

expenses” chart if applicable. For more information, see page 30.

- Complete the “Details of other partners” chart on page 4.

To see if your partnership has to file a partnership information return, see “What is a partnership?” on page 10.

We explain how to complete each of the lines of Form T2125 in this chapter, as well as in Chapter 3 beginning on page 18.

## How to complete Form T2125, Statement of Business or Professional Activities

In the middle of this guide, you will find two copies of Form T2125, *Statement of Business or Professional Activities*. This form can help you calculate your income and expenses for income tax purposes. We encourage you to use it. However, we will continue to accept other types of financial statements.

If you have **both** business and professional income, you have to complete a **separate** Form T2125 for each. You also have to complete a separate form for each business or professional activity you have, if you have **two or more** of either. For more information, see the most recent Interpretation Bulletin IT-206, *Separate Businesses*.

File each completed Form T2125 with your income tax return.

### Identification

Complete all the lines that apply to your business or professional activities.

Enter your account number (15 characters), assigned by the CRA, in the appropriate area.

Indicate the period your business year covered, which is your fiscal period. For an explanation of fiscal period, see page 6.

Enter the **industry code** that corresponds to your business from the appendix beginning on page 51.

If more than one code describes your business, or if your business has more than one activity, use the code that most closely describes your main business activity. For example, you might operate a bookstore. However, the store might also sell postage stamps. You would use industry code 451210 (for books or stationery) and not industry code 491110 (for postal services).

If you have a tax shelter, enter the identification number on the appropriate line. If you are claiming a deduction or losses for 2013, attach to your income tax return any applicable T5003 slip, *Statement of Tax Shelter Information*, as well as a completed Form T5004, *Claim for Tax Shelter Loss or Deduction*. For more information on tax shelters, go to [www.cra.gc.ca/taxshelters](http://www.cra.gc.ca/taxshelters).

#### Note

Tax shelter numbers are used for identification purposes only. They do not guarantee that taxpayers are entitled to receive the proposed tax benefits.

#### Tax tip

For more information about how to protect yourself against tax schemes, go to [www.cra.gc.ca/alert](http://www.cra.gc.ca/alert).

If your business or professional activities are the activities of a partnership, enter the 9-digit partnership business number from the T5013 slip you received and identify your percentage of the partnership if applicable.

If you are not preparing Form T2125 yourself, enter the name and address of the person or firm that is preparing it for you.

### Internet business activities

You may earn income from your webpages or websites:

- By selling goods and/or services on your own page(s) or site(s). You may have a shopping cart and process payment transactions yourself or use a third-party service.
- If your site doesn't support transactions but your customers call, complete and submit a form or email you to make a purchase order, booking, etc.
- By selling goods and/or services on auction, marketplace or similar sites operated by others.
- If you earn income from advertising, income programs or traffic your site generates. This would include:
  - Static advertisements you place on your site for other businesses
  - Affiliate programs
  - Advertising programs such as GoogleAdSense or Microsoft adCentre, or
  - Other types of traffic programs.

Enter the number of webpages and websites your business earns income from.

Enter the address(es) of your page(s) and/or site(s) in the fields provided. If you have more than five sites, enter the addresses of those that generate the most internet income.

If you don't have a website but you have created a profile or other page describing your business on blogs, auction, market place or any other portal or directory site(s), then enter the address(es) of the page(s) if they generate income.

Enter the percentage of income generated from the Internet. If you do not know the exact percentage, provide an estimate.

### Part 1 – Business income

Tick the box in Part 1 to show that you have non-professional **business income**.

You should complete this part **only** if you have business income. If you have professional income, leave this part blank and complete Part 2. If you have both business and professional income, you have to complete a separate Form T2125 for each.