

Full disclosure – These notes were not compiled by an accountant; nor are we Canadian! However, we've never had a problem receiving a full refund of our WJR withholding. Good luck! Jill

Filing Canada income tax to recover withheld rental income (US residents)

1. If you do not already have a Canadian individual tax number (ITN), fetch the fillable T1261 from <https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/t1261.html>.

Complete the form, checking the 2nd box: "filing a Canadian income tax return for Electing Under section 216",
Fill in personal info,
Get photocopy of passport or drivers license,
Get that copy and the filled-out form notarized.

2. Have your NR4 form at hand (sent by Whiski Jack), reporting rental income.

3. Have your Whiski Jack owner rental program statements, emailed by "Whiski Jack Rentals Program", showing total rental revenue, commissions and withholding.

4. Fetch fillable T776 PDF from <https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/t776.html>.

Part 1: Identification

Fill in identification info, and ITN (if already known).

Fill in fiscal period of January 1 to December 31 of relevant tax year.

Part 2: ignore

Part 3: Income:

Enter address (incl. unit #) and gross rental income for each rented unit, from WJR owner rental statements.

Part 4: Expenses:

Management & admin fees: enter (sum of) commissions & fees deducted from gross rental income, from owner rental statements.

Repairs & maintenance: enter (sum of) annual maintenance payments. Add and enter as total expenses.

Subtract from part 3 gross revenue and enter as net income (loss)

If negative (loss), enter 0 for Total capital cost allowance claim

If positive, figure capital cost allowance (next) and enter lesser of allowance or net income

Area A: Calculation of capital cost allowance

Columns 1, 6 & 10: for each rented unit, enter un-depreciated capital cost from previous CA tax filing or original purchase price.

Column 11: enter 4% (not sure if this is mandated, but have used previously)

Column 12: enter lesser of 4% of column 10 or your positive net income, which will be your claimed amount of depreciation.

Column 13: subtract column 12 from 10.

Area B-F: ignore

5. Fetch fillable T1159 PDF from <https://www.canada.ca/en/revenue-agency/services/forms-publications/forms/t1159.html>.

See general instructions at <https://www.canada.ca/en/revenue-agency/services/forms-publications/publications/t4144/income-tax-guide-electing-under-section-216.html>.

Fill in personal info in upper blocks, ITN (if known), DOB
Enter gross income from NR4, net income (or zero) from T776.
Assuming zero net income:

Part 1: ignore

Part 2: enter 0 tax, amount withheld, and refund owing

6. Print T776 and T1159, sign, mail along with NR4 form to Canada Revenue:

Winnipeg Tax Centre
PO Box 14001, Station Main
Winnipeg MB R3C 3M3
CANADA