

Complete this schedule to calculate your taxable capital gains to report on line 12700 of your return. If you realized a capital gain on a disposition, you may be able to claim a capital gains deduction for a qualifying business transfer (line 25395) or capital gains deduction (line 25400).

Also complete this schedule if you disposed of property in 2025 that you are claiming the principal residence exemption for or disposed of a housing unit located in Canada (including a rental property) that you owned for **less than 365 consecutive days**. See parts 1 and 2 for more information.

For more information about capital gains or losses, including business investment losses, go to canada.ca/taxes-capital-gains. For definitions or help completing this schedule, see Chapter 2 of Guide T4037, Capital Gains.

How to complete this schedule

Complete Part 1 if **both** of the following apply:

- You disposed of a housing unit, or a right to acquire a housing unit, located in Canada (including a rental property) that was **not** considered inventory before the disposition
- The housing unit (or right to acquire a housing unit) was owned for **less than 365 consecutive days** before the disposition

Complete Part 2 if **both** of the following apply:

- You disposed of property in 2025 that is **not** considered a flipped property (see Part 1)
- You are claiming the property as your principal residence

Complete Part 3 to report the disposition of different types of property.

Complete Part 4 to calculate your total capital gains or losses.

Complete Part 5 to calculate your total taxable capital gains or net capital losses.

If you need more space, attach a separate sheet. **Attach** a copy of this schedule to your paper return.

Part 1 – Flipped property

A **flipped property** is a housing unit (including a rental property) located in Canada or a right to acquire a housing unit located in Canada that you owned or held for **less than 365 consecutive days** before its disposition (12-month holding period).

A property is **not** considered a flipped property if, before the disposition, it was considered to be inventory or was owned or held for **365 or more consecutive days**, or if the disposition occurred due to, or in anticipation of, certain life events as listed at line 17906 on page 2.

If you disposed of a flipped property, the resulting gain on the disposition is taxable as business income and **not** as a capital gain. To report this transaction, complete Form T2125, Statement of Business or Professional Activities.

For more information about property flipping, go to canada.ca/cra-property-flipping.

Did you dispose of a housing unit, or a right to acquire a housing unit, located in Canada (including a rental property) that was **not** considered inventory and was owned for **less than 365 consecutive days** before the disposition?

17905

☐ Yes ☐ No

If you ticked "no", the housing unit is **not** considered a flipped property. If the property is capital property (such as a cottage or rental property) and you held it for investment or personal use, any gain from the disposition of the property is **taxable** as a capital gain. Complete Part 3 on the next page to report the disposition.

If you ticked "yes", continue at line 17906 on the next page.

Part 1 – Flipped property (continued)

Was the disposition due to, or in anticipation of, **any** of the following life events? (Tick the boxes that apply, if any.)

- 17906**
- 1 ☐ the death of the taxpayer or a related person
 - 2 ☐ a related person joining the taxpayer's household or the taxpayer joining a related person's household (for example, birth of a child, adoption, or care of an elderly parent)
 - 3 ☐ the breakdown of a marriage or common-law partnership where the taxpayer had been living separate and apart from their spouse or common-law partner for **at least 90 days** before the disposition
 - 4 ☐ a threat to the personal safety of the taxpayer or a related person (for example, domestic violence)
 - 5 ☐ a serious disability or illness of the taxpayer or a related person
 - 6 ☐ the eligible relocation of the taxpayer or their spouse or common-law partner where the taxpayer's new home is **at least 40 kilometres closer** to the new work location or school (generally, an eligible relocation allows the taxpayer to carry on business, be employed, or attend full-time post-secondary education)
 - 7 ☐ the involuntary termination of employment of the taxpayer or their spouse or common-law partner
 - 8 ☐ the insolvency of the taxpayer (for example, due to an accumulation of debt)
 - 9 ☐ the destruction or expropriation of the taxpayer's property (for example, when the property is destroyed due to natural or man-made disaster)

If **any** of the life events above apply to you, the housing unit is **not** considered a flipped property. The disposition of this property is included in income as a **taxable** capital gain. Complete Part 2 if you are claiming the principal residence exemption. If you are **not** claiming the principal residence exemption, complete Part 3 on the next page to report the disposition. For more information, go to canada.ca/real-estate-income.

If **none** of the life events above apply to you, the housing unit is considered a flipped property and the gain is taxable as business income. To report this transaction, complete Form T2125. For more information, go to canada.ca/taxes-business-income or see Guide T4002, Self-employed Business, Professional, Commission, Farming, and Fishing Income.

Part 2 – Principal residence

Complete Form T2091(IND), Designation of a Property as a Principal Residence by an Individual (Other than a Personal Trust), or Form T1255, Designation of a Property as a Principal Residence by the Legal Representative of a Deceased Individual, whichever applies, to designate a property as your principal residence.

A **deemed disposition** occurs when you are considered to have disposed of property even though you did **not** sell it. For example, a deemed disposition may occur when you change how you use your principal residence, such as when you change all or part of your principal residence to a rental or business operation, or change your rental or business operation to your principal residence. If this is the case, you may need to complete Form T2091(IND) or Form T1255, whichever applies. For more information, see Income Tax Folio S1-F3-C2, Principal Residence.

Tick the box that applies to your designation of the property described on Form T2091(IND) or Form T1255:

- 17900**
- 1 ☐ I designate the property as my principal residence for all of the years that I owned it or for all of the years that I owned it except one year.
 - 2 ☐ I designate the property as my principal residence for some but not all of the years that I owned it.
 - 3 ☐ I designate the properties as my principal residences for some or all of the years that I owned them.

If **either** of the following conditions apply to you, see Income Tax Folio S1-F3-C2, Principal Residence:

- You were **not** a resident of Canada for the entire time you owned the designated property. Your period of non-residence may reduce or eliminate the amount of the principal residence exemption
- There is no gain because you have transferred a housing unit to your spouse or common-law partner, or to a spousal trust

Part 3 – Total gains or losses on dispositions

Report all negative amounts (losses) using brackets. If you need more space, attach a separate sheet.

Property type	(1) Year acquired	(2) Proceeds of disposition	(3) Adjusted cost base	(4) Outlays and expenses	(5) Gain or loss (col. 2 minus col. 3 and 4)
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Qualified small business corporation shares (QSBCS)

Number	Name of corp. and class of shares	(1)	(2)	(3)	(4)	(5)
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Total proceeds of disposition	10699		Total gain or loss	10700		1
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Qualified farm or fishing property (QFFP)

Address or legal description	Prov./Terr.	(1)	(2)	(3)	(4)	(5)
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Total proceeds of disposition	10999		Total gain or loss	11000	+	2
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QFFP: Mortgage foreclosures and conditional sales reposessions

Address or legal description	Prov./Terr.	(1)	(2)	(3)	(4)	(5)
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Total proceeds of disposition	12399		Total gain or loss	12400	+	3
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Publicly traded shares, mutual fund units, deferral of eligible small business corporation shares, and other shares

Number	Name of fund/corp. and class of shares	(1)	(2)	(3)	(4)	(5)
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Total proceeds of disposition	13199		Total gain or loss	13200	+	4
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Real estate, depreciable property, and other properties (see parts 1 and 2)

Address or legal description	Prov./Terr.	(1)	(2)	(3)	(4)	(5)
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Total proceeds of disposition	13599		Total gain or loss	13800	+	5
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Bonds, debentures, promissory notes, and other similar properties

Face value	Maturity date	Name of issuer	(1)	(2)	(3)	(4)	(5)
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Total proceeds of disposition	15199		Total gain or loss	15300	+	6
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Crypto-assets

Description of crypto-assets	No. of units sold	(1)	(2)	(3)	(4)	(5)
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Total proceeds of disposition	15200		Total gain or loss	15301	+	7
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Other mortgage foreclosures and conditional sales reposessions

Address or legal description	Prov./Terr.	(1)	(2)	(3)	(4)	(5)
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Total proceeds of disposition	15499		Total gain or loss	15500	+	8
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Personal-use property (see parts 1 and 2)

(provide full description)	(1)	(2)	(3)	(4)	(5)
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Total gain only	15800	+	9
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Listed personal property (LPP) (LPP losses can only be applied against LPP gains)

(provide full description)	(1)	(2)	(3)	(4)	(5)
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Subtract unapplied LPP losses from other years.

Net gain only	15900	+	10
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Add lines 1 to 10.

**Total gains or losses of qualified properties
and other properties**

=		11
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Part 4 – Total capital gains or losses

Report all negative amounts (losses) using brackets.

Amount from line 11 of the previous page				12
Capital gains deferral from qualifying dispositions of eligible small business corporation shares included on line 4	16100	—		13
Line 12 minus line 13		=		14
Capital gains or losses from your T5, T5013, and T4PS slips	17400	+		15
Capital gains or losses from your T3 slips	17600	+		16
Add lines 14 to 16.		=		17
Capital loss from a reduction in your business investment loss	17800	—		18
Total gains or losses before reserves: line 17 minus line 18	19100	=		19
Reserves to be included in (or deducted from) income from Form T2017	19200	+		20
Line 19 plus line 20				
Total capital gains or losses	19700	=		21

Part 5 – Total taxable capital gains or net capital losses

Amount from line 21 above				22
Inclusion rate		×	50%	23
Line 22 multiplied by the percentage from line 23		=		24
Capital gains from certain dispositions of an interest in a partnership subject to 100% inclusion rate (if negative, enter "0")	19890	+		25
Line 24 plus line 25				
If positive , enter the result on line 12700 of your return. If negative , see "If you have a net capital loss" below.				
Total taxable capital gains or net capital losses for 2025	19900	=		26

If you have a net capital loss

Do **not** report your net capital loss for 2025 on line 12700 of your return. You can carry it forward indefinitely and apply it against a taxable capital gain in the future. Your net capital loss, if any, will appear on your 2025 notice of assessment or reassessment.

If you would like to apply the net capital loss you incurred in 2025 against taxable capital gains you reported on your 2022, 2023, or 2024 return, complete Form T1A, Request for Loss Carryback.

Note: If you are completing this schedule for a deceased person, go to canada.ca/taxes-deceased-net-capital-loss.

See the privacy notice on your return.