

**A SPECIAL MEETING OF THE  
COUNCIL OF THE TOWN OF LADYSMITH  
WILL BE HELD IN COUNCIL CHAMBERS AT CITY HALL ON  
MONDAY, JULY 31, 2017  
5:00 P.M.**

**Call to Order  
5:00 p.m.  
Closed Meeting immediately following**

**AGENDA**

**CALL TO ORDER (5:00 P.M.)**

**1. AGENDA APPROVAL**

**2. NEW BUSINESS**

**2.1. DL 2016 Holdings Corporation: Annual General Meeting..... 1 - 22**

Staff Recommendation:

That Council, as the sole shareholder of the Company entitled to vote at an annual general meeting, resolve that:

- (1) The financial statements of the Company for the period ended December 31, 2016, are hereby approved;
- (2) All lawful acts, contracts, proceedings, appointments and payments of money by the directors of the Company since the last annual reference date of the Company, and which have previously been disclosed to the shareholders, are hereby adopted, ratified and confirmed;
- (3) The number of directors of the Company is hereby fixed at five;
- (4) The following persons, each of whom has consented to act as a director, are hereby elected as directors of the Company, to hold office until the next annual general meeting of the Company (or unanimous resolutions consented to in lieu of holding an annual general meeting) or until their successors are appointed:



GUILLERMO FERRERO  
BRUCE LAXDAL  
ROD SMITH  
JAN CHRISTENSON  
DOUG BELL

- (5) Grant Thornton (formerly Hayes, Stewart, Little & Company), Chartered Accountants is hereby appointed auditors for the Company until the next annual reference date of the Company or until a successor is appointed, at a remuneration to be fixed by the directors; and
- (6) July 31, 2017 is selected as the annual reference date for the Company for its current annual reference period.

This resolution shall be deemed to be effective as at July 31, 2017.

### **3. CLOSED SESSION**

In accordance with section 90(1) of the *Community Charter*, this section of the meeting will be held *In Camera* to consider matters related to the following:

- the receipt of advice that is subject to solicitor-client privilege – Section 90(1)(i)
- negotiations and related discussions respecting the proposed provision of a municipal service – Section 90(1)(k)

### **4. RISE AND REPORT – Items from Closed Meeting**

### **ADJOURNMENT**

**STAFF REPORT TO COUNCIL**

**From:** Joanna Winter, Manager of Legislative Services  
**Meeting Date:** July 31, 2017  
**File No:** 6740-20

**RE:** DL 2016 HOLDINGS CORPORATION: ANNUAL GENERAL MEETING

**RECOMMENDATION(S)**

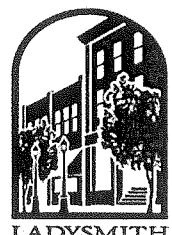
That Council, as the sole shareholder of the Company entitled to vote at an annual general meeting, resolve that:

- (1) The financial statements of the Company for the period ended December 31, 2016, are hereby approved;
- (2) All lawful acts, contracts, proceedings, appointments and payments of money by the directors of the Company since the last annual reference date of the Company, and which have previously been disclosed to the shareholders, are hereby adopted, ratified and confirmed;
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- (6) July 31, 2017 is selected as the annual reference date for the Company for its current annual reference period.

This resolution shall be deemed to be effective as at July 31, 2017.

**PURPOSE**

The purpose of this staff report is to confirm that an Annual General Meeting of DL 2016 Holdings Corporation has been held in order to adopt the financial statements and confirm the Corporation's directors.



**PREVIOUS COUNCIL DIRECTION/RESOLUTIONS**

Resolution	Meeting Date	Resolution Details
CE 2016-075	May-16-2016	That Council refer consideration of maintaining or dissolving DL 2016 Holdings Corporation to a future meeting of Council, after completion of the Waterfront Area Plan review.

**INTRODUCTION/BACKGROUND**

DL 2016 Holdings Corporation is a wholly-owned subsidiary of the Town of Ladysmith. It was created in order to facilitate a financial partnership with the Ladysmith Maritime Society for potential future development of the Ladysmith Community Marina.

As the Corporation is duly registered in British Columbia, Council is required to hold an annual general meeting, adopt annual financial statements, and confirm the appointment of directors on the corporation in accordance with the *BC Business Corporations Act*.

By passing the above recommended resolution, Council is deemed to have conducted the corporation's AGM.

**SCOPE OF WORK**

Once Council has adopted the financial statements and confirmed appointment of the directors, the Town's legal counsel will file the appropriate paperwork with the province of BC.

**ALTERNATIVES**

In order to maintain the status DL 2016 Holdings Corporation as an active corporation, Council is required to hold its annual general meeting and pass the recommended resolution. Council could choose to dissolve the Corporation at this time; however, Council had previously agreed to wait until after completion of the Waterfront Area Plan update before considering the future of DL 2016 Holdings Corp.

**FINANCIAL IMPLICATIONS**

The annual cost to the Town of maintaining DL 2016 Holdings Corp. is approximately \$900.

**LEGAL IMPLICATIONS**

The Corporation is required to file an annual report, in order to remain in good standing under the *BC Corporations Act*. Audited financial statements have not been completed for the corporation; the required income tax return (attached) summarizes the financial statements.

**CITIZEN/PUBLIC RELATIONS IMPLICATIONS**

N/A

**INTERDEPARTMENTAL INVOLVEMENT/IMPLICATIONS**

N/A

**RESOURCE IMPLICATIONS**

N/A

**ALIGNMENT WITH SUSTAINABILITY VISIONING REPORT**

N/A

**ALIGNMENT WITH STRATEGIC PRIORITIES**

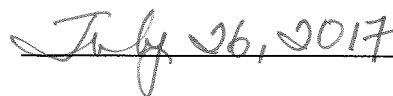
N/A

**SUMMARY**

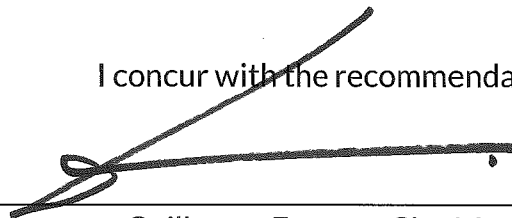
It is recommended that Council adopt the proposed resolution as part of its annual filing obligations as the sole shareholder of DL 2016 Holdings Corporation.



Joanna Winter, Manager of Legislative Services



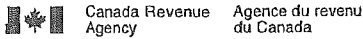
I concur with the recommendation.



Guillermo Ferrero, City Manager

**ATTACHMENT(S)**

2016 Corporate Income Tax Return for DL 2016 Holdings Corporation (Financial Statement)



**T2 Corporation Income Tax Return**

**EXEMPT FROM TAX**

This form serves as a federal, provincial, and territorial corporation income tax return, unless the corporation is located in Quebec or Alberta. If the corporation is located in one of these provinces, you have to file a separate provincial corporation return.

All legislative references on this return are to the federal *Income Tax Act* and *Income Tax Regulations*. This return may contain changes that had not yet become law at the time of publication.

Send one completed copy of this return, including schedules and the *General Index of Financial Information (GIFI)*, to your tax centre or tax services office. You have to file the return within six months after the end of the corporation's tax year.

For more information see [cra.gc.ca](http://cra.gc.ca) or Guide T4012, *T2 Corporation - Income Tax Guide*.

055 Do not use this area

<b>Identification</b>	
Business number (BN) ..... 001 85584 7455 RC0001	
Corporation's name 002 DL 2016 Holdings Corporation	To which tax year does this return apply? Tax year start Year Month Day 2016-01-01 060 Tax year-end Year Month Day 2016-12-31 061
Address of head office Has this address changed since the last time we were notified? ..... 010 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete lines 011 to 018. 011 TOWN OF LADYSMITH 012 PO BOX 220 City Province, territory, or state 015 LADYSMITH 016 BC Country (other than Canada) Postal or ZIP code 017 018 V9G 1A2	Has there been an acquisition of control resulting in the application of subsection 249(4) since the tax year start on line 060? ..... 063 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, provide the date control was acquired ..... 065 Year Month Day
Mailing address (if different from head office address) Has this address changed since the last time we were notified? ..... 020 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete lines 021 to 028. 021 c/o GUILLERMO 022 FERRERO 023 P.O. BOX 220 City Province, territory, or state 025 LADYSMITH 026 BC Country (other than Canada) Postal or ZIP code 027 028 V9G 1A2	Is the date on line 061 a deemed tax year-end according to subsection 249(3.1)? ..... 066 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Is the corporation a professional corporation that is a member of a partnership? ..... 067 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Is this the first year of filing after: Incorporation? ..... 070 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Amalgamation? ..... 074 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete lines 030 to 038 and attach Schedule 24.
Location of books and records (if different from head office address) Has this address changed since the last time we were notified? ..... 030 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete lines 031 to 038. 031 TOWN OF LADYSMITH 032 PO BOX 220 City Province, territory, or state 035 LADYSMITH 036 BC Country (other than Canada) Postal or ZIP code 037 038 V9G 1A2	Has there been a wind-up of a subsidiary under section 88 during the current tax year? ..... 072 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete and attach Schedule 24. Is this the final tax year before amalgamation? ..... 076 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> Is this the final return up to dissolution? ..... 078 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If an election was made under section 261, state the functional currency used ..... 079
040 Type of corporation at the end of the tax year (tick one) <input type="checkbox"/> 1 Canadian-controlled private corporation (CCPC) <input checked="" type="checkbox"/> 2 Other private corporation <input type="checkbox"/> 3 Public corporation <input type="checkbox"/> 4 Corporation controlled by a public corporation <input type="checkbox"/> 5 Other corporation (specify) _____ If the type of corporation changed during the tax year, provide the effective date of the change ..... 043 Year Month Day	Is the corporation a resident of Canada? 080 1 Yes <input checked="" type="checkbox"/> 2 No <input type="checkbox"/> If no, give the country of residence on line 081 and complete and attach Schedule 97. 081 _____ Is the non-resident corporation claiming an exemption under an income tax treaty? ..... 082 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/> If yes, complete and attach Schedule 91. If the corporation is exempt from tax under section 149, tick one of the following boxes: 085 <input type="checkbox"/> 1 Exempt under paragraph 149(1)(e) or (f) <input type="checkbox"/> 2 Exempt under paragraph 149(1)(j) <input type="checkbox"/> 3 Exempt under paragraph 149(1)(l) <input checked="" type="checkbox"/> 4 Exempt under other paragraphs of section 149
Do not use this area	
095	096
098	

**- Attachments****Financial statement information:** Use GIFL schedules 100, 125, and 141.**Schedules – Answer the following questions. For each yes response, attach the schedule to the T2 return, unless otherwise instructed.**

	Yes	Schedule
Is the corporation related to any other corporations?	<input type="checkbox"/>	9
Is the corporation an associated CCPC?	<input type="checkbox"/>	23
Is the corporation an associated CCPC that is claiming the expenditure limit?	<input type="checkbox"/>	49
Does the corporation have any non-resident shareholders who own voting shares?	<input type="checkbox"/>	19
Has the corporation had any transactions, including section 85 transfers, with its shareholders, officers, or employees, other than transactions in the ordinary course of business? Exclude non-arm's length transactions with non-residents if you answered yes to the above question, and the transaction was between corporations not dealing at arm's length, were all or substantially all of the assets of the transferor disposed of to the transferee?	<input type="checkbox"/>	11
Has the corporation paid any royalties, management fees, or other similar payments to residents of Canada?	<input type="checkbox"/>	14
Is the corporation claiming a deduction for payments to a type of employee benefit plan?	<input type="checkbox"/>	15
Is the corporation claiming a loss or deduction from a tax shelter?	<input type="checkbox"/>	T5004
Is the corporation a member of a partnership for which a partnership account number has been assigned?	<input type="checkbox"/>	T5013
Did the corporation, a foreign affiliate controlled by the corporation, or any other corporation or trust that did not deal at arm's length with the corporation have a beneficial interest in a non-resident discretionary trust (without reference to section 94)?	<input type="checkbox"/>	22
Did the corporation own any shares in one or more foreign affiliates in the tax year?	<input type="checkbox"/>	25
Has the corporation made any payments to non-residents of Canada under subsections 202(1) and/or 105(1) of the <i>Income Tax Regulations</i> ?	<input type="checkbox"/>	29
Did the corporation have a total amount over \$1 million of reportable transactions with non-arm's length non-residents?	<input type="checkbox"/>	T106
For private corporations: Does the corporation have any shareholders who own 10% or more of the corporation's common and/or preferred shares?	<input checked="" type="checkbox"/>	50
Has the corporation made payments to, or received amounts from, a retirement compensation plan arrangement during the year?	<input type="checkbox"/>	
Does the corporation earn income from one or more Internet webpages or websites?	<input type="checkbox"/>	88
Is the net income/loss shown on the financial statements different from the net income/loss for income tax purposes?	<input type="checkbox"/>	1
Has the corporation made any charitable donations; gifts of cultural or ecological property; or gifts of medicine?	<input type="checkbox"/>	2
Has the corporation received any dividends or paid any taxable dividends for purposes of the dividend refund?	<input type="checkbox"/>	3
Is the corporation claiming any type of losses?	<input checked="" type="checkbox"/>	4
Is the corporation claiming a provincial or territorial tax credit or does it have a permanent establishment in more than one jurisdiction?	<input type="checkbox"/>	5
Has the corporation realized any capital gains or incurred any capital losses during the tax year?	<input type="checkbox"/>	6
i) Is the corporation claiming the small business deduction and reporting a) income or loss from property (other than dividends deductible on line 320 of the T2 return), b) income from a partnership, c) income from a foreign business, d) income from a personal services business, e) income referred to in clause 125(1)(a)(i)(C) or 125(1)(a)(i)(B), or f) business limit assigned under subsection 125(3.2); or		
ii) does the corporation have aggregate investment income at line 440?	<input type="checkbox"/>	7
Does the corporation have any property that is eligible for capital cost allowance?	<input type="checkbox"/>	8
Does the corporation have any property that is eligible capital property?	<input type="checkbox"/>	10
Does the corporation have any resource-related deductions?	<input type="checkbox"/>	12
Is the corporation claiming deductible reserves (other than transitional reserves under section 34.2)?	<input type="checkbox"/>	13
Is the corporation claiming a patronage dividend deduction?	<input type="checkbox"/>	16
Is the corporation a credit union claiming a deduction for allocations in proportion to borrowing or an additional deduction?	<input type="checkbox"/>	17
Is the corporation an investment corporation or a mutual fund corporation?	<input type="checkbox"/>	18
Is the corporation carrying on business in Canada as a non-resident corporation?	<input type="checkbox"/>	20
Is the corporation claiming any federal, provincial, or territorial foreign tax credits, or any federal logging tax credits?	<input type="checkbox"/>	21
Does the corporation have any Canadian manufacturing and processing profits?	<input type="checkbox"/>	27
Is the corporation claiming an investment tax credit?	<input type="checkbox"/>	31
Is the corporation claiming any scientific research and experimental development (SR&ED) expenditures?	<input type="checkbox"/>	T661
Is the total taxable capital employed in Canada of the corporation and its related corporations over \$10,000,000?	<input type="checkbox"/>	33/34/35
Is the total taxable capital employed in Canada of the corporation and its associated corporations over \$10,000,000?	<input type="checkbox"/>	
Is the corporation subject to gross Part VI tax on capital of financial institutions?	<input type="checkbox"/>	38
Is the corporation claiming a Part I tax credit?	<input type="checkbox"/>	42
Is the corporation subject to Part IV.1 tax on dividends received on taxable preferred shares or Part VI.1 tax on dividends paid?	<input type="checkbox"/>	43
Is the corporation agreeing to a transfer of the liability for Part VI.1 tax?	<input type="checkbox"/>	45
Is the corporation subject to Part II - Tobacco Manufacturers' surtax?	<input type="checkbox"/>	46
For financial institutions: Is the corporation a member of a related group of financial institutions with one or more members subject to gross Part VI tax?	<input type="checkbox"/>	39
Is the corporation claiming a Canadian film or video production tax credit refund?	<input type="checkbox"/>	T1131
Is the corporation claiming a film or video production services tax credit refund?	<input type="checkbox"/>	T1177
Is the corporation subject to Part XIII.1 tax? (Show your calculations on a sheet that you identify as Schedule 92.)	<input type="checkbox"/>	92

**Attachments (continued)**

	Yes	Schedule
Did the corporation have any foreign affiliates in the tax year? .....	<b>271</b> <input type="checkbox"/>	T1134
Did the corporation own or hold specified foreign property where the total cost amount of all such property, at any time in the year, was more than CAN\$100,000? .....	<b>259</b> <input type="checkbox"/>	T1135
Did the corporation transfer or loan property to a non-resident trust? .....	<b>260</b> <input type="checkbox"/>	T1141
Did the corporation receive a distribution from or was it indebted to a non-resident trust in the year? .....	<b>261</b> <input type="checkbox"/>	T1142
Has the corporation entered into an agreement to allocate assistance for SR&ED carried out in Canada? .....	<b>262</b> <input type="checkbox"/>	T1145
Has the corporation entered into an agreement to transfer qualified expenditures incurred in respect of SR&ED contracts? .....	<b>263</b> <input type="checkbox"/>	T1146
Has the corporation entered into an agreement with other associated corporations for salary or wages of specified employees for SR&ED? .....	<b>264</b> <input type="checkbox"/>	T1174
Did the corporation pay taxable dividends (other than capital gains dividends) in the tax year? .....	<b>265</b> <input type="checkbox"/>	55
Has the corporation made an election under subsection 89(11) not to be a CCPC? .....	<b>266</b> <input type="checkbox"/>	T2002
Has the corporation revoked any previous election made under subsection 89(11)? .....	<b>267</b> <input type="checkbox"/>	T2002
Did the corporation (CCPC or deposit insurance corporation (DIC)) pay eligible dividends, or did its general rate income pool (GRIP) change in the tax year? .....	<b>268</b> <input type="checkbox"/>	53
Did the corporation (other than a CCPC or DIC) pay eligible dividends, or did its low rate income pool (LRIP) change in the tax year? .....	<b>269</b> <input type="checkbox"/>	54

**Additional information**

Did the corporation use the International Financial Reporting Standards (IFRS) when it prepared its financial statements? .....	<b>270</b> 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>						
Is the corporation inactive? .....	<b>280</b> 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>						
What is the corporation's main revenue-generating business activity? .....	<b>551113</b> Holding Companies						
Specify the principal products mined, manufactured, sold, constructed, or services provided, giving the approximate percentage of the total revenue that each product or service represents.	<table border="0"> <tr> <td><b>284</b> HOLDING COMPANY</td> <td><b>285</b> 100.000 %</td> </tr> <tr> <td><b>286</b> _____</td> <td><b>287</b> _____ %</td> </tr> <tr> <td><b>288</b> _____</td> <td><b>289</b> _____ %</td> </tr> </table>	<b>284</b> HOLDING COMPANY	<b>285</b> 100.000 %	<b>286</b> _____	<b>287</b> _____ %	<b>288</b> _____	<b>289</b> _____ %
<b>284</b> HOLDING COMPANY	<b>285</b> 100.000 %						
<b>286</b> _____	<b>287</b> _____ %						
<b>288</b> _____	<b>289</b> _____ %						
Did the corporation immigrate to Canada during the tax year? .....	<b>291</b> 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>						
Did the corporation emigrate from Canada during the tax year? .....	<b>292</b> 1 Yes <input type="checkbox"/> 2 No <input checked="" type="checkbox"/>						
Do you want to be considered as a quarterly instalment remitter if you are eligible? .....	<b>293</b> 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/>						
If the corporation was eligible to remit instalments on a quarterly basis for part of the tax year, provide the date the corporation ceased to be eligible .....	<b>294</b> <table border="1" style="display: inline-table; vertical-align: middle;"> <tr> <td>Year</td> <td>Month</td> <td>Day</td> </tr> <tr> <td> </td> <td> </td> <td> </td> </tr> </table>	Year	Month	Day			
Year	Month	Day					
If the corporation's major business activity is construction, did you have any subcontractors during the tax year? .....	<b>295</b> 1 Yes <input type="checkbox"/> 2 No <input type="checkbox"/>						

**Taxable income**

Net income or (loss) for income tax purposes from Schedule 1, financial statements, or GIFL .....	<b>300</b>	-885	A
<b>Deduct:</b>			
Charitable donations from Schedule 2 .....	<b>311</b>		
Cultural gifts from Schedule 2 .....	<b>313</b>		
Ecological gifts from Schedule 2 .....	<b>314</b>		
Gifts of medicine from Schedule 2 .....	<b>315</b>		
Taxable dividends deductible under section 112 or 113, or subsection 138(6) from Schedule 3 .....	<b>320</b>		
Part VI.1 tax deduction* .....	<b>325</b>		
Non-capital losses of previous tax years from Schedule 4 .....	<b>331</b>		
Net capital losses of previous tax years from Schedule 4 .....	<b>332</b>		
Restricted farm losses of previous tax years from Schedule 4 .....	<b>333</b>		
Farm losses of previous tax years from Schedule 4 .....	<b>334</b>		
Limited partnership losses of previous tax years from Schedule 4 .....	<b>335</b>		
Taxable capital gains or taxable dividends allocated from a central credit union .....	<b>340</b>		
Prospector's and grubstaker's shares .....	<b>350</b>		
Subtotal .....			B
Subtotal (amount A minus amount B) (if negative, enter "0") .....			C
Section 110.5 additions or subparagraph 115(1)(a)(vii) additions .....	<b>355</b>		D
Taxable income (amount C plus amount D) .....	<b>360</b>		
Income exempt under paragraph 149(1)(l) .....	<b>370</b>		
Taxable income for a corporation with exempt income under paragraph 149(1)(l) (line 360 minus line 370) .....			Z
Taxable income for the year from a personal services business** .....			Z.1

\* This amount is equal to 3.5 times the Part VI.1 tax payable at line 724 on page 9.

\*\* For a taxation year that ends after 2015.



**- Small business deduction**

<b>Canadian-controlled private corporations (CCPCs) throughout the tax year</b>	
Income from active business carried on in Canada from Schedule 7	<b>400</b> _____ A
Taxable income from line 360 on page 3, minus 100/28 3.57143 of the amount on line 632* on page 8, minus 4 times the amount on line 636** on page 8, and minus any amount that, because of federal law, is exempt from Part I tax	<b>405</b> _____ B
Business limit (see notes 1 and 2 below)	<b>410</b> _____ C

**Notes:**

- For CCPCs that are not associated, enter \$ 500,000 on line 410. However, if the corporation's tax year is less than 51 weeks, prorate this amount by the number of days in the tax year divided by 365, and enter the result on line 410.
- For associated CCPCs, use Schedule 23 to calculate the amount to be entered on line 410.

**Business limit reduction:**

Amount C	x	<b>415</b> ***	D	=	_____ E
			11,250		
Reduced business limit (amount C minus amount E) (if negative, enter "0")					<b>425</b> _____ F
Business limit the CCPC assigns under subsection 125(3.2) (from line 515 below)					_____ G
Amount F minus amount G					<b>427</b> _____ H

**Small business deduction**

Amount A, B, C, or H, whichever is the least	x	Number of days in the tax year before January 1, 2016	x	17 % =	_____ 1
		Number of days in the tax year	366		
Amount A, B, C, or H, whichever is the least	x	Number of days in the tax year after December 31, 2015	366	x	17.5 % = _____ 2
		Number of days in the tax year	366		
Total of amounts 1 and 2 (enter amount I on line J on page 8)					<b>430</b> _____ I

\* Calculate the amount of foreign non-business income tax credit deductible on line 632 without reference to the refundable tax on the CCPC's investment income (line 604) and without reference to the corporate tax reductions under section 123.4.

\*\* Calculate the amount of foreign business income tax credit deductible on line 636 without reference to the corporation tax reductions under section 123.4.

**\*\*\* Large corporations**

- If the corporation is not associated with any corporations in both the current and previous tax years, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the prior year minus \$10,000,000) x 0.225%.
- If the corporation is not associated with any corporations in the current tax year, but was associated in the previous tax year, the amount to be entered on line 415 is: (total taxable capital employed in Canada for the current year minus \$10,000,000) x 0.225%.
- For corporations associated in the current tax year, see Schedule 23 for the special rules that apply.

**Specified corporate income and assignment under subsection 125(3.2)**

Applicable to tax years that begin after March 21, 2016

Except that, if the tax year of your corporation started before and ends on or after March 22, 2016 and in the tax year of a CCPC, you can make an assignment of business limit to that other CCPC if its tax year started after March 21, 2016.

J1 Name of corporation receiving the income and assigned amount	J Business number of the corporation receiving the assigned amount	K Income paid under clause 125(1)(a)(i)(B) to the corporation identified in column J <sup>3</sup>	L Business limit assigned to corporation identified in column J <sup>4</sup>
1.	<b>490</b>	<b>500</b>	<b>505</b>
Total <b>510</b>		Total <b>515</b>	

**Notes:**

3. This amount is [as defined in subsection 125(7) specified corporate income (a)(i)] the total of all amounts each of which is income from an active business of the corporation for the year from the provision of services or property to a private corporation (directly or indirectly, in any manner whatever) if (A) at any time in the year, the corporation (or one of its shareholders) or a person who does not deal at arm's length with the corporation (or one of its shareholders) holds a direct or indirect interest in the private corporation, and (B) it is not the case that all or substantially all of the corporation's income for the year from an active business is from the provision of services or property to:

- (i) persons (other than the private corporation) with which the corporation deals at arm's length, or
- (ii) partnerships with which the corporation deals at arm's length, other than a partnership in which a person that does not deal at arm's length with the corporation holds a direct or indirect interest.

4. The amount of the business limit you assign to a CCPC cannot be greater than the amount determined by the formula A – B, where A is the amount of income referred to in column K in respect of that CCPC and B is the portion of the amount described in A that is deductible by you in respect of the amount of income referred to in clauses 125(1)(a)(i)(A) or (B) for the year. The amount on line 515 cannot be greater than the amount on line 425.

**- General tax reduction for Canadian-controlled private corporations**

Canadian-controlled private corporations throughout the tax year			
Taxable income from page 3 (line 360 or amount Z, whichever applies)			A
Lesser of amounts B9 and H9 from Part 9 of Schedule 27		B	
Amount K13 from Part 13 of Schedule 27		C	
Personal services business income	432	D	
Amount used to calculate the credit union deduction (amount F from Schedule 17)		E	
Amount from line 400, 405, 410, or 427 on page 4, whichever is the least		F	
Aggregate investment income from line 440 on page 6*		G	
	Subtotal (add amounts B to G)		H
Amount A minus amount H (if negative, enter "0")			I
General tax reduction for Canadian-controlled private corporations – Amount I multiplied by	13 %		J
Enter amount J on line 638 on page 8.			
* Except for a corporation that is, throughout the year, a cooperative corporation (within the meaning assigned by subsection 136(2)) or a credit union.			

**- General tax reduction**

Do not complete this area if you are a Canadian-controlled private corporation, an investment corporation, a mortgage investment corporation, a mutual fund corporation, or any corporation with taxable income that is not subject to the corporation tax rate of 38%.

Taxable income from page 3 (line 360 or amount Z, whichever applies)			K
Lesser of amounts B9 and H9 from Part 9 of Schedule 27		L	
Amount K13 from Part 13 of Schedule 27		M	
Personal services business income	434	N	
Amount used to calculate the credit union deduction (amount F from Schedule 17)		O	
	Subtotal (add amounts L to O)		P
Amount K minus amount P (if negative, enter "0")			Q
General tax reduction – Amount Q multiplied by	13 %		R
Enter amount R on line 639 on page 8.			

**- Refundable portion of Part I tax**

Canadian-controlled private corporations throughout the tax year					
Aggregate investment income from Schedule 7			<b>440</b>		A
Amount A	x	Number of days in the tax year before January 1, 2016	x	26 2 / 3 % =	1
		Number of days in the tax year	366		
Amount A	x	Number of days in the tax year after December 31, 2015	366	x 30 2 / 3 % =	2
		Number of days in the tax year	366		
Subtotal (amount 1 plus amount 2)					B
Foreign investment income from Schedule 7			<b>445</b>		C
Amount C	x	Number of days in the tax year before January 1, 2016	x	9 1 / 3 % =	3
		Number of days in the tax year	366		
Amount C	x	Number of days in the tax year after December 31, 2015	366	x 8 % =	4
		Number of days in the tax year	366		
Subtotal (amount 3 plus amount 4)					D
Foreign non-business income tax credit from line 632 on page 8 minus amount D (if negative, enter "0")					E
Amount B minus amount E (if negative, enter "0")					F
Foreign non-business income tax credit from line 632 on page 8					G
Number of days in the tax year before January 1, 2016	x	35	=		5
Number of days in the tax year		366			
Number of days in the tax year after December 31, 2015	366	x	38 2 / 3 =		38.66667 6
Number of days in the tax year		366			
Subtotal (amount 5 plus amount 6)					38.6667 H
Amount G	x	100	100	=	I
		H	38.6667		
Taxable income from line 360 on page 3					J
<b>Deduct:</b>					
Amount from line 400, 405, 410, or 427 on page 4, whichever is the least					K
Amount I					L
Foreign business income tax credit from line 636 on page 8	x	4	=		M
Subtotal (total of amounts K to M)					N
Subtotal (amount J minus amount N)					O
Amount O	x	Number of days in the tax year before January 1, 2016	x	26 2 / 3 % =	7
		Number of days in the tax year	366		
Amount O	x	Number of days in the tax year after December 31, 2015	366	x 30 2 / 3 % =	8
		Number of days in the tax year	366		
Subtotal (amount 7 plus amount 8)					P
Part I tax payable minus investment tax credit refund (line 700 minus line 780 from page 9)					Q
Refundable portion of Part I tax - Amount F, P, or Q, whichever is the least			<b>450</b>		R

**- Refundable dividend tax on hand**

Refundable dividend tax on hand at the end of the previous tax year .....	<b>460</b>	
<b>Deduct:</b>		
Dividend refund for the previous tax year .....	<b>465</b>	
	▶	A
<b>Add:</b>		
Refundable portion of Part I tax from line 450 on page 6 .....		B
Total Part IV tax payable from Schedule 3 .....		C
Net refundable dividend tax on hand transferred from a predecessor corporation on amalgamation, or from a wound-up subsidiary corporation .....	<b>480</b>	
Subtotal (add amounts B, C, and line 480) .....	▶	D
Refundable dividend tax on hand at the end of the tax year – Amount A plus amount D .....	<b>435</b>	

**- Dividend refund**

<b>Private and subject corporations at the time taxable dividends were paid in the tax year</b>				
Taxable dividends paid in the tax year from line 460 on page 3 of Schedule 3 .....				E
Amount E	x	$\frac{\text{Number of days in the tax year before January 1, 2016}}{\text{Number of days in the tax year 366}}$	x 33 1 / 3 % =	1
Amount E	x	$\frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year 366}}$	x 38 1 / 3 % =	2
			▶	F
Subtotal (amount 1 plus amount 2) .....				G
Refundable dividend tax on hand at the end of the tax year from line 485 above .....				H
<b>Dividend refund – Amount F or G, whichever is less</b> .....				H
Enter amount H on line 784 on page 9.				

**- Part I tax**

Base amount Part I tax – Taxable income from page 3 (line 360 or amount Z, whichever applies) multiplied by	38 % . . .	<b>550</b>	A
<b>Additional tax on personal services business income (section 123.5)</b>			
Taxable income from a personal services business	<b>555</b>	x $\frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year}}$	B
		366 x 5 % =	<b>602</b>
Recapture of investment tax credit from Schedule 31			C
<b>Calculation for the refundable tax on the Canadian-controlled private corporation's (CCPC) investment income (if it was a CCPC throughout the tax year)</b>			
Aggregate investment income from line 440 on page 6			D
Taxable income from line 360 on page 3			E
<b>Deduct:</b>			
Amount from line 400, 405, 410, or 427 on page 4, whichever is the least			F
		Net amount (amount E minus amount F)	G
Amount D or G, whichever is less	x $\frac{\text{Number of days in the tax year before January 1, 2016}}{\text{Number of days in the tax year}}$	6 2 / 3 % =	1
Amount D or G, whichever is less	x $\frac{\text{Number of days in the tax year after December 31, 2015}}{\text{Number of days in the tax year}}$	10 2 / 3 % =	2
Refundable tax on CCPC's investment income (amount 1 plus amount 2)			H
		<b>604</b>	I
Subtotal (add amounts A, B, C, and H)			I
<b>Deduct:</b>			
Small business deduction from line 430 on page 4			J
Federal tax abatement		<b>608</b>	
Manufacturing and processing profits deduction from Schedule 27		<b>616</b>	
Investment corporation deduction		<b>620</b>	
Taxed capital gains	<b>624</b>		
Additional deduction – credit unions from Schedule 17		<b>628</b>	
Federal foreign non-business income tax credit from Schedule 21		<b>632</b>	
Federal foreign business income tax credit from Schedule 21		<b>636</b>	
General tax reduction for CCPCs from amount J on page 5		<b>638</b>	
General tax reduction from amount R on page 5		<b>639</b>	
Federal logging tax credit from Schedule 21		<b>640</b>	
Eligible Canadian bank deduction under section 125.21		<b>641</b>	
Federal qualifying environmental trust tax credit		<b>648</b>	
Investment tax credit from Schedule 31		<b>652</b>	
Subtotal			K
<b>Part I tax payable – Amount I minus amount K</b>			L
Enter amount L on line 700 on page 9.			

**- Privacy statement**

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source [cra.gc.ca/gncv/tp/nfsrc/nfsrc-eng.html](http://cra.gc.ca/gncv/tp/nfsrc/nfsrc-eng.html), personal information bank CRA PPU 047.

**- Summary of tax and credits**

**Federal tax**

Part I tax payable from amount L on page 8	700	_____
Part II surtax payable from Schedule 46	708	_____
Part III.1 tax payable from Schedule 55	710	_____
Part IV tax payable from Schedule 3	712	_____
Part IV.1 tax payable from Schedule 43	716	_____
Part VI tax payable from Schedule 38	720	_____
Part VI.1 tax payable from Schedule 43	724	_____
Part XIII.1 tax payable from Schedule 92	727	_____
Part XIV tax payable from Schedule 20	728	_____
<b>Total federal tax</b>		_____

**Add provincial or territorial tax:**

Provincial or territorial jurisdiction . . . 750 BC		
(if more than one jurisdiction, enter "multiple" and complete Schedule 5)		
<b>Net provincial or territorial tax payable (except Quebec and Alberta)</b>	760	_____
<b>Total tax payable</b>	770	_____ <b>A</b>

**Deduct other credits:**

Investment tax credit refund from Schedule 31	780	_____
Dividend refund from amount H on page 7	784	_____
Federal capital gains refund from Schedule 18	788	_____
Federal qualifying environmental trust tax credit refund	792	_____
Canadian film or video production tax credit refund (Form T1131)	796	_____
Film or video production services tax credit refund (Form T1177)	797	_____
Tax withheld at source	800	_____
<b>Total payments on which tax has been withheld</b> 801		_____
Provincial and territorial capital gains refund from Schedule 18	808	_____
Provincial and territorial refundable tax credits from Schedule 5	812	_____
Tax instalments paid	840	_____
<b>Total credits</b>	890	_____ <b>B</b>

Refund code 894  Overpayment \_\_\_\_\_ **Balance (amount A minus amount B)** \_\_\_\_\_

**Direct deposit request**  
To have the corporation's refund deposited directly into the corporation's bank account at a financial institution in Canada, or to change banking information you already gave us, complete the information below:

Start  Change information

910 \_\_\_\_\_ Branch number

914 \_\_\_\_\_ Institution number      918 \_\_\_\_\_ Account number

If the result is positive, you have a balance unpaid.  
If the result is negative, you have an overpayment.  
Enter the amount on whichever line applies.  
Generally, we do not charge or refund a difference of \$2 or less.

Balance unpaid \_\_\_\_\_

For information on how to make your payment, go to [cra.gc.ca/payments](http://cra.gc.ca/payments).

If the corporation is a Canadian-controlled private corporation throughout the tax year, does it qualify for the one-month extension of the date the balance of tax is due? 896 1 Yes  2 No

If this return was prepared by a tax preparer for a fee, provide their EFILE number 920 P3920

**- Certification**

I, 950 FERRERO Last name      951 GUILLERMO First name      954 PRESIDENT Position, office, or rank

am an authorized signing officer of the corporation. I certify that I have examined this return, including accompanying schedules and statements, and that the information given on this return is, to the best of my knowledge, correct and complete. I also certify that the method of calculating income for this tax year is consistent with that of the previous tax year except as specifically disclosed in a statement attached to this return.

955 2017/07/25 Date (yyyy/mm/dd)      Signature of the authorized signing officer of the corporation      956 (250) 245-6400 Telephone number

Is the contact person the same as the authorized signing officer? If no, complete the information below 957 1 Yes  2 No

958 Cara Light, C.A. Name of other authorized person      959 (250) 746-4406 Telephone number

**Language of correspondence – Langue de correspondance**

Indicate your language of correspondence by entering 1 for English or 2 for French. 990  1  2

Indiquez votre langue de correspondance en inscrivant 1 pour anglais ou 2 pour français.

2016-12-31

DL 2016 Holdings Corporation  
85584 7455 RC0001

**SCHEDULE 100**

**GENERAL INDEX OF FINANCIAL INFORMATION – GIF1**

Form identifier 100

Name of corporation	Business Number	Tax year-end Year Month Day
DL 2016 Holdings Corporation	85584 7455 RC0001	2016-12-31

**Assets – lines 1000 to 2599**

<b>1000</b>	859	<b>1599</b>	859	<b>2599</b>	859
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**Liabilities – lines 2600 to 3499**

<b>3261</b>	5,414	<b>3450</b>	5,414	<b>3499</b>	5,414
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**Shareholder equity – lines 3500 to 3640**

<b>3500</b>	10	<b>3600</b>	-4,565	<b>3620</b>	-4,555
<b>3640</b>	859				

**Retained earnings – lines 3660 to 3849**

<b>3660</b>	-3,680	<b>3680</b>	-885	<b>3849</b>	-4,565
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2016-12-31

DL 2016 Holdings Corporation  
85584 7455 RC0001

**SCHEDULE 125**

**GENERAL INDEX OF FINANCIAL INFORMATION – GIF1**

Form identifier 125

Name of corporation	Business Number	Tax year-end Year Month Day
DL 2016 Holdings Corporation	85584 7455 RC0001	2016-12-31

Description
Sequence number . . . . . 0003 01

**Revenue – lines 8000 to 8299**

<b>8000</b>	20,759	<b>8089</b>	20,759	<b>8100</b>	11
<b>8299</b>	20,770				

**Cost of sales – lines 8300 to 8519**

<b>8519</b>	20,759
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**Operating expenses – lines 8520 to 9369**

<b>8861</b>	521	<b>8862</b>	375	<b>8910</b>	20,759
<b>9367</b>	21,655	<b>9368</b>	21,655	<b>9369</b>	-885

**Extraordinary items and taxes – lines 9970 to 9999**

<b>9970</b>	-885	<b>9999</b>	-885
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Canada Revenue Agency  
Agence du revenu  
du Canada

## Schedule 4

## Corporation Loss Continuity and Application

Corporation's name	Business number	Tax year-end Year Month Day
DL 2016 Holdings Corporation	85584 7455 RC0001	2016-12-31

- 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

Net income (loss) for income tax purposes					-885	A
<b>Deduct: (increase a loss)</b>						
Net capital losses deducted in the year (enter as a positive amount)				a		
Taxable dividends deductible under section 112 or subsections 113(1) or 138(6)				b		
Amount of Part VI.1 tax deductible under paragraph 110(1)(k)				c		
Amount deductible as prospector's and grubstaker's shares – Paragraph 110(1)(d.2)				d		
Subtotal (total of amounts a to d)						B
Subtotal (amount A minus amount B; if positive, enter "0")					-885	C
<b>Deduct: (increase a loss)</b>						
Section 110.5 or subparagraph 115(1)(a)(vii) – Addition for foreign tax deductions						D
Subtotal (amount C minus amount D)					-885	E
<b>Add: (decrease a loss)</b>						
Current-year farm loss (the lesser of: the net loss from farming or fishing included in income and the non-capital loss before deducting the farm loss)						F
Current-year non-capital loss (amount E plus amount F; if positive, enter "0")					-885	G
If amount G is negative, enter it on line 110 as a positive.						
<b>Continuity of non-capital losses and request for a carryback</b>						
Non-capital loss at the end of the previous tax year			9,239	e		
Deduct: Non-capital loss expired (note 1)	100			f		
Non-capital losses at the beginning of the tax year (amount e minus amount f)	102		9,239			H
<b>Add:</b>						
Non-capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation	105			g		
Current-year non-capital loss (from amount G)	110		885	h		
Subtotal (amount g plus amount h)			885			I
Subtotal (amount H plus amount I)					10,124	J

Note 1: 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.

Note 2: Subsidiary is defined in subsection 88(1) as a taxable Canadian corporation of which 90% or more of each class of issued shares are owned by its parent corporation and the remaining shares are owned by persons that deal at arm's length with the parent corporation.

**- Part 1 – Non-capital losses (continued)**

<b>Deduct:</b>	
Other adjustments (includes adjustments for an acquisition of control) .....	150 _____ i
Section 80 – Adjustments for forgiven amounts .....	140 _____ j
Subsection 111(10) – Adjustments for fuel tax rebate .....	_____ j.1
Non-capital losses of previous tax years applied in the current tax year .....	130 _____ k
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 (note 3) .....	135 _____ l
Subtotal (total of amounts i to l) _____ <b>K</b>	
Non-capital losses before any request for a carryback (amount J minus amount K) _____ <b>10,124 L</b>	
<b>Deduct – Request to carry back non-capital loss to:</b>	
First previous tax year to reduce taxable income .....	901 _____ m
Second previous tax year to reduce taxable income .....	902 _____ n
Third previous tax year to reduce taxable income .....	903 _____ 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 r) _____ <b>M</b>	
Closing balance of non-capital losses to be carried forward to future tax years (amount L minus amount M) <b>180</b> _____ <b>10,124 N</b>	
Note 3: Amount l is the total of lines 330 and 335 from Schedule 3, <i>Dividends Received, Taxable Dividends Paid, and Part IV Tax Calculation.</i>	

**- Part 2 – Capital losses**

<b>Continuity of capital losses and request for a carryback</b>	
Capital losses at the end of the previous tax year .....	200 _____ a
Capital losses transferred on an amalgamation or on the wind-up of a subsidiary corporation .....	205 _____ b
Subtotal (amount a plus amount b) _____ <b>A</b>	
<b>Deduct:</b>	
Other adjustments (includes adjustments for an acquisition of control) .....	250 _____ c
Section 80 – Adjustments for forgiven amounts .....	240 _____ d
Subtotal (amount c plus amount d) _____ <b>B</b>	
Subtotal (amount A minus amount B) _____ <b>C</b>	
<b>Add:</b> Current-year capital loss (from the calculation on Schedule 6, <i>Summary of Dispositions of Capital Property</i> ) .....	210 _____ <b>D</b>
Unused non-capital losses that expired in the tax year (note 4) .....	_____ e
Allowable business investment losses (ABILs) that expired as non-capital losses at the end of the previous tax year (note 5) .....	_____ f
Enter amount e or f, whichever is less .....	215 _____ g
ABILs expired as non-capital losses: line 215 multiplied by 2.000000 .....	220 _____ <b>E</b>
Subtotal (total of amounts C to E) _____ <b>F</b>	
<b>Note</b>	
If there has been an amalgamation or a wind-up of a subsidiary, do a separate calculation of the ABIL expired as non-capital loss for each predecessor or subsidiary corporation. Add all these amounts and enter the total on line 220 above.	
Note 4: If the loss was incurred in a tax year ending after March 22, 2004, determine the amount of the loss from the 11th previous tax year and enter the part of that loss that was not used in previous years and the current year on line e.	
Note 5: If the ABILs were incurred in a tax year ending after March 22, 2004, enter the amount of the ABILs from the 11th previous tax year. Enter the full amount on line f.	

**- Part 2 – Capital losses (continued)**

Deduct: Capital losses from previous tax years applied against the current-year net capital gain (note 6) ..... **225** \_\_\_\_\_ G  
 Capital losses before any request for a carryback (amount F minus amount G) \_\_\_\_\_ H

**Deduct – Request to carry back capital loss to (note 7):**

	Capital gain (100%)	Amount carried back (100%)	
First previous tax year .....	<b>951</b>	_____	h
Second previous tax year .....	<b>952</b>	_____	i
Third previous tax year .....	<b>953</b>	_____	j
	Subtotal (total of amounts h to j) _____		I
Closing balance of capital losses to be carried forward to future tax years (amount H minus amount I) <b>280</b> _____			J

Note 6: To get the net capital losses required to reduce the taxable capital gain included in the net income (loss) for the current-year tax, enter the amount from line 225 divided by 2 at line 332 of the T2 return.

Note 7: On line 225, 951, 952, or 953, whichever applies, enter the actual amount of the loss. When the loss is applied, divide this amount by 2. The result represents the 50% inclusion rate.

**Part 3 – Farm losses**

**Continuity of farm losses and request for a carryback**

Farm losses at the end of the previous tax year ..... a  
 Deduct: Farm loss expired (note 8) ..... **300** \_\_\_\_\_ b  
 Farm losses at the beginning of the tax year (amount a minus amount b) ..... **302** \_\_\_\_\_ A

**Add:**

Farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation ... **305** \_\_\_\_\_ c  
 Current-year farm loss (amount F in Part 1) ..... **310** \_\_\_\_\_ d  
 Subtotal (amount c plus amount d) \_\_\_\_\_ B  
 Subtotal (amount A plus amount B) \_\_\_\_\_ C

**Deduct:**

Other adjustments (includes adjustments for an acquisition of control) ..... **350** \_\_\_\_\_ e  
 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.  
 Current and previous year farm losses applied against current-year taxable dividends subject to Part IV tax (note 9) ..... **335** \_\_\_\_\_ h  
 Subtotal (total of amounts e to h) \_\_\_\_\_ D  
 Farm losses before any request for a carryback (amount C minus amount D) \_\_\_\_\_ E

**Deduct – Request to carry back farm loss to:**

First previous tax year to reduce taxable income .....	<b>921</b>	_____	i
Second previous tax year to reduce taxable income .....	<b>922</b>	_____	j
Third previous tax year to reduce taxable income .....	<b>923</b>	_____	k
First previous tax year to reduce taxable dividends subject to Part IV tax .....	<b>931</b>	_____	l
Second previous tax year to reduce taxable dividends subject to Part IV tax .....	<b>932</b>	_____	m
Third previous tax year to reduce taxable dividends subject to Part IV tax .....	<b>933</b>	_____	n
	Subtotal (total of amounts i to n) _____		F
Closing balance of farm losses to be carried forward to future tax years (amount E minus amount F) <b>380</b> _____			G

Note 8: 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 after 2005.

Note 9: Amount h is the total of lines 340 and 345 from Schedule 3.

**- Part 4 - Restricted farm losses**

Current-year restricted farm loss		485	A
Total losses for the year from farming business		485	A
Minus the deductible farm loss:			
(amount A above _____ - \$2,500)	divided by 2 =	a	
Amount a or \$ 15,000 (note 10), whichever is less		b	
		2,500	c
Subtotal (amount b plus amount c)		2,500	B
Current-year restricted farm loss (amount A minus amount B)		2,500	C
<b>Continuity of restricted farm losses and request for a carryback</b>			
Restricted farm losses at the end of the previous tax year		d	
Deduct: Restricted farm loss expired (note 11)		400	e
Restricted farm losses at the beginning of the tax year (amount d minus amount e)		402	D
Add:			
Restricted farm losses transferred on an amalgamation or on the wind-up of a subsidiary corporation		405	f
Current-year restricted farm loss (from amount C)		410	g
Enter amount g on line 233 of Schedule 1, <i>Net Income (Loss) for Income Tax Purposes</i> .			
Subtotal (amount f plus amount g)		E	E
Subtotal (amount D plus amount E)		F	F
Deduct:			
Restricted farm losses from previous tax years applied against current farming income		430	h
Enter amount h on line 333 of the T2 return.			
Section 80 - Adjustments for forgiven amounts		440	i
Other adjustments		450	j
Subtotal (total of amounts h to j)		G	G
Restricted farm losses before any request for a carryback (amount F minus amount G)		H	H
Deduct - Request to carry back restricted farm loss to:			
First previous tax year to reduce farming income		941	k
Second previous tax year to reduce farming income		942	l
Third previous tax year to reduce farming income		943	m
Subtotal (total of amounts k to m)		I	I
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.

Note 10: For tax years that end before March 21, 2013, use \$6,250 instead of \$15,000.

Note 11: A restricted 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 after 2005.

**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	
<b>Deduct:</b> Listed personal property loss expired after 7 tax years .....	<b>500</b>	b	
Listed personal property losses at the beginning of the tax year (amount a minus amount b) .....	<b>502</b>		<b>A</b>
<b>Add:</b> Current-year listed personal property loss (from Schedule 6) .....		<b>510</b>	<b>B</b>
		Subtotal (amount A plus amount B)	<b>C</b>
<b>Deduct:</b>			
Listed personal property losses from previous tax years applied against listed personal property gains .....	<b>530</b>	c	
Enter amount c on line 655 of Schedule 6.			
Other adjustments .....	<b>550</b>	d	
		Subtotal (amount c plus amount d)	<b>D</b>
		Listed personal property losses remaining before any request for a carryback (amount C minus amount D)	<b>E</b>
<b>Deduct – Request to carry back listed personal property loss to:</b>			
First previous tax year to reduce listed personal property gains .....	<b>961</b>	e	
Second previous tax year to reduce listed personal property gains .....	<b>962</b>	f	
Third previous tax year to reduce listed personal property gains .....	<b>963</b>	g	
		Subtotal (total of amounts e to g)	<b>F</b>
		Closing balance of listed personal property losses to be carried forward to future tax years (amount E minus amount F)	<b>580</b>
			<b>G</b>

**- Part 7 – Limited partnership losses**

**Current-year limited partnership losses**

1	2	3	4	5	6	7
Partnership account number	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 losses (column 3 minus column 6)
600	602	604	606	608		620
Total (enter this amount on line 222 of Schedule 1)						

**Limited partnership losses from previous tax years that may be applied in the current year**

1	2	3	4	5	6	7
Partnership account number	Tax year ending yyyy/mm/dd	Limited partnership losses at the end of the previous tax year and amounts transferred on an amalgamation or on the wind-up of a subsidiary	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 partnership losses that may be applied in the year (the lesser of columns 3 and 6)
630	632	634	636	638		650

**Continuity of limited partnership losses that can be carried forward to future tax years**

1	2	3	4	5	6
Partnership account number	Limited partnership losses at the end of the previous tax year	Limited partnership losses transferred in the year on an amalgamation or on the wind-up of a subsidiary	Current-year limited partnership losses (from line 620)	Limited partnership losses applied in the current year (must be equal to or less than line 650)	Current year limited partnership losses closing balance to be carried forward to future years (column 2 plus column 3 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 need more space, you can attach more schedules.

**- Part 8 – Election under paragraph 88(1.1)(f)**

If you are making an election under paragraph 88(1.1)(f), check the box  **190** Yes

In the case of the wind-up of a subsidiary, if the election is made, the non-capital loss, restricted farm loss, farm loss, or limited partnership loss of the subsidiary—that otherwise would become the loss of the parent corporation for a particular tax year starting after the wind-up began—will be considered as the loss of the parent corporation for its immediately preceding tax year and not for the particular year.

**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*.

**Non-Capital Loss Continuity Workchart****Part 6 – Analysis of balance of losses by year of origin****Non-capital losses – losses that can be carried forward over 20 years**


Year of origin	Balance at beginning of year	Loss incurred in current year	Adjustments and transfers	Loss carried back Parts I & IV	Applied to reduce		Balance at end of year
					Taxable income	Part IV tax	
Current	N/A	885			N/A		885
1st preceding taxation year 2015-12-31	2,071	N/A		N/A			2,071
2nd preceding taxation year 2014-12-31	1,444	N/A		N/A			1,444
3rd preceding taxation year 2013-12-31	5,724	N/A		N/A			5,724
4th preceding taxation year 2012-12-31		N/A		N/A			
5th preceding taxation year 2011-12-31		N/A		N/A			
6th preceding taxation year 2010-12-31		N/A		N/A			
7th preceding taxation year 2009-12-31		N/A		N/A			
8th preceding taxation year 2009-07-16		N/A		N/A			
9th preceding taxation year 2007-12-31		N/A		N/A			
10th preceding taxation year 2006-12-31		N/A		N/A			
11th preceding taxation year 2005-12-31		N/A		N/A			
12th preceding taxation year 2004-12-31		N/A		N/A			
13th preceding taxation year 2003-12-31		N/A		N/A			
14th preceding taxation year 2002-12-31		N/A		N/A			
15th preceding taxation year 2001-12-31		N/A		N/A			
16th preceding taxation year 2000-12-31		N/A		N/A			
17th preceding taxation year 1999-12-31		N/A		N/A			
18th preceding taxation year 1998-12-31		N/A		N/A			
19th preceding taxation year 1997-12-31		N/A		N/A			
20th preceding taxation year 1996-12-31		N/A		N/A			*
<b>Total</b>	<b>9,239</b>	<b>885</b>					<b>10,124</b>

\* This balance expires this year and will not be available next year.

2016-12-31

DL 2016 Holdings Corporation  
85584 7455 RC0001

**SCHEDULE 50**

 Canada Revenue Agency / Agence du revenu du Canada

**SHAREHOLDER INFORMATION**

Name of corporation <b>DL 2016 Holdings Corporation</b>	Business Number <b>85584 7455 RC0001</b>	Tax year end Year Month Day <b>2016-12-31</b>
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All private corporations must complete this schedule for any shareholder who holds 10% or more of the corporation's common and/or preferred shares.

	Name of shareholder (after name, indicate in brackets if the shareholder is a corporation, partnership, individual, or trust)	Provide only one number per shareholder				Percentage common shares	Percentage preferred shares
		Business Number (If a corporation is not registered, enter "NR")	Social insurance number	Trust number			
	<b>100</b>	<b>200</b>	<b>300</b>	<b>350</b>	<b>400</b>	<b>500</b>	
1	TOWN OF LADYSMITH	10812 7622 RC0001				100.000	
2							
3							
4							
5							
6							
7							
8							
9							
10							