

Chart 2 – Calculating the revised adjusted cost base (ACB) of a flow-through entity

Complete this chart to calculate the ACB of your shares of, or interest in, the flow-through entity **only** if the proceeds of disposition you designated on Form T664 for the property were **more** than its fair market value (FMV) at the end of February 22, 1994. If the flow-through entity is a trust (other than a mutual fund trust), do not complete this chart as you do not have to reduce the ACB of your interest.

Step 1 – Reduction of the ACB

- | | | | |
|--|------|-------|----------|
| 1. Designated proceeds of disposition (column 2, Chart A of Form T664) | \$ | | 1 |
| 2. FMV at the end of February 22, 1994 (Step 1 of Form T664) | \$ | | 2 |
| 3. Amount from line 2 | \$ | | 3 |
| | | × 1.1 | |
| | | ▶ | 3 |
| 4. Line 1 minus line 3 (if negative, enter "0")..... | = \$ | | 4 |

If the amount on line 4 is zero, do not complete the rest of this chart.

- | | | | |
|---|------|--|----------|
| 5. ACB at the end of February 22, 1994 (column 1, Chart A of Form T664) | - | | 5 |
| 6. Line 2 minus line 5..... | = \$ | | 6 |

If you entered an amount in column 4, Chart A of Form T664, complete line 7. Otherwise, enter the amount from line 6 on line 8.

- | | | | |
|---|------|---|----------|
| 7. $\left(\begin{array}{l} \text{Amount from column 4,} \\ \text{Chart A of Form T664} \\ \hline \text{Amount from column 3,} \\ \text{Chart A of Form T664} \end{array} \right) \times \text{line 6}$ | \$ | | 7 |
| | | ▶ | 7 |
| 8. Line 6 minus line 7..... | = \$ | | 8 |
| 9. Reduction (line 4 minus line 8) | = \$ | | 9 |

If the amount on line 9 is negative, do not complete the rest of this chart.

Step 2 – Revised ACB

- | | | | |
|--|------|--|-----------|
| 10. ACB at the end of February 22, 1994 (line 5) | \$ | | 10 |
| 11. Reduction (line 9) | - | | 11 |
| 12. Revised ACB on February 23, 1994 (line 10 minus line 11; if negative, enter "0") | = \$ | | 12 |

Use the amount on line 12 to calculate the capital gain or loss when you sell your shares of, or interest in, the flow-through entity.