Income Tax Act (R.S.C. (Revised Statutes of Canada), 1985, c. 1 (5th Supp.))

Act current to 2026-07-21 and on 2026-06-18.

Filing returns of income — general rule

150 (1) Subject to subsection (1.1), a return of income that is in prescribed form and that contains prescribed information shall be filed with the Minister, without notice or demand for the return, for each taxation year of a taxpayer,

Corporations

(a) in the case of a corporation, by or on behalf of the corporation within six months after the end of the year if

(i) at any time in the year the corporation

(A) is resident in Canada,

(B) carries on business in Canada, unless the corporation’s only revenue from carrying on business in Canada in the year consists of amounts in respect of which tax was payable by the corporation under subsection 212(5.1),

(C) has a taxable capital gain (otherwise than from an excluded disposition), or

(D) disposes of a taxable Canadian property (otherwise than in an excluded disposition), or

(ii) tax under this Part

(A) is payable by the corporation for the year, or

(B) would be, but for a tax treaty, payable by the corporation for the year (otherwise than in respect of a disposition of taxable Canadian property that is treaty-protected property of the corporation);

Deceased individuals

(b) in the case of an individual who dies after October of the year and on or before the day that would be the individual's filing due date for the year if the individual had not died, by the individual's legal representatives on or before the day that is the later of the day on or before which the return would otherwise be required to be filed and the day that is 6 months after the day of death;

Trusts or estates

(c) in the case of an estate or trust, within 90 days from the end of the year;

Individuals

(d) in the case of any other person, on or before

(i) the following April 30 by that person or, if the person is unable for any reason to file the return, by the person's guardian, committee or other legal representative (in this paragraph referred to as the person's "guardian"),

(ii) the following June 15 by that person or, if the person is unable for any reason to file the return, by the person's guardian where the person is

(A) an individual who carried on a business in the year, unless the expenditures made in the course of carrying on the business were primarily the cost or capital cost of tax shelter investments (as defined in subsection 143.2(1)), or

(B) at any time in the year a cohabiting spouse or common-law partner (within the meaning assigned by section 122.6) of an individual to whom clause 150(1)(d)(ii)(A) applies, or

(iii) where at any time in the year the person is a cohabiting spouse or common-law partner (within the meaning assigned by section 122.6) of an individual to whom paragraph 150(1)(b) applies for the year, on or before the day that is the later of the day on or before which the person's return would otherwise be required to be filed and the day that is 6 months after the day of the individual's death; or

Designated persons

(e) in a case where no person described by paragraph 150(1)(a), 150(1)(b) or 150(1)(d) has filed the return, by such person as is required by notice in writing from the Minister to file the return, within such reasonable time as the notice specifies.

Exception

(1.1) Subject to subsection (1.2), subsection (1) does not apply to a taxation year of a taxpayer if

(a) the taxpayer is a corporation that was a registered charity throughout the year; or

(b) the taxpayer is an individual unless

(i) tax is payable under this Part by the individual for the year,

(ii) where the individual is resident in Canada at any time in the year, the individual has a taxable capital gain or disposes of capital property in the year,

(iii) where the individual is non-resident throughout the year, the individual has a taxable capital gain (otherwise than from an excluded disposition) or disposes of a taxable Canadian property (otherwise than in an excluded disposition) in the year, or

(iv) at the end of the year the individual's HBP balance or LLP balance (as defined in subsection 146.01(1) or 146.02(1)) is a positive amount.

Exception — trusts

(1.2) Subsection (1.1) does not apply to a taxation year of a trust if the trust is resident in Canada and is an express trust, or for civil law purposes a trust other than a trust that is established by law or by judgement, unless the trust

(a) had been in existence for less than three months;

(b) holds assets with a total fair market value that does not exceed $50,000 throughout the year;

(b.1) meets the following conditions:

(i) each trustee is an individual,

(ii) each beneficiary is

(A) an individual (other than a trust) and is related to each trustee, or

(B) a graduated rate estate (or would be a graduated rate estate in the year if the estate had properly designated itself as a graduated rate estate) of an individual who was a beneficiary described in clause (A) in the year of the individual's death,

(iii) the total fair market value of the property of the trust does not exceed $250,000 throughout the year and the only assets held by the trust throughout the year are one or more of

(A) money, including deposits in a *Canadian financial institution* as defined in subsection 270(1),

(B) a guaranteed investment certificate issued by a Canadian bank, trust company or credit union incorporated under the laws of Canada or of a province,

(C) a debt obligation described in paragraph (a) of the definition *fully exempt interest* in subsection 212(3),

(D) debt obligations issued by

(I) a corporation, mutual fund trust or limited partnership the shares or units of which are listed on a designated stock exchange in Canada,

(II) a corporation the shares of which are listed on a designated stock exchange outside Canada, or

(III) an authorized foreign bank that are payable at a branch in Canada of the bank,

(E) a share, debt obligation or right listed on a designated stock exchange,

(F) a share of the capital stock of a mutual fund corporation,

(G) a unit of a mutual fund trust,

(H) an interest in a related segregated fund trust (within the meaning assigned by paragraph 138.1(1)(a)),

(I) an interest as a beneficiary under a trust, all the units of which are listed on a designated stock exchange,

(J) personal-use property of the trust,

(K) a right to receive income or gains on property described in clauses (A) to (J), or

(L) an *exempt policy* (as defined in subsection 12.2(11)) issued by a Canadian life insurer, the fair market value of which is to be determined by its cash surrender value;

(c) is required under the relevant rules of professional conduct or the laws of Canada or a province to hold funds for the purposes of an activity that is regulated under those rules or laws, provided

(i) the trust is not maintained as a separate trust for a particular client or clients, or

(ii) the only assets held by the trust throughout the year are assets described in clause (b.1)(iii)(A) or (B) with a total fair market value that does not exceed $250,000;

(d) is a registered charity;

(e) is a club, society or association described in paragraph 149(1)(l);

(f) is a mutual fund trust;

(g) is, for greater certainty, a related segregated fund trust, within the meaning assigned by paragraph 138.1(1)(a);

(h) is a trust, all the units of which are listed on a designated stock exchange;

(i) is prescribed to be a master trust;

(j) is, for greater certainty, a graduated rate estate, or would be a graduated rate estate in the year if the estate had properly designated itself as a graduated rate estate;

(k) is a *qualified disability trust*, as defined in subsection 122(3);

(l) is an employee life and health trust;

(m) is a trust described under paragraph 81(1)(g.3);

(n) is a trust under or governed by

(i) a deferred profit sharing plan,

(ii) a pooled registered pension plan,

(iii) a registered disability savings plan,

(iv) a registered education savings plan,

(v) a registered pension plan,

(vi) a registered retirement income fund,

(vii) a registered retirement savings plan,

(viii) a tax-free savings account,

(ix) an employee profit sharing plan,

(x) a registered supplementary unemployment benefit plan,

(xi) a first home savings account, or

(xii) a retirement compensation arrangement the primary purpose of which is to provide annual or more frequent periodic retirement benefits to supplement the benefits provided out of or under one or more registered pension plans, registered retirement savings plans, deferred profit sharing plans or pooled registered pension plans;

(o) is a cemetery care trust or a trust governed by an eligible funeral arrangement;

(p) is an *eligible trust*, as defined in subsection 135.2(1);

(q) is established for the purpose of complying with a statute of Canada or a province and the person or persons acting as trustee of the trust hold the property in trust for a specified purpose; or

(r) is an employee ownership trust.

Deemed trust

(1.3) For the purpose of this section and section 204.2 of the *Income Tax Regulations*,

(a) a trust includes an express trust that would not otherwise be considered a trust under the Act if, under the trust,

(i) one or more persons (in this subsection and subsection (1.31) referred to as a “legal owner”) have legal ownership of property that is held for the use of, or benefit of, one or more persons or partnerships, and

(ii) the legal owner can reasonably be considered to act as agent for the persons or partnerships who have the use of, or benefit of, the property;

(b) each person that is a legal owner of a trust that is described under paragraph (a) is considered to be a trustee of the trust; and

(c) each person or partnership that has the use or benefit of property under a trust that is described under paragraph (a) is considered to be a beneficiary of the trust.

Deemed trust — exceptions

(1.31) Subsection (1.3) does not apply to a trust for a taxation year if

(a) each person or partnership that is considered to be a beneficiary under paragraph (1.3)(c) at any time in the year is also a legal owner of the property referred to in that paragraph at that time and there are no legal owners that are not considered to be beneficiaries;

(b) the legal owners are individuals that are related persons and the property is real property or immovable that would be the principal residence of one or more of the legal owners for the year if those legal owners had designated the property for the year under the definition *principal residence* in section 54;

(c) the legal owner is an individual and the property is real property or immovable that

(i) is held for the use of, or benefit of, the legal owner's spouse or common-law partner during the year, and

(ii) would be the legal owner's principal residence for the year if the legal owner had designated the property for the year under the definition *principal residence* in section 54;

(d) under the trust

(i) the property is held throughout the year solely for the use of, or benefit of, a partnership,

(ii) each legal owner is a partner of the partnership, and

(iii) a member of the partnership is, or but for subsection 220(2.1) would be, required under section 229 of the *Income Tax Regulations* to make an information return for a fiscal period of the partnership that includes December 31 of the taxation year;

(e) the legal owner holds the property as required by an order of a court;

(f) all or substantially all of the property under the trust is *Canadian resource property* (as defined in subsection 66(15)) that is held solely for the use of, or benefit of, one or more persons or partnerships each of which is

(i) a corporation, the shares of which are listed on a designated stock exchange,

(ii) a corporation that is controlled by one or more corporations described in subparagraph (i),

(iii) a partnership if

(A) a majority-interest partner of the partnership is a corporation described in subparagraph (i) or (ii), or

(B) a *majority-interest group of partners* (as defined in subsection 251.1(3)) of the partnership consists of two or more corporations described in subparagraph (i) or (ii), or

(iv) a partnership if

(A) a majority-interest partner of the partnership is a person or partnership described in subparagraphs (i) to (iii), or

(B) a *majority-interest group of partners* (as defined in subsection 251.1(3)) of the partnership consists of two or more persons or partnerships described in subparagraphs

(i) to (iii);

(g) under the trust

(i) property is held exclusively for the use of, or benefit of, one or more persons described under subsection 149(1),

(ii) each legal owner is a person described under subsection 149(1), and

(iii) the property consists solely of funds received from His Majesty in right of Canada or a province; or

(h) the trustee is a registered securities dealer acting in that capacity or a trust company regulated under the laws of Canada or a Province acting as an *investment entity* (as defined in subsection 270(1)), if

(i) at any time, the only property in the trust is described in clauses (1.2)(b.1)(iii)(A) to (I), and

(ii) an information return is issued in respect of all of the income and gains of the trust to all of the beneficiaries of the trust.

Related persons

(1.32) For the purposes of this section,

(a) a related person includes an aunt, uncle, niece and nephew; and

(b) a person is related to himself or herself.

Solicitor-client privilege

(1.4) For greater certainty, subsections (1.1) to (1.3) do not require the disclosure of information that is subject to solicitor-client privilege.

Demands for returns

(2) Every person, whether or not the person is liable to pay tax under this Part for a taxation year and whether or not a return has been filed under subsection (1) or (3), shall, on demand sent by the Minister, file, within such reasonable time stipulated in the demand, with the Minister in prescribed form and containing prescribed information a return of the income for the taxation year designated in the demand.

Trustees, etc.

(3) Every trustee in bankruptcy, assignee, liquidator, curator, receiver, trustee or committee and every agent or other person administering, managing, winding up, controlling or otherwise dealing with the property, business, estate or income of a person who has not filed a return for a taxation year as required by this section shall file a return in prescribed form of that person's income for that year.

Death of partner or proprietor

(4) Where

(a) subsection 34.1(9) or 34.2(8) applies in computing an individual's income for a taxation year from a business, or

(b) an individual who carries on a business in a taxation year dies in the year and after the end of a fiscal period of the business that ends in the year, another fiscal period of the business (in this subsection referred to as the "short period") ends in the year because of the individual's death, and the individual's legal representative elects that this subsection apply,

the individual's income from businesses for short periods, if any, shall not be included in computing the individual's income for the year and the individual's legal representative shall file an additional return of income for the year in respect of the individual as if the return were filed in respect of another person and shall pay the tax payable under this Part by that other person for the year computed as if

(c) the other person’s only income for the year were the amount determined by the formula

$$A + B - C$$

where

A is the total of all amounts each of which is the individual’s income from a business for a short fiscal period,

B is the total of all amounts each of which is an amount deducted under subsection 34.2(8) in computing the individual’s income for the taxation year in which the individual dies, and

C is the total of all amounts each of which is an amount included under subsection 34.1(9) in computing the individual’s income for the taxation year in which the individual dies, and

(d) subject to sections 114.2 and 118.93, that other person were entitled to the deductions to which the individual is entitled under sections 110, 118 to 118.7 and 118.9 for the year in computing the individual’s taxable income or tax payable under this Part, as the case may be, for the year.

Excluded disposition

(5) For the purposes of this section, a disposition of a property by a taxpayer at any time in a taxation year is an excluded disposition if

(a) the taxpayer is non-resident at that time;

(b) no tax is payable under this Part by the taxpayer for the taxation year;

(c) the taxpayer is, at that time, not liable to pay any amount under this Act in respect of any previous taxation year (other than an amount for which the Minister has accepted, and holds, adequate security under section 116 or 220); and

(d) each taxable Canadian property disposed of by the taxpayer in the taxation year is

(i) excluded property within the meaning assigned by subsection 116(6), or

(ii) a property in respect of the disposition of which the Minister has issued to the taxpayer a certificate under subsection 116(2), (4) or (5.2).

[NOTE: Application provisions are not included in the consolidated text; see relevant amending Acts and regulations.] ; R.S., 1985, c. 1 (5th Supp.), s. 150; 1994, c. 7, Sch. II, s. 124, Sch. VII, s. 14; 1996, c. 21, s. 38; 1998, c. 19, s. 180; 1999, c. 22, s. 63; 2000, c. 12, s. 142; 2001, c. 17, s. 147; 2008, c. 28, s. 28; 2012, c. 19, s. 8; 2022, c. 19, s. 35; 2024, c. 17, s. 55; 2026, c. 3, s. 71.

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