



## Mandatory or Preventive Disclosure of Tax Planning

This form is intended for a taxpayer or partnership that is required to make a **mandatory disclosure** or elects to make a **preventive disclosure** with respect to a transaction<sup>1</sup> or a series of transactions (hereinafter "transaction") carried out by the taxpayer or the partnership. Such a disclosure, whether mandatory or preventive, will not be considered an admission by the taxpayer that the taxpayer is not entitled to the tax benefits resulting from the transaction. Where the general anti-avoidance rule (GAAR) applies to a transaction, if a duly completed disclosure form is filed by the prescribed deadline, the taxpayer can avoid an extension of the time limit after which Revenu Québec can no longer make a reassessment, as well as the imposition of penalties with respect to the transaction disclosed.

This form is **not** intended for a taxpayer that wishes to make a **voluntary disclosure** to rectify the taxpayer's tax situation. A voluntary disclosure is a complete and spontaneous disclosure (on the taxpayer's own initiative) of omissions or false statements that have allowed the taxpayer to avoid paying income tax or consumption taxes. To make such a disclosure and benefit from the advantages of doing so, follow the instructions in brochure IN-309-V, *Voluntary Disclosure: Rectifying Your Tax Situation*, or refer to interpretation bulletin ADM.4/R2, *Voluntary Disclosures*.

Where a transaction is carried out by a limited partnership, it is the **general partner** that is required to file this form to make a mandatory or preventive disclosure. Where a transaction is carried out by a partnership other than a limited partnership, **each member** of the partnership is responsible for making the disclosure. However, a disclosure made by one of the members of the partnership is deemed to have been made by each of them.

Once Revenu Québec receives your form, you will be sent an acknowledgement of receipt. If Revenu Québec does not make a request for further information within 120 days after the disclosure form is filed, the form will be considered duly completed. However, a disclosure containing a false statement, due to either negligence or the wilful omission of facts, will be considered null and void.

### Mandatory disclosure

A taxpayer or partnership is required to disclose a transaction in the following cases:

- To carry out the transaction, the taxpayer or partnership retained the services of an adviser.<sup>2</sup>
- The transaction is a **confidential transaction** or a **transaction involving conditional remuneration**.
- For the taxation year or fiscal period, the transaction has **one of the following** direct or indirect tax consequences:
  - a tax benefit<sup>3</sup> of \$25,000 or more for the taxpayer
  - an impact on the income of the taxpayer or of the partnership of \$100,000 or more
- The transaction was carried out on or after October 15, 2009.<sup>4</sup>

### Confidential transaction

A confidential transaction is a transaction with respect to which a taxpayer or partnership retained the services of an adviser, and where the contract<sup>5</sup> between the taxpayer or the partnership and the adviser includes an undertaking of confidentiality by the taxpayer or the partnership towards other persons<sup>6</sup> or towards a taxation authority in relation to the transaction.

### Transaction involving conditional remuneration

A transaction involving conditional remuneration<sup>7</sup> is a transaction with respect to which all or part of the remuneration of the adviser is

- conditional on obtaining a tax benefit<sup>8</sup> resulting from the transaction or is determined, in whole or in part, on the basis of the tax benefit;
- refundable, in any manner whatever, to the taxpayer if the expected tax benefit from the transaction does not materialize; or
- earned by the adviser only after the expiry of the time limit after which Revenu Québec can no longer make a reassessment with respect to the taxation year(s) in which the transaction takes place.

### Mandatory disclosure deadline

A taxpayer required to make a mandatory disclosure must submit a duly completed disclosure form by the deadline for filing the taxpayer's income tax return for the taxation year in which the transaction resulting in the tax benefit or having an impact on the income of the taxpayer took place. In the case of a transaction carried out by a partnership, the disclosure must be made by the deadline for filing the partnership information return<sup>9</sup> for the fiscal period in which the transaction that resulted in an impact on the income of the partnership was carried out.<sup>10</sup>

### Failure to make a mandatory disclosure by the deadline

Where the GAAR applies to a transaction and a **duly completed** mandatory disclosure form is not filed by the deadline, three years will be added to the normal time limit after which Revenu Québec can no longer make a reassessment. If the person responsible for the disclosure does not take advantage of the voluntary disclosure policy in effect, that person becomes liable to

- a late-filing penalty of \$10,000 that could reach a maximum of \$100,000 after 91 days;
- suspension (until a duly completed copy of the prescribed disclosure form is filed) of the time limit after which Revenu Québec can no longer make a reassessment with respect to the undisclosed transaction;<sup>11</sup>
- a penalty equal to 25% of the amount of the tax benefit denied if the GAAR applies to the transaction.

### Preventive disclosure

A taxpayer (including a general partner or a member of a partnership, as applicable) may make a preventive disclosure regarding a transaction carried out by the taxpayer (or by the partnership of which the taxpayer is a member) on or after October 15, 2009.<sup>12</sup>

### Preventive disclosure deadline

A taxpayer that elects to make a preventive disclosure must submit a duly completed preventive disclosure form by the deadline for filing the taxpayer's income tax return for the taxation year during which the transaction **began**

to be carried out. In the case of a transaction carried out by a partnership, a preventive disclosure must be made by the deadline for filing the partnership information return<sup>13</sup> for the fiscal period during which the transaction began to be carried out.<sup>14</sup>

**Failure to make a preventive disclosure by the deadline**

Where the GAAR applies to the undisclosed transaction and a **duly completed** preventive disclosure form is not filed by the deadline, three years will be added to the normal time limit after which Revenu Québec can no longer make a reassessment.<sup>15</sup>

Where the GAAR applies to an undisclosed transaction, and the person responsible for the disclosure does not take advantage of the voluntary disclosure policy in effect, a penalty equal to 25% of the amount of the tax benefit denied will be imposed on the taxpayer.<sup>16</sup>

**Important**

- A separate copy of the form must be completed for each transaction disclosed.
- Send each form **under separate cover and by registered mail** to the following address:  
 Direction principale de la lutte contre les planifications fiscales abusives  
 Revenu Québec  
 3, complexe Desjardins, secteur D127SM  
 Montréal (Québec) H5B 1A4
- Note that any form bearing a mention to the effect that information will be provided on request is not considered to be duly completed.

**1 Information about the disclosure**

Check the box corresponding to the disclosure being made by the taxpayer, general partner or member of a partnership.

- 01  Mandatory disclosure  
 02  Preventive disclosure

If you checked box 01, check the box corresponding to the type of transaction.

- 03  Confidential transaction  
 04  Transaction involving conditional remuneration

If you checked box 01, enter the taxation year or fiscal period (as applicable) in which the transaction resulted in a tax benefit or had an impact on the income of the taxpayer or partnership. If you checked box 02, enter the taxation year or fiscal period in which the transaction began.

05 Taxation year or fiscal period: from  to

**2 Information about the taxpayer or partnership**

Enter the name and address of the taxpayer or partnership that **carried out** the transaction being disclosed.

06  Name of the taxpayer or partnership

07  Address  Postal code

Check the appropriate box and enter the number requested, where applicable.

- 08  Individual other than a trust
- 09  Trust .....
- 10  Cooperative .....
- 11  Corporation (corporations established in Québec **must file the French version of this form**) ...
- 12  Partnership other than a limited partnership .....
- 13  Limited partnership .....

Social insurance number

Identification number

Identification number File  **R I**

**I C**

**S P**

**S P**



### 3 Information about the general partner and limited partners (limited partnership)

Complete this part if you checked box 13 in Part 2.

#### 3.1 Information about the general partner making the disclosure

If the limited partnership has more than one general partner, attach a separate sheet with the information requested about the other general partner(s).

Québec enterprise number (NEQ) <input style="width: 95%;" type="text"/>	Identification number <input style="width: 95%;" type="text"/>	Social insurance number <input style="width: 95%;" type="text"/>	Area code Telephone <input style="width: 95%;" type="text"/>
Name of general partner <input style="width: 95%;" type="text"/>			
Address <input style="width: 95%;" type="text"/>			
			Postal code <input style="width: 95%;" type="text"/>
Fiscal period ending on the same date as the fiscal period entered on line 05 of Part 1 or that includes the end date of that fiscal period:			
From <input style="width: 20%;" type="text"/> to <input style="width: 20%;" type="text"/>			

#### 3.2 Information about the limited partners

Provide the information requested in this section for **each** limited partner. You are not required to complete this section if the partnership filed a *Partnership Information Return* (TP-600-V) for the fiscal period in question (line 05) and Schedule A of the return includes all the required information.

If there is not enough space, attach a separate sheet with the information requested.

Québec enterprise number (NEQ) <input style="width: 95%;" type="text"/>	Identification number <input style="width: 95%;" type="text"/>	Social insurance number <input style="width: 95%;" type="text"/>	Area code Telephone <input style="width: 95%;" type="text"/>
Name of limited partner <input style="width: 95%;" type="text"/>			
Address <input style="width: 95%;" type="text"/>			
			Postal code <input style="width: 95%;" type="text"/>

Québec enterprise number (NEQ) <input style="width: 95%;" type="text"/>	Identification number <input style="width: 95%;" type="text"/>	Social insurance number <input style="width: 95%;" type="text"/>	Area code Telephone <input style="width: 95%;" type="text"/>
Name of limited partner <input style="width: 95%;" type="text"/>			
Address <input style="width: 95%;" type="text"/>			
			Postal code <input style="width: 95%;" type="text"/>

Québec enterprise number (NEQ) <input style="width: 95%;" type="text"/>	Identification number <input style="width: 95%;" type="text"/>	Social insurance number <input style="width: 95%;" type="text"/>	Area code Telephone <input style="width: 95%;" type="text"/>
Name of limited partner <input style="width: 95%;" type="text"/>			
Address <input style="width: 95%;" type="text"/>			
			Postal code <input style="width: 95%;" type="text"/>



## 4 Information about the members of a partnership that is not a limited partnership

Complete this part if you checked box 12 in Part 2. If you are making the disclosure on your own behalf, complete section 4.1 only. If you are making the disclosure on behalf of all the members of the partnership, complete sections 4.1 and 4.2.

### 4.1 Information about the member of the partnership making the disclosure

Québec enterprise number (NEQ) <input style="width: 95%; height: 15px;" type="text"/>	Identification number <input style="width: 95%; height: 15px;" type="text"/>	Social insurance number <input style="width: 95%; height: 15px;" type="text"/>	Area code Telephone <input style="width: 95%; height: 15px;" type="text"/>
Name of member <input style="width: 98%; height: 15px;" type="text"/>			
Address <input style="width: 98%; height: 15px;" type="text"/>			
Postal code <input style="width: 95%; height: 15px;" type="text"/>			
Fiscal period ending on the same date as the fiscal period entered on line 05 of Part 1 or that includes the end date of that fiscal period: From <input style="width: 15%; height: 15px;" type="text"/> to <input style="width: 15%; height: 15px;" type="text"/>			

### 4.2 Information about the other members of the partnership

You are not required to complete this section if the partnership filed a *Partnership Information Return* (TP-600-V) for the fiscal period in question (line 05) and Schedule A of the return includes all the required information.

If there is not enough space, attach a separate sheet with the information requested.

Québec enterprise number (NEQ) <input style="width: 95%; height: 15px;" type="text"/>	Identification number <input style="width: 95%; height: 15px;" type="text"/>	Social insurance number <input style="width: 95%; height: 15px;" type="text"/>	Area code Telephone <input style="width: 95%; height: 15px;" type="text"/>
Name of member <input style="width: 98%; height: 15px;" type="text"/>			
Address <input style="width: 98%; height: 15px;" type="text"/>			
Postal code <input style="width: 95%; height: 15px;" type="text"/>			

Québec enterprise number (NEQ) <input style="width: 95%; height: 15px;" type="text"/>	Identification number <input style="width: 95%; height: 15px;" type="text"/>	Social insurance number <input style="width: 95%; height: 15px;" type="text"/>	Area code Telephone <input style="width: 95%; height: 15px;" type="text"/>
Name of member <input style="width: 98%; height: 15px;" type="text"/>			
Address <input style="width: 98%; height: 15px;" type="text"/>			
Postal code <input style="width: 95%; height: 15px;" type="text"/>			

Québec enterprise number (NEQ) <input style="width: 95%; height: 15px;" type="text"/>	Identification number <input style="width: 95%; height: 15px;" type="text"/>	Social insurance number <input style="width: 95%; height: 15px;" type="text"/>	Area code Telephone <input style="width: 95%; height: 15px;" type="text"/>
Name of member <input style="width: 98%; height: 15px;" type="text"/>			
Address <input style="width: 98%; height: 15px;" type="text"/>			
Postal code <input style="width: 95%; height: 15px;" type="text"/>			





## 6 Information about the other parties involved in the transaction

Provide available information about each other party involved in the transaction. This includes parties not subject to Québec income tax or who are exempt from Québec income tax. If there is not enough space, attach a separate sheet with the information requested.

Check the appropriate box.

Individual other than a trust     
  Corporation     
  Limited liability corporation<sup>19</sup>  
 Partnership     
  Trust     
  Other \_\_\_\_\_

Québec enterprise number (NEQ)      Identification number      Social insurance number  
 \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

Name      \_\_\_\_\_      Area code      Telephone  
 \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

Address      \_\_\_\_\_      Postal code  
 \_\_\_\_\_      \_\_\_\_\_

Relationship to the taxpayer or partnership

\_\_\_\_\_

Check the appropriate box.

Individual other than a trust     
  Corporation     
  Limited liability corporation<sup>19</sup>  
 Partnership     
  Trust     
  Other \_\_\_\_\_

Québec enterprise number (NEQ)      Identification number      Social insurance number  
 \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

Name      \_\_\_\_\_      Area code      Telephone  
 \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

Address      \_\_\_\_\_      Postal code  
 \_\_\_\_\_      \_\_\_\_\_

Relationship to the taxpayer or partnership

\_\_\_\_\_

Check the appropriate box.

Individual other than a trust     
  Corporation     
  Limited liability corporation<sup>19</sup>  
 Partnership     
  Trust     
  Other \_\_\_\_\_

Québec enterprise number (NEQ)      Identification number      Social insurance number  
 \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

Name      \_\_\_\_\_      Area code      Telephone  
 \_\_\_\_\_      \_\_\_\_\_      \_\_\_\_\_

Address      \_\_\_\_\_      Postal code  
 \_\_\_\_\_      \_\_\_\_\_

Relationship to the taxpayer or partnership

\_\_\_\_\_



## 7 Information about the transaction being disclosed

### 7.1 Name of the transaction

Enter the name commonly used to designate the transaction being disclosed. \_\_\_\_\_

### 7.2 Value of the tax benefit or of the impact on income

Enter in each column the actual or estimated amount of the tax benefit resulting from the disclosed transaction, or the amount of the disclosed transaction's actual or estimated impact on income. Where there is more than one tax benefit or impact on income to be entered in a given cell, enter the total amount.

	Amount of the tax benefit	Amount of the impact on income
Taxation year or fiscal period covered by the disclosure (line 05 of Part 1)		
First year after the taxation year or fiscal period covered by the disclosure		
Second year after the taxation year or fiscal period covered by the disclosure		
Years prior to the taxation year or fiscal period covered by the disclosure		
Third year and all subsequent years after the taxation year or fiscal period covered by the disclosure		

### 7.3 Brief description of the tax benefit or the impact on income

Check the box(es) corresponding to the actual or estimated tax benefit or impact on income that the disclosed transaction had or is expected to have.

In the case of a taxpayer, for each tax benefit or impact on income indicated, enter the number of the applicable line (i.e. the line concerning the benefit or impact in question) of the appropriate schedule to the income tax return or, where there is no such schedule, of the income tax return itself.

In the case of a partnership, for each impact on income indicated, enter the number of the applicable line (i.e. the line concerning the impact in question) of the appropriate schedule to the partnership information return or, where there is no such schedule, of the partnership information return itself.<sup>2b</sup>

For each tax benefit or impact on income indicated, enter in the last column the name of each applicable statute, regulation or tax agreement, along with the relevant section or article numbers. Also enter any applicable jurisprudential rules or accounting principles.

	Line number on the return or schedule	Name and relevant section or article of each statute, regulation or tax agreement; or, applicable rule or principle
<input type="checkbox"/> Amount excluded under tax liability rules (such as rules applying to the proportion of business carried on in Québec, establishments outside Québec and income earned in Québec)		
<input type="checkbox"/> Amount excluded under a tax agreement		
<input type="checkbox"/> Amount added or subtracted in calculating the cost of property		
<input type="checkbox"/> Amount added or subtracted in calculating the adjusted cost base of property		
<input type="checkbox"/> Amount added or subtracted in calculating a capital gain or loss		
<input type="checkbox"/> Amount added or subtracted in calculating a provision or a reserve		
<input type="checkbox"/> Amount subtracted as capital cost allowance (CCA)		
<input type="checkbox"/> Amount subtracted as a terminal loss		
<input type="checkbox"/> Amount taken into account in calculating a capital gains exemption		
<input type="checkbox"/> Amount added or subtracted in calculating a non-capital loss		









## 10 Information about the representative

Name of representative			
Address			
Postal code		Area code Telephone	Area code Fax

### Power of attorney and authorization

I authorize the person mentioned above to represent me. This person will have access to all information concerning this disclosure and may discuss any subject relevant to it. To this end, I authorize Revenu Québec to provide my representative with any information I may have supplied pertaining to this disclosure.

Signature of the person responsible for making the disclosure

Date

1. A "transaction" includes an arrangement or an event and a series of transactions.
2. "Adviser" means a person or a partnership, that provides help, assistance or advice to a taxpayer or to a partnership regarding the design or implementation of a confidential transaction, or a transaction involving conditional remuneration, or that commercializes or promotes the transaction.
3. "Tax benefit" means a reduction, avoidance or deferral of the tax or of another amount payable under the *Taxation Act*, or an increase in a refund of tax or of another amount under the *Taxation Act*, including a reduction, avoidance or deferral of the tax or of another amount that would be payable under the *Taxation Act* were it not for a tax agreement, as well as the increase in a refund of tax or of another amount under the *Taxation Act* resulting from a tax agreement.
4. A transaction that (without reference to section 1.5 of the *Taxation Act*) is part of a series of transactions that began before October 15, 2009, and was completed before January 1, 2010, is not subject to disclosure.
5. Where the contract with the adviser is entered into by a person associated with or related to the taxpayer or the partnership of which the taxpayer is a member on the date the contract is entered into, the contract is deemed to have been entered into by the taxpayer or the partnership of which the taxpayer is a member. Where the undertaking of confidentiality is made with an adviser by a person associated with or related to the taxpayer or to the partnership of which the taxpayer is a member on the date the undertaking is made, the undertaking is deemed to have been made by the taxpayer or by the partnership of which the taxpayer is a member.
6. It is understood that an undertaking of confidentiality towards other persons does not include a clause providing that the adviser's professional liability exists only towards the adviser's client, and according to which a third party may not, for its own purposes, rely on the opinion given by the adviser to the client.
7. A transaction involving conditional remuneration does not include the following transactions:
  - claims for tax credits, notably for research and development (R&D);
  - any request related to the analysis or review of a fiscal return for a taxation year after that return has been filed;
  - a transaction with respect to which an agreement was entered into with a person who is a member of a professional order and under which the result obtained by the person is one of the factors taken into consideration in determining the person's remuneration, in accordance with a provision of the code of ethics adopted by the professional order under the authority of which the person practises the profession.
8. Consumption tax recovery reviews do not result in a tax benefit in connection with a transaction involving conditional remuneration.
9. Where the Minister of Revenue has waived the requirement to file an information return, a mandatory or preventive disclosure regarding a transaction carried out by a partnership must be made by the date on which its members would be required to file an information return for the fiscal period concerned, had the Minister of Revenue not waived that requirement.
10. The disclosure will also be considered filed by the prescribed deadline where it is filed no later than 60 days following the date on which the bill including the disclosure requirement is assented to.
11. Suspension of the time limit also applies to any person that, on the date that the transaction was carried out, was associated with or related to the person responsible for the disclosure, or was associated with or related to the partnership that carried out the transaction, including any member of a limited partnership where the general partner failed to file a mandatory disclosure form.
12. In the case of preventive disclosure of a transaction carried out on or after October 15, 2009, as part of a series of transactions that began in a taxation year or fiscal period that ended before October 15, 2009, the disclosure must be made no later than April 15, 2010.
13. See Note 9.
14. This disclosure will also be considered filed by the prescribed deadline where it is filed no later than 60 days following the date on which the bill including the disclosure requirement is assented to.
15. The three-year period will not be added to the time limit for making a reassessment where the transaction that (without reference to section 1.5 of the *Taxation Act*) is part of a series of transactions that began before October 15, 2009, and was completed before January 1, 2010.
16. See note 15.
17. See note 2.
18. A "promoter" is any person or partnership to which all of the following criteria apply:
  - The person or partnership commercialized, promoted or otherwise supported the development of or interest in a transaction.
  - The person or partnership received or is entitled to receive, directly or indirectly, consideration for such commercialization, promotion or support; or the person or partnership is associated with or related to a person that received or is entitled to receive such consideration for such commercialization, promotion or support.
  - The person or partnership played a substantial role in such commercialization, promotion or support.
19. This is a type of corporation that can be constituted in certain jurisdictions. Such a corporation operates as a separate body corporate. In such a corporation, business income and losses can be allocated to owners.
20. Where the Minister of Revenue has waived the requirement to file an information return, the line number is that of the applicable line (i.e. the line concerning the impact in question) on the schedule or information return that the partnership would otherwise have had to complete.





### 4.2 Information about the other members of the partnership (continued)

You are not required to complete this section if the partnership filed a *Partnership Information Return* (TP-600-V) for the fiscal period in question (line 05) and Schedule A of the return includes all the required information.

If there is not enough space, attach a separate sheet with the information requested.

Québec enterprise number (NEQ) <input style="width: 95%;" type="text"/>	Identification number <input style="width: 95%;" type="text"/>	Social insurance number <input style="width: 95%;" type="text"/>	Area code Telephone <input style="width: 95%;" type="text"/>
Name of member <input style="width: 95%;" type="text"/>			
Address <input style="width: 95%;" type="text"/>			
			Postal code <input style="width: 95%;" type="text"/>

Québec enterprise number (NEQ) <input style="width: 95%;" type="text"/>	Identification number <input style="width: 95%;" type="text"/>	Social insurance number <input style="width: 95%;" type="text"/>	Area code Telephone <input style="width: 95%;" type="text"/>
Name of member <input style="width: 95%;" type="text"/>			
Address <input style="width: 95%;" type="text"/>			
			Postal code <input style="width: 95%;" type="text"/>

Québec enterprise number (NEQ) <input style="width: 95%;" type="text"/>	Identification number <input style="width: 95%;" type="text"/>	Social insurance number <input style="width: 95%;" type="text"/>	Area code Telephone <input style="width: 95%;" type="text"/>
Name of member <input style="width: 95%;" type="text"/>			
Address <input style="width: 95%;" type="text"/>			
			Postal code <input style="width: 95%;" type="text"/>

Québec enterprise number (NEQ) <input style="width: 95%;" type="text"/>	Identification number <input style="width: 95%;" type="text"/>	Social insurance number <input style="width: 95%;" type="text"/>	Area code Telephone <input style="width: 95%;" type="text"/>
Name of member <input style="width: 95%;" type="text"/>			
Address <input style="width: 95%;" type="text"/>			
			Postal code <input style="width: 95%;" type="text"/>

Québec enterprise number (NEQ) <input style="width: 95%;" type="text"/>	Identification number <input style="width: 95%;" type="text"/>	Social insurance number <input style="width: 95%;" type="text"/>	Area code Telephone <input style="width: 95%;" type="text"/>
Name of member <input style="width: 95%;" type="text"/>			
Address <input style="width: 95%;" type="text"/>			
			Postal code <input style="width: 95%;" type="text"/>

