



## Statement of Farming Activities

- Use this form to calculate your self-employment farming income.
- For each farming business, fill in a **separate** Form T2042.
- 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.

Your name			Your social insurance number			
Farm name			Business number			
Farm address			City		Prov./Terr.	Postal code
Fiscal period	Date (YYYYMMDD) From		Date (YYYYMMDD) to		Was this your last year of farming? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Main product or service			Industry code (see the appendix in Guide T4002)			
Accounting method <input type="checkbox"/> Cash <input type="checkbox"/> Accrual		Tax shelter identification number		Partnership business number		Your percentage of the partnership %
Name and address of the person or firm preparing this form						

**Part 2 – Internet business activities**

If your web pages or websites generate farming 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 .....

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

http:// \_\_\_\_\_

http:// \_\_\_\_\_

http:// \_\_\_\_\_

http:// \_\_\_\_\_

http:// \_\_\_\_\_

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

**Part 3 – Income**

Wheat .....	9371	_____		_____
Oats .....	9372	_____		_____
Barley .....	9373	_____		_____
Mixed grains .....	9374	_____		_____
Corn .....	9375	_____		_____
Canola .....	9376	_____		_____
Flaxseed .....	9377	_____		_____
Soybeans .....	9378	_____		_____
Grains and oilseeds .....	9370	_____		_____
Fruit .....	9421	_____		_____
Potatoes .....	9422	_____		_____
Vegetables (not including potatoes) .....	9423	_____		_____
Tobacco .....	9424	_____		_____
Other crops .....	9420	_____		_____
Greenhouse and nursery products .....	9425	_____		_____
Forage crops or seeds .....	9426	_____		_____
<b>Livestock sold</b>				
Cattle .....	9471	_____		_____
Swine .....	9472	_____		_____
Poultry .....	9473	_____		_____
Sheep and lambs .....	9474	_____		_____
Livestock and animal products revenue .....	9470	_____		_____
Milk and cream (not including dairy subsidies) .....	9476	_____		_____
Eggs for consumption .....	9477	_____		_____
Other commodities .....	9520	_____		_____
<b>Program payments</b>				
Dairy subsidies .....	9541	_____		_____
Crop insurance .....	9542	_____		_____
Other program payments .....	9540	_____		_____
Rebates .....	9570	_____		_____
Custom or contract work (includes machine rentals) .....	9601	_____		_____
Insurance proceeds .....	9604	_____		_____
Patronage dividends .....	9605	_____		_____
Other income (specify)*: _____				
	9600	_____		_____
	9659	_____		_____
<b>Gross income:</b> Total of the income lines (enter this amount on line 14099 of your income tax and benefit return) .....		_____		_____

\* You may have received assistance from COVID-related measures from the federal, provincial or territorial governments. For more information, go to [canada.ca/cra-coronavirus](https://canada.ca/cra-coronavirus).

**Part 4 – Net income (loss) before adjustments**

<b>Gross income</b> (line 9659 of Part 3) .....		4A
<b>Expenses</b> (enter only the business part)		
Containers and twine .....	9661	
Fertilizers and lime .....	9662	
Pesticides (herbicides, insecticides, fungicides) .....	9663	
Seeds and plants .....	9664	
Feed, supplements, straw and bedding .....	9711	
Livestock purchased .....	9712	
Veterinary fees, medicine and breeding fees .....	9713	
Machinery expenses		
Repairs, licences and insurance .....	9760	
Gasoline, diesel fuel and oil .....	9764	
Building repairs and maintenance (includes fence repairs) .....	9795	
Clearing, levelling and draining land .....	9796	
Crop insurance, Revenue Protection Program and stabilization premiums .....	9797	
Custom or contract work (includes machine rentals) .....	9798	
Electricity .....	9799	
Heating fuel and curing fuel .....	9802	
Insurance program overpayment recapture .....	9803	
Insurance .....	9804	
Interest and bank charges .....	9805	
Office expenses .....	9808	
Professional fees (includes legal and accounting fees) .....	9809	
Property taxes .....	9810	
Rent (land, buildings and pasture) .....	9811	
Salaries, wages and benefits (including employer's contributions) .....	9814	
Motor vehicle expenses (not including CCA) (amount 16 of Chart A) .....	9819	
Small tools .....	9820	
Mandatory inventory adjustment included in the previous year .....	9937	
Optional inventory adjustment included in the previous year .....	9938	
Other expenses (specify): _____		
_____		
Total other expenses (see Area A, column 6, on page 5) .....	9790	
<b>Subtotal of expenses</b>		4B
Capital cost allowance (CCA). Enter amount of Area A <b>minus</b> any personal part and any CCA for business-use-of-home expenses .....	9936	
<b>Total farm expenses: Amount 4B plus line 9936</b>	9898	
<b>Net income (loss) before inventory adjustments: Amount 4A minus line 9898</b> .....	9899	
Optional inventory adjustment included in the current year .....	9941	
Mandatory inventory adjustment included in the current year .....	9942	
<b>Net income (loss) after inventory adjustments: Total of lines 9899, 9941 and 9942</b>		4C

**Part 5 – Your net income (loss)**

Your share of amount 4C or the amount from your T5013 slip, Statement of Partnership Income .....		5A
Return of Fuel Charge Proceeds to Farmers Tax Credit allocated to you in the year (box 237 of your T5013 slip or amount provided by your partnership in a letter) .....		5B
GST/HST rebate for partners received in the year .....	9974	
<b>Total: Amount 5A plus amount 5B plus line 9974</b>		5C
Other amounts deductible from your share of net partnership income (loss) (amount 6F) .....	9943	
<b>Net income (loss) after adjustments: Amount 5C minus line 9943</b>		5D
Business-use-of-home expenses (amount 7P) .....	9945	
<b>Your net income (loss): Amount 5D minus line 9945 (enter this amount on line 14100 of your income tax and benefit return)</b> .....	9946	

**Part 6 – Other amounts deductible from your share of 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

_____	_____	6A
_____	_____	6B
_____	_____	6C
_____	_____	6D
_____	_____	6E
<b>Total other amounts deductible from your share of the net partnership income (loss):</b> Add amounts 6A to 6E (enter this on line 9943 of Part 5)		_____
		6F

**Part 7 – Calculating business-use-of-home expenses**

Heat .....	_____	7A
Electricity .....	_____	7B
Insurance .....	_____	7C
Maintenance .....	_____	7D
Mortgage interest .....	_____	7E
Property taxes .....	_____	7F
Other expenses (specify): _____	_____	7G
<b>Subtotal:</b> Add amounts 7A to 7G		_____
		7H
Personal-use part of the business-use-of-home expenses .....	_____	7I
<b>Subtotal:</b> Amount 7H minus amount 7I		_____
		7J
Capital cost allowance (business part only), which means amount i of Area A minus any portion of capital cost allowance that is for personal use or entered on line 9936 of Part 4 .....	_____	7K
Amount carried forward from previous year .....	_____	7L
<b>Subtotal:</b> Add amounts 7J to 7L		_____
		7M
Net income (loss) after adjustments (amount 5D) (if negative, enter "0") .....	_____	7N
<b>Business-use-of-home expenses available to carry forward:</b> Amount 7M minus amount 7N (if negative, enter "0") .....		_____
		7O
<b>Allowable claim:</b> Amount 7M or 7N above, whichever is less (enter your share of this amount on line 9945 of Part 5) .....		_____
		7P

**Part 8 – Details of other partners**

Do not fill in this chart if you must file a partnership information return.

Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%
Name of partner				
Address	Prov./Terr.	Postal code	Share of net income or (loss)	Percentage of partnership
			\$	%
Name of partner				
Address	Prov./Terr.	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	_____

**Area A – Calculation of capital cost allowance (CCA) claim**

1 Class number	2 Undepreciated capital cost (UCC) at the start of the year	3 Cost of additions in the year (see Areas B and C below)	4 Cost of additions from column 3 which are AIIPs or ZEVs (property must be available for use in the year)  <b>Note 1</b>	5 Proceeds of dispositions in the year (see Areas D and E below)	6* UCC after additions and dispositions (col. 2 <b>plus</b> col. 3 <b>minus</b> col. 5)	7 Proceeds of dispositions available to reduce additions of AIIPs and ZEVs (col. 5 <b>minus</b> col. 3 <b>plus</b> col. 4). If negative, enter "0" <b>Note 2</b>	8 UCC adjustment for current-year additions of AIIPs and ZEVs (col. 4 <b>minus</b> col. 7) <b>multiplied</b> by the relevant factor. If negative, enter "0" <b>Note 3</b>	9 Adjustment for current-year additions subject to the half-year rule. 1/2 <b>multiplied</b> by (col. 3 <b>minus</b> col. 4 <b>minus</b> col. 5). If negative, enter "0"	10 Base amount for CCA (col. 6 <b>plus</b> col. 8 <b>minus</b> col. 9)	11 CCA rate %	12 CCA for the year (col. 10 <b>multiplied</b> by col. 11 or a lower amount)	13 UCC at the end of the year (col. 6 <b>minus</b> col. 12)

**Total CCA claim for the year: Total of column 12** (enter the amount on line 9936 of Part 4, amount i **minus** any personal part and any CCA for business-use-of-home expenses\*\*) i

\* If you have a negative amount in column 6, add it to income as a recapture in Part 3 on line 9600. If no property is left in the class and there is a positive amount in the column, deduct the amount from income as a terminal loss in Part 4 on line 9790. Recapture and terminal loss do not apply to a Class 10.1 property. For more information, read Chapter 3 of Guide T4002.

\*\* For information on CCA for "Calculating business-use-of-home expenses," see "Special situations" in Chapter 4 of Guide T4002. To help you calculate the CCA, see the calculation charts in Areas B to F.

**Note 1:** Columns 4, 7 and 8 apply only to accelerated investment incentive properties (AIIPs) (see Regulation 1104(4) of the federal Income Tax Regulations for the definition), zero-emission vehicles (ZEVs), zero-emission passenger vehicles (ZEPVs) and other eligible zero-emission automotive equipment and vehicles that become available for use in the year. In this chart, ZEV represents zero-emission vehicles, zero-emission passenger vehicles and other eligible zero-emission automotive equipment and vehicles. An AIIP is a property (other than ZEV) that you acquired after November 20, 2018, and became available for use before 2028. A ZEV is a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019, and became available for use before 2028, or eligible zero-emission automotive equipment and vehicles included in Class 56 acquired after March 1, 2020, and that became available for use before 2028. For more information, see Guide T4002.

**Note 2:** The proceeds of disposition of a ZEPV that has been included in Class 54 and that is subject to the \$55,000 capital cost limit will be adjusted based on a factor equal to the capital cost limit of \$55,000 as a proportion of the actual cost of the vehicle. For dispositions after July 29, 2019, you will have to adjust the actual cost of the vehicle for any payments or repayments of government assistance that you may have received or repaid in respect of the vehicle. For more information on proceeds of disposition, read "Class 54 (30%)" in Guide T4002.

**Note 3:** The relevant factors for properties available for use before 2024 are 2 1/3 (Classes 43.1, 54 and 56), 1 1/2 (Class 55), 1 (Classes 43.2 and 53), 0 (Classes 12, 13, 14 and 15) and 1/2 for the remaining AIIPs.

For more information on AIIPs, see Guide T4002 or go to [canada.ca/taxes-accelerated-investment-income](http://canada.ca/taxes-accelerated-investment-income).

**Part XVII properties (acquired before 1972)**

1 Year acquired	2 Kind of property	3 Month of disposition	4 Cost (business part)	5 Rate (%)	6 CCA for this year	7 Total CCA for this and previous years

Enter the total of amounts i and ii on line 9936 of Part 4.

**Total CCA on Part XVII properties: Total of column 6** ii

**Area B – Equipment additions in the year**

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 <b>minus</b> column 4)

**Total equipment additions in the year: Total of column 5** **9925**

**Area C – Building additions in the year**

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
<b>Total building additions in the year: Total of column 5</b>				<b>9927</b>

**Area D – Equipment dispositions in the year**

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
<b>Total equipment dispositions in the year: Total of column 5</b>				<b>9926</b>

**Note:** If you disposed of property from your farming business in the year, see Chapter 3 of Guide T4002 for information about your proceeds of disposition.

**Area E – Building dispositions in the year**

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
<b>Total building dispositions in the year: Total of column 5</b>				<b>9928</b>

**Note:** If you disposed of property from your farming business in the year, see Chapter 3 of Guide T4002 for information about your proceeds of disposition.

**Area F – Land additions and dispositions in the year**

Total cost of all land additions in the year .....	<b>9923</b>	_____		_____
Total proceeds from all land dispositions in the year .....	<b>9924</b>	_____		_____

**Note:** You cannot claim capital cost allowance on land. For more information, see Chapter 3 of Guide T4002.

**Area G – Quota additions and dispositions in the year**

Total cost of all quota additions in the year .....	<b>9929</b>	_____		_____
Total proceeds from all quota dispositions in the year .....	<b>9930</b>	_____		_____

**Chart A – Motor vehicle expenses**

Kilometres you drove in the tax year to earn farming income .....	_____	1
Total kilometres you drove in the tax year .....	_____	2
Fuel and oil .....	_____	3
Interest (use Chart B below) .....	_____	4
Insurance .....	_____	5
Licence and registration .....	_____	6
Maintenance and repairs .....	_____	7
Leasing (use Chart C below) .....	_____	8
Electricity for zero-emission vehicles .....	_____	9
Other expenses (specify): _____	_____	10
_____	_____	11
<b>Total motor vehicle expenses: Add amounts 3 to 11</b>	_____	12
Business use part: Amount 1: _____ ÷ amount 2: _____ × amount 12: _____ = _____	_____	13
Business parking fees .....	_____	14
Supplementary business insurance .....	_____	15
<b>Allowable motor vehicle expenses: Add amounts 13, 14 and 15 (enter this total on line 9819 of Part 4)</b> .....	_____	16

**Note:** You can claim capital cost allowance on motor vehicles in Area A.

**Chart B – Available interest expense for passenger vehicles and zero-emission passenger vehicles**

Total interest payable (accrual method) or paid (cash method) in the fiscal period .....	_____		17
\$10* × the number of days in the fiscal period for which interest was payable (accrual method) or paid (cash method) .....	_____	=	_____   18
<b>Available interest expense:</b> Amount 17 or 18, whichever is less (include this in amount 4 of Chart A above) .....	_____		_____   19

\* For passenger vehicles bought after 2000.

**Chart C – Eligible leasing cost for passenger vehicles\*\***

Total lease charges incurred in your current fiscal period for the vehicle .....	_____		20
Total lease payments deducted before your current fiscal period for the vehicle .....	_____		21
Total number of days the vehicle was leased in your current and previous fiscal periods .....	_____		22
Manufacturer's list price .....	_____		23
Use a GST rate of 5% or HST rate applicable to your province.			
Amount 23 or (\$35,294 + GST and PST, or HST on \$35,294), whichever is more      ►	_____	×	_____   24
[( \$800 + GST and PST, or \$800 + HST ) × amount 22] ÷ .....	_____	=	_____   25
Amount 25: _____ - amount 21: _____ .....	_____	=	_____   26
[( \$30,000 + GST and PST, or \$30,000 + HST ) × amount 20] ÷ amount 24 .....	_____	=	_____   27
<b>Eligible leasing cost:</b> Amount 26 or 27, whichever is less (enter in amount 8 of Chart A above) .....	_____		_____   28

\*\* Includes a vehicle that would qualify as a zero-emission passenger vehicle if you owned it.

See the privacy notice on your return.