

Tax Tip
Week of October 19, 2009

Leaving Canada and form T1161

If an individual emigrates from Canada, they are required to file an information return, T1161 – List of Properties by an Emigrant of Canada. The form must be filed with the final tax return and includes all assets, both Canadian and foreign, owned by an individual, except personal use property with a value of less than \$10,000. Individuals are also exempt if their total assets are less than \$25,000

Assets that do not have to be reported include cash, pension plans and RRSPs. However, one must report the fair market value of the following assets as at the day the individual left Canada:

- investments
- jewelry
- homes and cottages
- vehicles
- collectibles such as coins, stamps or wine

If the individual does not file the form with the final tax return, the fine is \$25 a day to a maximum of \$2,500.