

ELECTION ON DISPOSITION OF PROPERTY BY A TAXPAYER TO A TAXABLE CANADIAN CORPORATION

- For use by a taxpayer and a taxable Canadian corporation to jointly elect under subsection 85(1) where the taxpayer has disposed of eligible property within the meaning of subsection 85(1.1) to the corporation and has received as consideration shares of any class in that corporation.
- File one completed copy of the election and related schedules (if any) as follows:
 - 1 – a) one copy by the transferor, or
 - b) two or more copies if two or more transferors elect regarding the transfer of the same property (co-ownership), or two or more members of the same partnership elect for the transfer of their partnership interests. In these situations, one transferor designated for the purpose should file simultaneously one copy for each transferor, together with a list of all transferors electing. This list should contain the address and Social insurance number or Business Number of each transferor;
 - 2 – on or before the **earliest date** on which any one of the parties to the election is required to file an income tax return for the tax year in which the transaction occurred, taking into consideration any election under subsection 99(2) (due date);
 - 3 – at the tax centre serving the area where the transferor is located. Where two or more co-owners or members of a partnership referred to above elect, the elections will be processed in bulk and should be filed at the tax centre of the transferee; and
 - 4 – separate from any tax returns. You may put it in the same envelope with a return, but do not insert it in or attach it to the return.
- Sections and subsections referred to on this form are from the *Income Tax Act*.

Do not use this area

Name of taxpayer (transferor) (print)-					Social insurance number or Business Number				
Address					Postal code				
Tax year of taxpayer for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office	

Name of co-owner(s), if any (if more than one, attach schedule giving similar details) (print)					Social insurance number				
Address					Postal code				
					Tax services office				

Name of corporation (transferee) (print)					Business Number													
Parkland Fuel Corporation					846760510													
Address					Postal code													
Suite 236, 4919 - 59th Street, Red Deer, AB					T4N 6C9													
Tax year of corporation for the period from	Year	Month	Day	to	Year	Month	Day	Tax services office										
	2	0	1	1	0	3	0	1	9	2	0	1	1	2	3	1	Red Deer, AB	
Name of person to contact for additional information					Area code					Telephone number								

Penalty for late-filed and amended elections

An election that is filed after its due date is subject to a late-filing penalty. Form T2057 can be filed within 3 years after its due date if an estimate of the penalty is paid at the time of filing. Form T2057 can also be amended or filed after the 3-year period, but in these situations, a written explanation of the reason the election is amended or late-filed must be attached for consideration by the Minister and an estimate of the applicable penalty must be paid when this election is filed.

Calculation of late-filing penalty:

Fair market value of property transferred	_____	
Less: agreed amount	_____	
Difference	_____	A
Amount A _____ x 1/4 x 1% x N*	= _____	B
\$100 x N*	= _____	C

* N represents the sum of each month or each part of a month in the period from the due date to the actual filing date. Amount C cannot exceed \$8,000.

Late-filing penalty is the lesser of B and C above _____

Make a cheque or money order payable to the Receiver General. Specify "T2057" on the remittance and, to ensure proper credit, indicate the name and social insurance number of the taxpayer, or Business Number if a corporation.

Amount enclosed _____

Unpaid amounts including late-filing penalties are subject to daily compound interest, at a prescribed rate.

Do not use this area

Information required

On the following page, list, describe, and state the fair market value of transferred properties. The description and fair market value of the consideration received has to be shown opposite the related property transferred. Where the transferred property is a partnership interest, attach a schedule of the calculation of the adjusted cost base. If space on the form is insufficient, attach schedules giving similar details. You have to designate the order of disposition of each depreciable property. With this election you do not have to file the following materials: schedules supporting this designation, documentation relating to the responses to the questions below, and a brief summary of the method of evaluating the fair market value of each property transferred. However you have to keep them as the Canada Revenue Agency may ask to see them at a later date.

- 1 - Is there a written agreement relating to this transfer? Yes No
- 2 - Does a price adjustment clause apply to any of the properties? (See the Interpretation Bulletin IT-169 for details.) Yes No
- 3 - Do any persons other than the taxpayer own or control directly or indirectly any shares of any class of the transferee? Yes No
- 4 - Does a non-arm's length rollover exist between 2 or more corporations? Yes No
 - a) Have all or substantially all (90% or more) of all the properties of the corporation(s) been transferred to the transferee corporation? Yes No
- 5 - Is the taxpayer a non-resident of Canada? Yes No
- 6 - Are any of the properties transferred capital properties? Yes No
 - If **yes**,
 - a) have they been owned continuously since Valuation-Day (V-Day)? Yes No
 - b) have they been acquired after V-Day in a transaction considered not to be at arm's length? Yes No
 - c) since V-Day, has the taxpayer or any person from whom shares were acquired in a non-arm's length transaction received any subsection 83(1) dividends for transferred shares? (If **yes**, provide details of amounts and dates received and attach a schedule.) Yes No
- 7 - Is the agreed amount of any of the transferred properties based on an estimate of fair market value on V-Day? Yes No
 - a) If **yes**, does a formal documented V-Day value report exist? Yes No
- 8 - Has an election under subsection 26(7) of the *Income Tax Application Rules* (Form T2076) been filed by or on behalf of the taxpayer? Yes No

Where shares of the capital stock of a private corporation are included in the property disposed of, provide the following:

Name of corporation (print)	Business Number	Paid-up capital of shares transferred

Description of shares received

Number of shares transferor received	Class of shares	Redemption value per share	Paid-up capital	Voting or non-voting	Are shares retractable? *
	Common	N/A		Voting	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No
					<input type="checkbox"/> Yes <input type="checkbox"/> No

* Retractable means redeemable at the option of the holder.

Informative notes

- The rules for section 85 elections are complex. Essential information is contained in Information Circular, IC76-19 and Interpretation Bulletins, IT-169, IT-291, and IT-378.
- Complete all the information areas and answer all questions. If this form is incomplete, the Canada Revenue Agency may consider the election invalid, and subsequent submissions may be subject to a late-filing penalty.
- If the agreed amount exceeds the adjusted cost base of the property in the election, you must report the difference as a capital gain, as income or a combination of both, whichever applies.

Particulars of Eligible Property Disposed of and Consideration Received

Date of sale or transfer of all properties listed below:	Year	Month	Day	Note: For properties sold or transferred on different dates, use separate T2057s.
	2010	December	31	

	Property Disposed of			Agreed Amount (cannot be zero)	Amount to be reported B - A (If greater than 0 see Note 4)	Consideration Received			
	Description	Elected Amount Limits*				B	Non-share	Share	Fair Market Value of Total Consideration
		Fair Market Value	A				Description	Number and Class	
Capital Property Excluding Depreciable Property	(Brief legal)	\$	(See Note 1)	\$	\$			\$	
Depreciable Property	(Description and prescribed Class)		(See Note 2)						
Eligible Capital Property	(Kind)		(See Note 3)						
Inventory Excluding Real Property	(Kind)		(Cost Amount)						
Resource Property	(Brief legal)		NIL						
Security or Debt Obligation Property	(Description)		(Cost Amount)						
Specified Debt Obligation (For financial institutions only)			(Cost Amount)						
Capital Property That is Real Property Owned by a Non-Resident Person									
NISA Fund No. 2 (see note 5)			(Cost Amount)						

- Note 1: Adjusted cost base (which is subject to adjustment per section 53).
 - Note 2: The lesser of undepreciated capital cost of all property of the class and the cost of the property.
 - Note 3: The lesser of 4/3 x cumulative eligible capital and the cost of the property. (Under proposed changes, new rules will apply on subsequent dispositions of eligible capital property occurring after December 20, 2002).
 - Note 4: This amount is to be reported either as a capital gain or as income, whichever applies. Also, in the case of depreciable property and eligible capital property, a portion of the amount may have to be reported as a capital gain while another portion of the amount may have to be reported as income.
 - Note 5: Contributions made in a tax year ending after 2007, and amounts earned on those contributions, are only eligible if that property is owned by an individual.
- * Refer to current Interpretation Bulletin IT-291 for more information on eligible property and an explanation of the limits.

Election and Certification

The taxpayer and corporation hereby jointly elect under subsection 85(1) in respect of the property specified, and certify that the information given in this election, and in any documents attached, is to the best of their knowledge, correct and complete.

Signature of Transferor, of Authorized Officer or Authorized Person

and _____
Signature of Authorized Officer of Transferee

Date

* Attach a copy of authorizing agreement