



Capital Dividend Account

This worksheet determines the current balance in the Capital Dividend Account as outlined in Subsection 89(1) of the Income Tax Act (Canada).

Your client's situation:

- First tax year end Jun 30, 2005
- Current as at July 15, 2017

- Tax year ended Jun 30, 2005
 - Capital gains (losses) 400,000

- Tax year ended Jun 30, 2007
 - Capital gains (losses) 300,000

- Tax year ended (change to) Dec 31, 2008

- Tax year ended Dec 31, 2012
 - Capital dividends paid 350,000

- Tax year ended Dec 31, 2013
 - Capital gains (losses) (500,000)

- Event occurring July 15, 2017
 - Life insurance proceeds (net of ACB) 1,000,000

Calculate your client's CDA balance as of July 15, 2017 and provide suitable documentation to support this value.

Opco
 Capital Dividend Account
 00000 0000 RC 0000
 As at July 15, 2017

∞ - YouTube example
 ∞ - PDF example
 ∞ - Worksheet support
 Updated July 2017

Prepared	Skujins	Jul 17, 2017
Reviewed		
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First tax year end		Current as at		Capital Dividend Account balance as at Jul 15, 2017			Notes and calcs		
Jun 30, 2005	o	Jul 15, 2017	o	Capital gains (losses)	100,000				
				Capital dividends received	-				
				ECP disposed (acquired)	-				
				Amounts from life insurance	1,000,000				
				Amounts from trusts	-				
				(Capital dividends paid)	(350,000)				
				Capital Dividend Account balance	750,000	o			

Amounts from	Capital gains (losses)*		Capital dividends received		ECP disposed (acquired)		Life insurance		Amounts from trusts		(Capital dividends paid)	
	Ref	Amount	Ref	Amount	Ref	Amount	Ref	Amount	Ref	Amount	Ref	Amount
Balance from amalgamation		-		-		-		-		-		-
Jun 30, 2005	o	200,000										
Jun 30, 2006		-										
Jun 30, 2007		150,000										
Jun 30, 2008		-										
Dec 31, 2008	o	-										
Dec 31, 2009		-										
Dec 31, 2010		-										
Dec 31, 2011		-										
Dec 31, 2012		-										(350,000)
Dec 31, 2013		(250,000)										
Dec 31, 2014		-										
Dec 31, 2015		-										
Dec 31, 2016		-										
Jul 15, 2017		-						1,000,000				

Opco
 Capital Dividend Account - Capital gains
 00000 0000 RC 0000
 As at July 15, 2017

Amounts from	Capital gains (losses)		Inclusion rate		Taxable gains (allowable losses)		Adjustments		*Amount for capital dividend	
	Ref	Amount	Ref	Amount	Ref	Amount	Ref	Amount	Ref	Amount
Jun 30, 2005		400,000		50.00%		200,000				200,000
Jun 30, 2006				50.00%		-				-
Jun 30, 2007		300,000		50.00%		150,000				150,000
Jun 30, 2008				50.00%		-				-
Dec 31, 2008				50.00%		-				-
Dec 31, 2009				50.00%		-				-
Dec 31, 2010				50.00%		-				-
Dec 31, 2011				50.00%		-				-
Dec 31, 2012				50.00%		-				-
Dec 31, 2013		(500,000)		50.00%		(250,000)				(250,000)
Dec 31, 2014				50.00%		-				-
Dec 31, 2015				50.00%		-				-
Dec 31, 2016				50.00%		-				-
Jul 15, 2017				50.00%		-				-