

Canada Revenue Agency
Agence du revenu du Canada**Statement of
Business or Professional Activities****Protected B**
when completed

- Use this form to calculate your self-employment business and professional income.
- For each business or profession, fill in a **separate** Form T2125.
- Fill in this form and send it with your income tax and benefit return.
- For more information on how to fill in this form, see Guide T4002, *Self-employed Business, Professional, Commission, Farming, and Fishing Income*.

Part 1 – Identification

Your name Sample		Your social insurance number (SIN)	
Business name		Business number RT	
Business address		City	Prov./Terr. Postal code
Fiscal period	Date (YYYYMMDD) From 20200101 to 20201231	Date (YYYYMMDD) to 20201231	Was 2020 your last year of business? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Main product or service		Industry code (see the appendix in Guide T4002)	
Accounting method (commission only) <input type="checkbox"/> Cash <input checked="" type="checkbox"/> Accrual	Tax shelter identification number TS	Partnership business number	Your percentage of the partnership 100.00 %
Name and address of person or firm preparing this form Focused Bookkeeping Ltd 26 - 1514 Highway 3A, Keremeos, British Columbia, V0X 1N6		Randy Larson, President	

Part 2 – Internet business activities

If your web pages or websites generate business or professional income, fill in this part of the form.

How many Internet web pages and websites does your business earn income from? Enter "0" if none 0

Provide up to five main web page or website addresses, also known as uniform resource locator (URL):

http://

Percentage of your gross income generated from the web pages and websites.
(If no income was generated from the Internet, enter "0".) 0 %

Part 3A – Business income

Fill in this part **only** if you have business income. If you have professional income, leave this part blank and fill in Part 3B.
If you have both business and professional income, you have to fill out a separate Form T2125 for each.

Part 3B – Professional income

Fill in this part **only** if you have professional income. If you have business income, leave this part blank and fill in Part 3A. If you have both business and professional income, you have to fill out a separate Form T2125 for each. **Note:** New rules allow you to include your work in progress (WIP) progressively if you elected to use billed basis accounting for the last tax year that started before March 22, 2017. Generally, for the first tax year that starts after March 21, 2017, you must include 20% of the lesser of the cost and the fair market value of WIP. The inclusion rate increases to 40% in the second tax year that starts after March 21, 2017, 60% in the third year, 80% in the fourth year, and 100% in the fifth and all subsequent tax years. For more information, see chapter 2 of guide T4002.

Part 3A – Business income

Gross sales, commissions, or fees (include GST/HST collected or collectible)		3A
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 3A)		3B
Subtotal : Amount 3A minus amount 3B		3C
If you are using the quick method for GST/HST – Government assistance calculated as follows:		
GST/HST collected or collectible on sales, commissions and fees eligible for the quick method		3D
GST/HST remitted, calculated on (sales, commissions, and fees eligible for the quick method plus GST/HST collected or collectible) multiplied by the applicable quick method remittance rate		3E
Subtotal : Amount 3D minus amount 3E		3F
Adjusted gross sales : Amount 3C plus amount 3F (enter on line 8000 of Part 3C)		3G

Statement compiled based on unaudited financial information.

Part 3B – Professional income

Gross professional fees including work-in-progress (WIP) (include GST/HST collected or collectible)		3H
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 3H) and any WIP at the end of the year you elected to exclude		3I
Subtotal : Amount 3H minus amount 3I		3J
If you are using the quick method for GST/HST – Government assistance calculated as follows:		
GST/HST collected or collectible on professional fees eligible for the quick method		3K
GST/HST remitted, (professional fees eligible for the quick method plus GST/HST collected or collectible) multiplied by the applicable quick method remittance rate		3L
Subtotal : Amount 3K minus amount 3L		3M
Work-in-progress (WIP), start of the year, per election to exclude WIP (see Guide T4002, Chapter 2)		3N
Adjusted professional fees : Amount 3J plus amount 3M plus amount 3N (enter on line 8000 of Part 3C)		3O

Part 3C – Gross business or professional income

Adjusted gross sales (amount 3G) or adjusted professional fees (amount 3O)	8000	
Reserves deducted last year	8290	
Other income	8230	
Subtotal : Line 8290 plus line 8230		3P
Gross business or professional income : Line 8000 plus amount 3P	8299	
Report the gross business or professional income from line 8299 on the applicable line of your income tax and benefit return as indicated below:		
<ul style="list-style-type: none"> • business income on line 13499 • professional income on line 13699 • commission income on line 13899 		

For Parts 3D, 4 and 5, if GST/HST has been remitted or an input tax credit has been claimed, do not include GST/HST when you calculate the cost of goods sold, expenses, or net income (loss).

Part 3D – Cost of goods sold and gross profit

If you have business income, fill in this part. Enter only the business part of the costs.		
Gross business income (line 8299 of Part 3C)		3Q
Opening inventory (include raw materials, goods in process, and finished goods)	8300	3R
Purchases during the year (net of returns, allowances, and discounts)	8320	3S
Direct wage costs	8340	3T
Subcontracts	8360	3U
Other costs	8450	3V
Subtotal : Add amounts 3R to 3V		3W
Minus :		
Closing inventory (include raw materials, goods in process, and finished goods)	8500	
Cost of goods sold : Amount 3W minus line 8500	8518	
Gross profit (or loss) : Amount 3Q minus line 8518	8519	

Part 4 – Net income (loss) before adjustments

Gross business or professional income (line 8299 of Part 3C) or Gross profit (line 8519 of Part 3D)		4A
Expenses (enter only the business part)		
Advertising	8521	4B
Meals and entertainment	8523	4C
Bad debts	8590	4D
Insurance	8690	4E
Interest and bank charges	8710	4F
Business taxes, licences, and memberships	8760	4G
Office expenses	8810	4H
Office stationery and supplies	8811	4I
Professional fees (includes legal and accounting fees)	8860	4J
Management and administration fees	8871	4K
Rent	8910	4L
Repairs and maintenance	8960	4M
Salaries, wages, and benefits (including employer's contributions)	9060	4N
Property taxes	9180	4O
Travel expenses	9200	4P
Utilities	9220	4Q
Fuel costs (except for motor vehicles)	9224	4R
Delivery, freight, and express	9275	4S
Motor vehicle expenses (not including CCA) (amount 15 of Chart A)	9281	4T
Capital cost allowance (CCA). Enter amount i of Area A minus any personal part and an CCA for business-use-of-home expenses	9936	4U
Other expenses (specify):		
Reserves		
Private health services plan (PHSP) premiums		
Total other expenses	9270	4V
Total expenses: Total of amounts 4B to 4V		9368
Net income (loss) before adjustments: Amount 4A minus line 9368		9369

Part 5 – Your net income (loss)

Your share of line 9369 or the amount from your T5013 slip, Statement of Partnership Income	5A
GST/HST rebate for partners that was received in the year	9974
Total : Amount 5A plus line 9974	
Other amounts deductible from your share of the net partnership income (loss) (amount 6F)	9943
Net income (loss) after adjustments : Amount 5B minus line 9943	5C
Business-use-of-home expenses (amount 7P)	9945
Your net income (loss) : Amount 5C minus line 9945	9946

Report the net income amount from line 9946 on the applicable line of your income tax and benefit return as indicated below:

- business income on line 13500
- professional income on line 13700
- commission income on line 13900

Chart A – Motor vehicle expenses (For lines 9281 and 9936 above)

Make	Model	Year	Operating expenses	Parking	Suppl. insurance	Total expenses	CCA	Terminal loss	Recapture
Total motor vehicle expenses (15)									

Part 6 – Other amounts deductible from your share of the net partnership income (loss)

Claim expenses you incurred that were not included in the partnership statement of income and expenses, and for which the partnership did not reimburse you. These claims must not be included in the claims already calculated for the partnership.

List details of expenses :	Expense amounts
Less: Repayments from the partnership	
Private health services (PHSP) plan premiums	
CCA on other assets used for the business	

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Total		
Total other amounts deductible from your share of the net partnership income (loss): Add the above amounts (enter this on line 9943 of Part 5)		6F

Part 7 – Calculation of business-use-of-home expenses

Area of home used for business		
Total area of home		
Daycare proration (may apply to providers of daycare services from their home):		
Hours per day _____ Days per week _____ Weeks per year _____		%
Share expense with Spouse according to their share of the business		%
Ratio for business use calculation		%
Heat		7A
Electricity		7B
Insurance		7C
Maintenance		7D
Mortgage interest		7E
Property taxes		7F
Other expenses (specify): _____		7G
Subtotal : Add amounts 7A to 7G		7H
Minus : Personal-use part of the business-use-of-home expenses		7I
Subtotal : Amount 7H minus amount 7I		7J
Plus : Capital cost allowance (business part only), which means amount i of Area A minus any portion of CCA that is for personal use or entered on line 9936 of Part 4		7K
Amount carried forward from previous year		7L
Subtotal : Add amounts 7J to 7L		7M
Net income (loss) after adjustments (amount 5C) (if negative, enter "-")		7N
Business-use-of-home expenses available to carry forward: Amount 7M minus amount 7N (if negative, enter "0")		7O
Allowable claim : The lesser of amounts 7M and 7N above (enter your share of this amount on line 9945 of Part 5)		7P

Part 8 – Details of other partners

Name of Partner	Last name or business name	First name	Address		
City	Province or territory	Postal code	Share of net income or (loss)	Percentage of partnership	%
			\$		

Part 9 – Details of equity

Total business liabilities	9931	
Drawings in the current year	9932	
Capital contributions in the current year	9933	

See the privacy notice on your return