



Statement of Business or Professional Activities

- Use this form to calculate your self-employment business and professional income.
- For each business or profession, fill in a **separate** Form T2125.
- Fill in this form and send it with your income tax and benefit return.
- For more information on how to fill in this form, see guide T4002, Self-employed Business, Professional, Commission, Farming, and Fishing Income.

Part 1 – Identification

Your name		Your social insurance number			
Business name			Business number		
Business address		City	Prov./Terr.	Postal code	
Fiscal period	From	Date (YYYYMMDD)	to	Date (YYYYMMDD)	Was this your last year of business? <input type="checkbox"/> Yes <input type="checkbox"/> No
Main product or service			Industry code (see the appendix in Guide T4002)		
Accounting method (commission only)	<input type="checkbox"/> Cash	<input type="checkbox"/> Accrual	Tax shelter identification number	Partnership business number	Your percentage of the partnership %
Name and address of person or firm preparing this form					

Part 2 – Internet business activities

If your web pages or websites generate business or professional income, fill in this part of the form.

How many Internet web pages and websites does your business earn income from? Enter "0" if none

Provide up to five main web page or website addresses, also known as uniform resource locator (URL):

http:// _____

http:// _____

http:// _____

http:// _____

http:// _____

Percentage of your gross income generated from the web pages and websites. (If no income was generated from the Internet, enter "0".) %

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 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 20% of the lesser of the cost and the fair market value of WIP. The inclusion rate increases to 40% in the second tax year that starts after March 21, 2017, 60% in the third year, 80% in the fourth year, and 100% in the fifth and all subsequent tax years. For more information, see chapter 2 of guide T4002.

Part 3A – Business income

Gross sales, commissions, or fees (include GST/HST collected or collectible)	_____	3A
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 3A)	_____	3B
Subtotal: Amount 3A minus amount 3B	_____	3C
If you are using the quick method for GST/HST – Government assistance calculated as follows:		
GST/HST collected or collectible on sales, commissions and fees eligible for the quick method	_____	3D
GST/HST remitted, (sales, commissions, and fees eligible for the quick method plus		
GST/HST collected or collectible) multiplied by the applicable quick method remittance rate	_____	3E
Subtotal: Amount 3D minus amount 3E	_____	3F
Adjusted gross sales: Amount 3C plus amount 3F (enter on line 8000 of Part 3C)	_____	3G

Part 3B – Professional income

Gross professional fees including work-in-progress (WIP) and GST/HST collected or collectible	_____	3H
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 3H) and any WIP at the end of the year you elected to exclude	_____	3I
Subtotal: Amount 3H minus amount 3I	_____	3J
If you are using the quick method for GST/HST – Government assistance calculated as follows:		
GST/HST collected or collectible on professional fees eligible for the quick method	_____	3K
GST/HST remitted, (professional fees eligible for the quick method plus GST/HST collected or collectible) multiplied by the applicable quick method remittance rate	_____	3L
Subtotal: Amount 3K minus amount 3L	_____	3M
Work-in-progress (WIP), start of the year, per election to exclude WIP (see Guide T4002, Chapter 2)	_____	3N
Adjusted professional fees: Amount 3J plus amount 3M plus amount 3N (enter on line 8000 of Part 3C)	_____	3O

Part 3C – Gross business or professional income

Adjusted gross sales (amount 3G) or adjusted professional fees (amount 3O)	8000	_____	
Reserves deducted last year	8290	_____	
Other income	8230	_____	
Subtotal: Line 8290 plus line 8230		_____	3P
Gross business or professional income: Line 8000 plus amount 3P	8299	_____	
Report the gross business or professional income from line 8299 on the applicable line of your income tax and benefit return as indicated below:			
<ul style="list-style-type: none"> • business income on line 13499 • professional income on line 13699 • commission income on line 13899 			

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)		_____	3Q
Opening inventory (include raw materials, goods in process, and finished goods)	8300	_____	3R
Purchases during the year (net of returns, allowances, and discounts)	8320	_____	3S
Direct wage costs	8340	_____	3T
Subcontracts	8360	_____	3U
Other costs	8450	_____	3V
Subtotal: Add amounts 3R to 3V		_____	3W
Closing inventory (include raw materials, goods in process, and finished goods)	8500	_____	
Cost of goods sold: Amount 3W minus line 8500	8518	_____	
Gross profit (or loss): Amount 3Q minus line 8518.	8519	_____	

Part 4 – Net income (loss) before adjustments

Gross business or professional income (line 8299 of Part 3C) or Gross profit (line 8519 of Part 3D)		4A
Expenses (enter only the business part)		
Advertising	8521	4B
Meals and entertainment	8523	4C
Bad debts	8590	4D
Insurance	8690	4E
Interest and bank charges	8710	4F
Business taxes, licences, and memberships	8760	4G
Office expenses	8810	4H
Office stationery and supplies	8811	4I
Professional fees (includes legal and accounting fees)	8860	4J
Management and administration fees	8871	4K
Rent	8910	4L
Repairs and maintenance	8960	4M
Salaries, wages, and benefits (including employer's contributions)	9060	4N
Property taxes	9180	4O
Travel expenses	9200	4P
Utilities	9220	4Q
Fuel costs (except for motor vehicles)	9224	4R
Delivery, freight, and express	9275	4S
Motor vehicle expenses (not including CCA) (amount 15 of Chart A)	9281	4T
Capital cost allowance (CCA). Enter amount i of Area A minus any personal part and any CCA for business-use-of-home expenses.	9936	4U
Other expenses (specify):	9270	4V
Total expenses: Total of amounts 4B to 4V	9368	▶
Net income (loss) before adjustments: Amount 4A minus line 9368		9369

Part 5 – Your net income (loss)

Your share of line 9369 or the amount from your T5013 slip, Statement of Partnership Income		5A
GST/HST rebate for partners received in the year	9974	▶
Total: Amount 5A plus line 9974	9943	5B
Other amounts deductible from your share of the net partnership income (loss) (amount 6F)	9943	▶
Net income (loss) after adjustments: Amount 5B minus line 9943		9945
Business-use-of-home expenses (amount 7P)	9945	▶
Your net income (loss): Amount 5C minus line 9945	9946	9946

Report the net income amount from line 9946 on the applicable line of your income tax and benefit return as indicated below:

- business income on line 13500
- professional income on line 13700
- commission income on line 13900

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	
_____	6A
_____	6B
_____	6C
_____	6D
_____	6E
_____	6F

Total other amounts deductible from your share of the net partnership income (loss): Add amounts 6A to 6E (enter this on line 9943 of Part 5)

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

Heat	_____	7A
Electricity	_____	7B
Insurance	_____	7C
Maintenance	_____	7D
Mortgage interest	_____	7E
Property taxes	_____	7F
Other expenses (specify): _____	_____	7G
Subtotal: Add amounts 7A to 7G	_____	7H
Personal-use part of the business-use-of-home expenses	_____	7I
Subtotal: Amount 7H minus amount 7I	_____	7J
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	_____	7K
Amount carried forward from previous year	_____	7L
Subtotal: Add amounts 7J to 7L	_____	7M
Net income (loss) after adjustments (amount 5C) (if negative, enter "0")	_____	7N
Business-use-of-home expenses available to carry forward: Amount 7M minus amount 7N (if negative, enter "0")	_____	7O
Allowable claim: The lesser of amount 7M and 7N above (enter your share of this amount on line 9945 of Part 5)	_____	7P

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	9931	_____
Drawings in the current year	9932	_____
Capital contributions in the current year	9933	_____

Area A – Calculation of capital cost allowance (CCA) claim

1 Class number	2 Undepreciated capital cost (UCC) at the start of the year	3 Cost of additions in the year (see Area B and C below)	4 Cost of additions from column 3 which are AIIIP or zero-emission vehicles (ZEV) (new property must be available for use in the year) Note 1	5 Proceeds of dispositions in the year (see Area D and E below)	6* UCC after additions and dispositions (col. 2 plus col. 3 minus col. 5)	7 Proceeds of dispositions available to reduce additions of AIIIP and ZEV (col. 5 minus col. 3 plus column 4). If negative, enter "0" Note 2	8 UCC adjustment for current-year additions of AIIIP and ZEV (col. 4 minus col. 7) multiplied by the relevant factor. If negative, enter "0". Note 3	9 Adjustment for current-year additions subject to the half-year rule 1/2 multiplied by (col. 3 minus col. 4 minus col. 5). If negative, enter "0."	10 Base amount for CCA (col. 6 plus col. 8 minus col. 9)	11 CCA Rate %	12 CCA for the year (col. 10 multiplied by col. 11 or a lower amount)	13 UCC at the end of the year (col. 6 minus col. 12)
Total CCA claim for the year: Total of column 12 (enter the amount on line 9936 of Part 4, amount i minus any personal part and any CCA for business-use-of-home expenses **)												

* If you have a negative amount in column 6, add it to income as a recapture in Part 3C on line 8230. If no property is left in the class and there is a positive amount in the column, deduct the amount from income as a terminal loss in Part 4 on line 9270. Recapture and terminal loss do not apply to a class 10.1 property. For more information, read Chapter 3 of guide T4002.

** For information on CCA for "Calculation of business-use-of-home expenses," see "Special situations" in Chapter 4 of guide T4002. To help you calculate the capital cost allowance claim, see the calculation charts in Areas B to F.

Note 1: Columns 4, 7, and 8 apply only to accelerated investment incentive properties (AIIIPs) (see Regulation 1104(4) of the Income Tax Regulations for the definition), zero-emission vehicles, and zero-emission passenger vehicles. In this chart ZEV represents both zero-emission vehicles and zero-emission passenger vehicles. An AIIIP is a property (other than ZEV) that you acquired after November 20, 2018 and became available for use before 2028. A ZEV is a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019 and became available for use before 2028. For more information on AIIIP and ZEV, see guide T4002.

Note 2: The proceeds of disposition of a zero-emission passenger vehicle (ZEPV) that has been included in Class 54 and that is subject to the \$55,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 as a proportion of the actual cost of the vehicle. For dispositions after July 29, 2019, the government proposes that the actual cost of the vehicle be adjusted for any payments or repayments of government assistance that you may have received or repaid in respect of the vehicle. For more information on proceeds of disposition, read Class 54 in guide T4002.

Note 3: The relevant factors for properties available for use before 2024 are 2 1/3 (classes 43.1 and 54), 1 1/2 (class 55), 1 (classes 43.2 and 53), 0 (classes 12, 13, 14, 15), and 1/2 for the remaining accelerated investment incentive properties.

For more information on accelerated investment incentive properties, see guide T4002 or go to canada.ca/taxes-accelerated-investment-income.

Area B – Equipment additions in the year

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total equipment additions in the year: Total of column 5				9925

Area C – Building additions in the year

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total of building additions in the year: Total of column 5				9927

Area D – Equipment dispositions in the year

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total equipment dispositions in the year: Total of column 5				9926

Note: If you disposed of property in the year, see Chapter 3 of Guide T4002 for information about your proceeds of disposition.

Area E – Building dispositions in the year

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
Total building dispositions in the year: Total of column 5				9928

Note: If you disposed of property in the year, see Chapter 3 of guide T4002 for information about your proceeds of disposition.

Area F – Land additions and dispositions in the year

Total cost of all land additions in the year	9923	
Total proceeds from all land dispositions in the year	9924	

Note: You cannot claim capital cost allowance on land. For more information, see Chapter 3 of Guide T4002.

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
Total motor vehicle expenses: Add amounts 3 to 10	11
Business use part: $\left(\begin{matrix} \text{amount 1 :} \\ \text{amount 2 :} \end{matrix} \right) \times \text{amount 11 :}$	12
Business parking fees	13
Supplementary business insurance	14
Allowable motor vehicle expenses: Add amounts 12, 13, and 14 (include this total on line 9281 of Part 4)	15

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

Chart B – Available interest expense for passenger vehicles and zero-emission 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
Available interest expense: The lesser of amount 16 and 17 (include this in amount 4 of Chart A)	18

* For passenger vehicles bought after 2000.

Chart C – Eligible leasing cost for passenger vehicles**

Total lease charges incurred in your current fiscal period for the vehicle	19
Total lease payments deducted before your current fiscal period for the vehicle	20
Total number of days the vehicle was leased in your current 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 $(\$35,294 + \text{GST and PST, or HST on } \$35,294)$, whichever is more \blacktriangleright	23
$\frac{[(\$800 + \text{GST and PST, or } \$800 + \text{HST}) \times \text{amount 21}]}{30} \blacktriangleright$	24
$[(\$30,000 + \text{GST and PST, or } \$30,000 + \text{HST}) \times \text{amount 19}]$	25
Eligible leasing cost: Whichever is less of amount 24 or 25 (enter in amount 8 of Chart A above)	26

** Includes a vehicle that would qualify as a zero-emission passenger vehicle if you owned it.

See the privacy notice on your return.