



## General information

### Who should complete this form?

Use this form if an investment plan that is a selected listed financial institution (SLFI) and the investment plan manager want to make a tax adjustment transfer election without making a reporting entity election.

In this context, the term "investment plan" means a listed financial institution described in subparagraph 149(1)(a)(vi) (i.e., a segregated fund of an insurer) or (ix) (i.e., an investment plan) of the ETA, other than a trust governed by a registered retirement savings plan, a registered retirement income fund or a registered education savings plan.

In addition, the term "investment plan manager" means:

- (a) in the case of a pension entity of a pension plan, the administrator (as defined in subsection 147.1(1) of the *Income Tax Act*) of the pension plan; and
- (b) in any other case, the person that has ultimate responsibility for the management and administration of the assets and liabilities of the investment plan.

### Who is eligible to make the election and what is the effect of the election?

An investment plan that is an SLFI and the investment plan manager may jointly make a tax adjustment transfer election without making a reporting entity election.

A tax adjustment transfer election allows the investment plan manager to credit/refund amounts of the provincial part of the HST to the investment plan or assume liabilities of the investment plan for the provincial part of the HST. Where a tax adjustment transfer election is made with no reporting entity election, the amount of the provincial part of the HST that would be taken into account in calculating the tax adjustment transfer would generally be limited to the provincial part of the HST in respect of management or administrative services provided by the investment plan manager to the investment plan.

#### Note

An investment plan must be registered for GST/HST purposes to make this election.

An investment plan that is an SLFI is required to have a calendar year as its fiscal year. However, investment plans that are already GST/HST registrants and do not have the calendar year as their fiscal year would be required to file two separate Form GST494 returns during the transitional year (i.e., the fiscal year that ends December 31, 2010). For the transitional year, an investment plan that is an SLFI and is already a GST/HST registrant and has a fiscal year ending after June 2010 but before December 2010 would be required to file one Form GST494 return for the fiscal year that includes July 1, 2010 and one for the rest of the transitional year up to and including December 31, 2010. (The requirement discussed above for an investment plan to be registered and to have a calendar year as its fiscal year is based on proposed changes announced by the Department of Finance on May 19 and June 30, 2010.)

### How is the election made?

A tax adjustment transfer election is made by completing Parts A, B, C, and E of this form.

The election must be filed with the Minister before the first day of the fiscal year of the investment plan during which the election is to be in effect. The election ceases to have effect on the earliest of:

- a) the first day of the fiscal year of the investment plan in which the investment plan manager with whom an election has been made, ceases to be the manager of the investment plan;
- b) the first day of the fiscal year of the investment plan in which the investment plan ceases to be an investment plan or an SLFI; and
- c) in any case, the day on which a revocation of the election becomes effective.

### How are revocations made?

A tax adjustment transfer election can be revoked by completing Parts A, B, D, and E of this form.

Either the investment plan manager or the investment plan may revoke the election effective on the first day of the fiscal year of the investment plan.

A notice of revocation of this election must be filed with the Minister no later than the day on which the revocation becomes effective.

A revocation will only be effective if the person making the revocation notifies the other persons who are party to the election before the day on which the revocation comes into effect.

### Definitions

**Investment plan** – means, for purposes of section 149 of the ETA:

- (a) a trust governed by
  - (i) a registered pension plan,
  - (ii) an employees profit sharing plan,
  - (iii) a registered supplementary unemployment benefit plan,
  - (iv) a registered retirement savings plan,
  - (v) a deferred profit sharing plan,
  - (vi) a registered education savings plan,
  - (vii) a registered retirement income fund,
  - (viii) an employee benefit plan,
  - (ix) an employee trust,
  - (x) a mutual fund trust,
  - (xi) a pooled fund trust,
  - (xii) a unit trust, or
  - (xiii) a retirement compensation arrangement,as each of those terms is defined for the purposes of the *Income Tax Act* or the *Income Tax Regulations*;
- (b) an investment corporation, as that term is defined for the purposes of that Act;
- (c) a mortgage investment corporation, as that term is defined for the purposes of that Act;
- (d) a mutual fund corporation, as that term is defined for the purposes of that Act;
- (e) a non-resident owned investment corporation, as that term is defined for the purposes of that Act;
- (f) a corporation exempt from tax under that Act by reason of paragraph 149(1)(o.1) or (o.2) of that Act; and
- (g) a prescribed person, or a person of a prescribed class, but only where the person would be a selected listed financial institution for a reporting period in a fiscal year that ends in a tax year of the person if the person were a listed financial institution included in subparagraph 149(1)a)(ix) during the tax year and the preceding tax year of the person. An employee life and health trust is proposed to be a prescribed person.

**Manager of an investment plan** – means:

- (a) in the case of a pension entity of a pension plan, the administrator (as defined in subsection 147.1(1) of the *Income Tax Act*) of the pension plan; and
- (b) in any other case, the person that has ultimate responsibility for the management and administration of the assets and liabilities of the investment plan.

**Non-participating province** – means a province, territory, or any other area in Canada that is outside the participating provinces.

**Participating province** – means the province of British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia, or Ontario, but does not include the Nova Scotia offshore area or the Newfoundland offshore area except to the extent that offshore activities are carried on in that area.

**Segregated fund of an insurer** – means a specified group of properties that is held in respect of insurance policies, all or part of the reserves for which vary in amount depending on the fair market value of the properties.

**Selected listed financial institution (SLFI)** – a financial institution would generally be considered to be an SLFI throughout a reporting period in a fiscal year that ends in a particular tax year of the financial institution if it is a listed financial institution described in any of subparagraphs 149(1)(a)(i) to (x) of the ETA at any time during the particular tax year, and the financial institution has a permanent establishment in a participating province and a permanent establishment in any other province, at any time during the tax year.

#### Note

It is proposed that the definition of what constitutes a permanent establishment be expanded.

### Filing instructions

Send this completed form to the Minister at the address below.

Canada Revenue Agency  
Summerside Tax Centre  
275 Pope Road  
Summerside PE C1N 6A2

### What if you need help?

For more information about this form, call **1-800-959-8287**.