



## AGREEMENT TO ALLOCATE ASSISTANCE FOR SR&ED BETWEEN PERSONS NOT DEALING AT ARM'S LENGTH

(See instructions at the end of the form)

### AGREEMENT

The transferor and the transferee identified below hereby agree to allocate this amount of assistance for SR&ED to the transferee.

010 \$ \_\_\_\_\_

The breakdown of the allocated assistance is:

Current expenditures

015 \$ \_\_\_\_\_

Capital expenditures

020 \$ \_\_\_\_\_

The transferee has to report the allocated amounts (from lines 015 and 020 above) on lines 538 and 540 of Form T661.

025 Is this an amended agreement? 1 ☐ Yes 2 ☐ No

### AUTHORIZATION TO TRANSFER

The transferor and the transferee must file with Form T1145:

- certified copies of the resolutions of the Directors authorizing the agreement; or
- a Directors' resolution delegating authority to an authorized officer of each corporation signing this form.

The Directors' resolution will be in effect for all subsequent years until it is rescinded.

If two corporations are owned exclusively by one shareholder, a T1145 signed by authorized officers of each corporation will be accepted if a signed confirmation by the shareholder is filed with the form stating that he is the only shareholder of both corporations, and that he has authorized the transfer of the assistance from one corporation to the other. A Directors' resolution will not be required.

030 Were copies of the resolutions/confirmation authorizing the transfer submitted in a previous year? 1 ☐ Yes 2 ☐ No

035 If you answered **yes** to line 030, in what year was it submitted?

\_\_\_\_\_  
Year

If you answered **no** to line 030:

- If you are filing a paper return, attach the required documents to Form T1145.
- If you are filing electronically, refer to the "Paper Documentation" section of RC4018, *Electronic Filers Manual*, for instructions on how to file paper documents in support of electronically filed forms.

040 Name of transferor (print)	045 Business number, Social Insurance Number or partnership identification number
Address (head office if corporation)	050 Tax year-end _____ Year Month Day
055 Name of the individual, authorized signing officer of the corporation or authorized partner	060 Title
Signature of individual, authorized signing officer of the corporation or authorized partner	065 Date

070 Name of transferee (print)	075 Business number, Social Insurance Number or partnership identification number
Address (head office if corporation)	080 Tax year-end _____ Year Month Day
085 Name of the individual, authorized signing officer of the corporation or authorized partner	090 Title
Signature of individual, authorized signing officer of the corporation or authorized partner	095 Date

## Instructions:

This form is to be used:

- by a person or a partnership (the "transferor");
- to allocate an amount that is government assistance, non-government assistance or a contract payment ("assistance") received by the transferor in respect of SR&ED, to another person or a partnership (the "transferee") at a time when the two parties were not dealing at arm's length.

The transferor can only allocate an amount of assistance to the transferee:

- if subsection 127(19) of the *ITA* does not apply; **and**
- if the SR&ED was performed by the transferee at a time when the transferee was not dealing at arm's length with the transferor.

The amount of assistance that may be allocated is limited by:

- the qualified expenditures that were incurred by the transferee in its tax year that ended in the transferor's tax year; **and**
- the amount of assistance received, receivable or expected to be received that was in respect of the qualified expenditures for SR&ED.

The transferor and the transferee each have to file a copy of the agreement at the Tax Centre where they would normally file their return of income.

If assistance is allocated to more than one transferee, a separate agreement must be filed for each transferee.

The agreement must be filed:

- on or before the transferor's filing-due date for the particular tax year the agreement relates to; **or**
- in the period within which the transferor may serve a notice of objection to an assessment for the particular tax year; **or**
- in the period within which the transferee may serve a notice of objection to an assessment for its first tax year that ends at or after the end of the transferor's particular tax year.

*Reference: Income Tax Act subsections 127(9); 127(19); 127(20); 127(22)*