



### Joint Election in Respect of an Insurance Business Transferred by a Non-Resident Insurer

- All legislative references are to the *Income Tax Act*.
- For use by a non-resident insurer (transferor) and a corporation (transferee) that is a qualified related corporation (within the meaning assigned by subsection 219(8)) to jointly elect under subsection 138(11.5) in respect of a transfer of an insurance business where:
  - the transferor has, at any time in a tax year, ceased to carry on all or substantially all of an insurance business carried on by it in Canada; and
  - the transferor has, at the time of cessation or within 60 days thereafter, transferred all or substantially all of the property owned by it and that was designated insurance property in respect of the business for the tax year; and
    - (a) the transferee, immediately after the time of cessation, commenced to carry on that insurance business in Canada; and
    - (b) the consideration for the transfer includes shares of the capital stock of the transferee.
  - the transferee has, at the time of cessation or within 60 days thereafter, assumed or reinsured all or substantially all of the obligations of the transferor that arose in carrying on the transferor's insurance business in Canada.
- By virtue of this election, the rules in paragraphs 138(11.5)(e) to (m) apply. Among other things, the transferor and transferee will be deemed to have had tax years ending immediately before the time of cessation.
- Complete two copies of this election and mail them, separately from any other return, as follows:
  - on or before the earliest day on which the income tax return is required to be filed by the transferor, or the transferee, for the tax year in which the transactions occurred; and
  - at the Tax Centre of the transferee. Find the tax centre's address by going to [cra.gc.ca/tso](http://cra.gc.ca/tso).

Do not use this area

#### Information Required

Date of cessation of insurance business by the non-resident insurer	Year	Month	Day	Nature or line of business ceased
Date property transferred	Year	Month	Day	Types of property transferred (if space is insufficient, attach a separate sheet)
Date of obligations assumed or reinsured	Year	Month	Day	Types of obligations assumed or reinsured (if space is insufficient, attach a separate sheet)
Name of non-resident insurer (transferor)				Business number
Address				Tax services office
Name of person to contact for additional information				Telephone number
Tax year of non-resident insurer in which the cessation occurred		Year Month Day		
From	to		Year Month Day	
Name of corporation (transferee)				Business number
Address				Tax services office
Tax year of corporation		Year Month Day		
From	to		Year Month Day	

#### Election and Certification

The above-named non-resident insurer and the corporation hereby jointly elect under subsection 138(11.5), and certify that the information given in this election is true, correct and complete.

\_\_\_\_\_  
Signature of authorized officer of non-resident insurer corporation

\_\_\_\_\_  
Signature of authorized officer of corporation

\_\_\_\_\_  
Position or office

\_\_\_\_\_  
Position or office

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

#### Privacy statement

Personal information is collected under the *Income Tax Act* to administer tax, benefits, and related programs. It may also be used for any purpose related to the administration or enforcement of the Act such as audit, compliance and the payment of debts owed to the Crown. It may be shared or verified with other federal, provincial/territorial government institutions to the extent authorized by law. Failure to provide this information may result in interest payable, penalties or other actions. Under the *Privacy Act*, individuals have the right to access their personal information and request correction if there are errors or omissions. Refer to Info Source [cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html](http://cra.gc.ca/gncy/tp/nfsrc/nfsrc-eng.html), personal information bank CRA PPU 047.