculated for the partnership.

List details of expenses:

Expense amounts

_____	_____	1
_____	_____	2
_____	_____	3
_____	_____	4
_____	_____	5
<b>Total other amounts deductible from your share of the net partnership income (loss):</b> Add amounts 1 to 5 (enter this on line 9943 of Part 5)	_____	6

**Part 7 – Calculation of business-use-of-home expenses**

Heat . . . . .	_____	1
Electricity . . . . .	_____	2
Insurance . . . . .	_____	3
Maintenance . . . . .	_____	4
Mortgage interest . . . . .	_____	5
Property taxes . . . . .	_____	6
Other expenses (specify): _____	_____	7
<b>Subtotal:</b> Add amounts 1 to 7	_____	8
<b>Minus:</b> Personal-use part of the business-use-of-home expenses . . . . .	_____	9
<b>Subtotal:</b> Amount 8 minus amount 9	_____	10
<b>Plus:</b> Capital cost allowance (business part only), which means amount i of Area A minus any portion of CCA that is for personal use or entered on line 9936 of Part 4. . . . .	_____	11
Amount carried forward from previous year . . . . .	_____	12
<b>Subtotal:</b> Add amounts 10 to 12	_____	13
<b>Minus:</b> Net income (loss) after adjustments (amount e of Part 5) (if negative, enter "0"). . . . .	_____	14
<b>Business-use-of-home expenses available to carry forward:</b> Amount 13 minus amount 14 (if negative, enter "0") . . . . .	_____	15
<b>Allowable claim:</b> The lesser of amount 13 and 14 above (enter your share of this amount on line 9945 of Part 5) . . . . .	_____	16

**Part 8 – Details of other partners**

Do not fill in this chart if you must file a partnership information return.

Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss) \$	Percentage of partnership %
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss) \$	Percentage of partnership %
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss) \$	Percentage of partnership %
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss) \$	Percentage of partnership %

**Part 9 – Details of equity**

Total business liabilities . . . . .	<b>9931</b>	_____
Drawings in 2017 . . . . .	<b>9932</b>	_____
Capital contributions in 2017 . . . . .	<b>9933</b>	_____



**Chart A – Motor vehicle expenses**

Kilometres you drove in the fiscal period that was part of earning business income .....	_____	1
Total kilometres you drove in the fiscal period .....	_____	2
Fuel and oil .....	_____	3
Interest (see Chart B) .....	_____	4
Insurance .....	_____	5
Licence and registration .....	_____	6
Maintenance and repairs .....	_____	7
Leasing (see Chart C) .....	_____	8
Other expenses (specify): _____	_____	9
_____	_____	10
<b>Total motor vehicle expenses:</b> Add amounts 3 to 10	_____	<b>11</b>
Business use part: $\left( \begin{array}{l} \text{amount 1 :} \\ \text{amount 2 :} \end{array} \right) \times \text{amount 11 :}$ _____	=	_____ 12
Business parking fees .....	_____	13
Supplementary business insurance .....	_____	14
<b>Allowable motor vehicle expenses:</b> Add amounts 12, 13, and 14 (enter this total on line 9281 of Part 4) .....	_____	<b>15</b>

**Note:** You can claim CCA on motor vehicles in Area A.

**Chart B – Available interest expense for passenger vehicles**

Total interest payable (accrual method) or paid (cash method) in the fiscal period .....	_____	16
$\$10^* \times \text{the number of days in the fiscal period for which interest was payable (accrual method) or paid (cash method)}$ _____	=	_____ 17
<b>Available interest expense:</b> The lesser of amount 16 and 17 (enter this in amount 4 of Chart A) .....	_____	<b>18</b>

\* For passenger vehicles bought after 2000.

**Chart C – Eligible leasing cost for passenger vehicles**

Total lease charges incurred in your 2017 fiscal period for the vehicle .....	_____	19
Total lease payments deducted before your 2017 fiscal period for the vehicle .....	_____	20
Total number of days the vehicle was leased in your 2017 and previous fiscal periods .....	_____	21
Manufacturer's list price .....	_____	22
Use a GST rate of 5% or HST rate applicable to your province.		
Amount 22 or (\$35,294 + GST and PST, or HST on \$35,294), whichever is more	▶ _____	× 85% = _____ 23
$\frac{[(\$800 + \text{GST and PST, or } \$800 + \text{HST}) \times \text{amount 21}]}{30}$ ▶ _____	-	amount 20: _____ = _____ 24
$\frac{[(\$30,000 + \text{GST and PST, or } \$30,000 + \text{HST}) \times \text{amount 19}]}{\text{amount 23}}$ _____	=	_____ 25
<b>Eligible leasing cost:</b> Whichever is less of amount 24 or 25 (enter in amount 8 of Chart A above) .....	_____	<b>26</b>

See the privacy notice on your return.