



2018 Tax Filing Guide

Gravitas Flow-Through Family
Gravitas Special Situations Fund

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Getting Started

About the 2018 Tax Guide

This tax filing guide has been provided to assist you in claiming your 2016 tax deductions from your investment in a Gravitas Limited Partnership. It should not be considered as tax advice. Gravitas strongly recommends you consult with your professional tax and/or investment advisor to determine the appropriate use of tax deductions and other tax considerations.

Please refer to the sample T5013 found in this guide. The figures provided in your personal T5013 need to be inserted in the applicable sections of your T1 General and related schedules. Forms referred to in this booklet (T1 General Return, Schedule 3, Schedule 4, T1229, T5004) are available for download through the Canada Revenue Agency website www.cra-arc.gc.ca.

Your T5013

Your personal T5013 – ‘Statement of Partnership Income’ will be sent directly to you from your investment dealer’s back office on or before March 31st, 2017. You will receive a T5013 for each Limited Partnership you own, for each year the partnership is active.

If you are preparing your own tax return, you will need to sum them before inserting this into your tax schedule – or your tax program may require you enter each one.

A T5013 will be generated for each limited partnership you own and for each year the partnership is active. In some cases, you will need to sum the amounts from your T5013s before inserting them into the appropriate place on the tax schedule. If you are using a software program, each T5013 should be entered separately.

Key boxes on your T5013

- Box 104 Limited Partnership business income (loss)
- Box 128 Interest from Canadian Sources
- Box 173 Canadian Exploration Expenses (CEE)
- Box 175 Canadian Oil & Gas Property Expenses
- Box 190 Renounced Canadian Exploration Expenses
- Box 191 Renounced Canadian Development Expenses

There may be other boxes on your T5013 that contain information but do not have to be entered on your tax return.

Please refer to [Canada Revenue Agency's instructions for reporting partnership income](#).

Sample T5013 – Statement of Partnership Income



Canada Revenue Agency / Agence du revenu du Canada

Fiscal period end / Exercice se terminant le

YYYY MM DD

AAAA MM JJ

T5013

Statement of Partnership Income / État des revenus d'une société de personnes

Filer's name and address – Nom et adresse du déclarant

Tax shelter identification number (see statement on reverse side *) / Numéro d'inscription de l'abri fiscal (lisez l'énoncé au dos *)

TS

Partner code / Code de l'associé
002

Country code / Code du pays
003

Recipient type / Genre de bénéficiaire
004

Partnership account number (15 characters) / Numéro de compte de la société de personnes (15 caractères)
001

Total limited partner's business income (loss) / Total du revenu (de la perte) d'entreprise du commanditaire
010

Total business income (loss) / Total du revenu (de la perte) d'entreprise
020

Partner's identification number / Numéro d'identification de l'associé
006

Partner's share (%) of partnership / Part de l'associé (%) dans la société de personnes
005

Total capital gains (losses) / Total des gains (pertes) en capital
030

Capital cost allowance / Déduction pour amortissement
040

Partner's name and address – Nom et adresse de l'associé

Last name (print) – Nom de famille (en lettres moulées) First name – Prénom Initials – Initiales

GRAVITAS Special Situations Fund
GRAVITAS Select Flow-Through LP II / III / 2016

Box – Case	Code	Amount – Montant	Box – Case	Code	Amount – Montant
104	CAN		175	CAN	
128	CAN		175	CAN	
173	CAN		190	CAN	
174	CAN		191	CAN	

Box – Case Code Other information – Autres renseignements

T5013 (15) **Protected B** when completed – Protégé B une fois rempli

See the privacy notice on your return / Consultez l'avis de confidentialité dans votre déclaration



Canada Revenue Agency / Agence du revenu du Canada

Fiscal period end / Exercice se terminant le

YYYY MM DD

AAAA MM JJ

T5013

Statement of Partnership Income / État des revenus d'une société de personnes

Filer's name and address – Nom et adresse du déclarant

Tax shelter identification number (see statement on reverse side *) / Numéro d'inscription de l'abri fiscal (lisez l'énoncé au dos *)

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GRAVITAS Special Situations Fund
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174	CAN		191	CAN	

Box – Case Code Other information – Autres renseignements

T5013 (15) **Protected B** when completed – Protégé B une fois rempli

See the privacy notice on your return / Consultez l'avis de confidentialité dans votre déclaration

Filing Instructions for Form T5013 - Partnership Income

Box 104

Box 104 Limited Partnership business income (loss)

→ Box 104 from your T5013 is entered onto page 2, line 122 of your T1 General

Notes:

Cash distributions are not included in your income – they are included in determining the Adjusted Cost Base (ACB)

Income (loss) from your personal T1 General may differ from that shown in the financial statements as Canadian Exploration Expenses (CEE) and Canadian Development Expenses (CDE) are deducted differently for tax and accounting purposes.

Canada Revenue Agency / Agence du revenu du Canada
T1 GENERAL 2016
Income Tax and Benefit Return

Step 2 – Total income
 As a resident of Canada, you have to report your income from all sources both inside and outside Canada. When you come to a line on the return that applies to you, go to the line number in the guide for more information.

Employment income (box 14 of all T4 slips)		101	
Commissions included on line 101 (box 42 of all T4 slips)	102		
Wage loss replacement contributions (see line 101 in the guide)	103		
Other employment income		104 +	
Old age security pension (box 18 of the T4A(OAS) slip)		113 +	
CPP or QPP benefits (box 20 of the T4A(P) slip)		114 +	
Disability benefits included on line 114 (box 16 of the T4A(P) slip)	152		
Other pensions and superannuation		115 +	
Elected split-pension amount (attach Form T1032)		116 +	
Universal child care benefit (UCCB)		117 +	
UCCB amount designated to a dependant	185		
Employment insurance and other benefits (box 14 of the T4E slip)		119 +	
Taxable amount of dividends (eligible and other than eligible) from taxable Canadian corporations (attach Schedule 4)		120 +	
Taxable amount of dividends other than eligible dividends, included on line 120, from taxable Canadian corporations	180		
Interest and other investment income (attach Schedule 4)		121 +	
Net partnership income: limited or non-active partners only		122 +	
Registered disability savings plan income		123 +	
Rental income	Gross 160	Net 126 +	
Taxable capital gains (attach Schedule 3)		127 +	
Support payments received	Total 156	Taxable amount 128 +	
RRSP income (from all T4RSP slips)		129 +	
Other income	Specify:	130 +	
Self-employment income			
Business income	Gross 162	Net 135 +	
Professional income	Gross 164	Net 137 +	
Commission income	Gross 166	Net 139 +	
Farming income	Gross 168	Net 141 +	
Fishing income	Gross 170	Net 143 +	
Workers' compensation benefits (box 10 of the T5007 slip)	144		
Social assistance payments	145 +		
Net federal supplements (box 21 of the T4A(OAS) slip)	146 +		
Add lines 144, 145, and 146 (see line 250 in the guide).	=	147 +	
Add lines 101, 104 to 143, and 147.		This is your total income. 150 =	

T1-2016 **Statement of Investment Income** **Schedule 4**

State the names of the payers below, and attach any information slips you received. Attach a separate sheet of paper if you need more space. **Attach a copy of this schedule to your return.**

I – Taxable amount of dividends (eligible and other than eligible) from taxable Canadian corporations

Taxable amount of dividends other than eligible dividends (specify):			1
		+	2
		+	3
Add lines 1 to 3, and enter this amount on line 180 of your return.	180 =		4
Taxable amount of eligible dividends (specify):		+	5
		+	6
		+	7
Add lines 4 to 7, and enter this amount on line 120 of your return.	120 =		8

II – Interest and other investment income

Specify:			9
		+	10
		+	11
Income from foreign sources (specify):			12
Add lines 9 to 11. Enter this amount on line 121 of your return.	121 =		

III – Carrying charges and interest expenses

Carrying charges (specify):			13
Interest expenses (specify):		+	14
Add lines 13 and 14. Enter this amount on line 221 of your return.	221 =		15

See the privacy notice on your return.
5000-S4

Box 128

Box 128 Interest from Canadian Sources

→ Box 128 from your T5013 is entered into Interest from Canadian sources on line 121 of Schedule 4 of your T1 General

→ Box 128 is also entered on line 121, page 2 of your T1 General

Note:

Eligible borrowing costs for the investment (if you borrowed and did not purchase outright) can be included in Section IV "Carrying Charges & Interest Expenses" of Schedule 4 of the T1 General.

Filing Instructions for Form T5013 – Resource Expenses

Box 173 (or 190) & Box 174 (or 191)

Boxes 173, 190, 174 and 190 of your Form T5013 are the Canadian Exploration Expense (“CEE”) and the Canadian Development Expenses (“CDE”), renounced by the resource companies and passed on to you, the investor.

These amounts are entered into your T1 General via the first three sections of Form T1229, Statement of Resource Expenses and Depletion Allowance.

From your T5013

- Enter **Box 006** (Partnership Identification number -- Separate line for each partnership).
- If populated, the information from these boxes:

- Box 190 ●
- Box 191 ●
- Box 173 ●
- Box 174 ●

Canada Revenue Agency / Agence du revenu du Canada

Statement of Resource Expenses and Depletion Allowance

Protected B when completed

Use this form to calculate your resource expenditure pools, exploration and development expense deduction, expenses renounced in respect of flow-through shares which qualify for investment tax credits and to claim your depletion allowance. Attach your T101, T5013, and T5 slip(s) to the statement. If you do not have any of these slips, attach a statement that identifies you as a participant in the venture. Attach a separate sheet of paper if you need additional space for Areas I, IV, or V. Attach a completed copy of this form to your T1 General Income Tax and Benefit Return.

I. Summary of T101 and T5013 slips (Renounced Canadian Exploration and Development Expenses)

Identification number (*)	Canadian exploration expense (CEE)		Canadian development expense (CDE)		Expenses qualifying for an ITC
	Renunciation	Assistance	Renunciation	Assistance	
	●		●		
Total					

Portion of any reduction subject to an interest free period: _____

Portion subject to an interest free period: _____

Enter the total of the amounts reported in box 130 of your T101 or box 196 of your T5013 slips.

Enter the total of the amounts reported in box 129 of your T101 or box 195 of your T5013 slips.

(*) Identification number on Form T101 – Statement of Resource Expenses or the partnership's filer identification number on Form T5013 – Statement of Partnership Income.

II. Canadian resource expenditure pools

The amounts calculated in Area I above form part of your CCEE (Cumulative Canadian Exploration Expense) and CCDE (Cumulative Canadian Development Expense) pools, as the case may be. In most cases the CCOGPE (Cumulative Canadian Oil and Gas Property Expense) pool is relevant only if you have an opening balance.

	CCEE	CCDE	CCOGPE
(1) Balance at the beginning of the year			
Add: Total current year renunciation from Area I			
Other resource expenses (T5013 slips: boxes 173 to 175 and 206)			
Other (specify) _____			
Subtotal (2)			
Deduct: Total assistance from Area I			
Previous year's claim for federal investment tax credit			
Provincial flow-through share tax credit received or entitled to receive Assistance (T5013 slips: boxes 179 to 181)			
Other (specify) _____			
Subtotal (3)			
Balance available [(1)+(2)-(3)] A			
Rate	× 100%	× 30%	× 10%
Maximum exploration and development expenses available for deduction (If negative enter zero) (4)			
Exploration and development expenses claimed Enter the amount in (4) or a lesser amount B			
Balance at the end of the year [A - B]			

III. Exploration and development expenses (see line 224 in the General Income Tax and Benefit Guide)

Canadian expenses claimed (sum of the claims in B above)	+	
Foreign expenses claimed (attach a schedule that gives the details of the amount claimed)	+	
Other expenses (e.g. Crown charges)	+	
Resource allowance Resource profits _____ × Inclusion Rate * _____ × 25% =	=	
Total exploration and development expenses (enter on line 224 of your return)	=	

*Inclusion rate: before 2003 – 100%; 2003 – 90%; 2004 – 75%; 2005 – 65%; 2006 – 35%; after 2006 – 0%

IV. Expenditures qualifying for an investment tax credit (see line 412 in the General Income Tax and Benefit Guide)

Expenditures qualifying for an investment tax credit from Area I	=	
Deduct: Provincial flow-through share tax credit received or entitled to receive	-	
Eligible resource expenditures qualifying for an investment tax credit (enter on line 6717 of your Form T2038(IND))	=	

V. Depletion allowances (specify) (see line 232 in the General Income Tax and Benefit Guide)

(enter on line 232 of your return)	=	
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T1229 E (14) (Vous pouvez obtenir ce formulaire en français à www.arc.gc.ca ou en composant le 1-800-959-3376.)

The T1229

- Are you carrying a balance forward from a previous year(s)? Enter here (1)
- Add Total Year Sub-total (2) from your T5103
- Calculate Maximum Exploration and Development Expenses Available for Deduction (4) using the appropriate rates as indicated, CCEE= 100%, CCDE 30%, COGPE 10%
- Calculate Exploration and Development Expenses Claimed in the Year (B) and Balance at End of Year (A-B)
- Enter this amount in line 224 of page 3 of your T1 General.

Filing Instructions for Form T5013 – Tax Shelter

You must file a Claim for Tax Shelter Loss or Deduction

A Claim for Tax Shelter Loss or Deduction (T5004) must be completed in order to claim deductions related to your Gravitas Limited Partnership.

The information will be taken from the T5013 and from Schedule 4 of your T1 General.

Note:

You must enter a separate line for each limited partnership or tax-shelter investment, if you own more than one. These amounts must be added on individual lines on your T5004 and totalled in box 6765.

The T5004

- Enter the TS number from your T5013 into column 1, line 1 of your T5004
- Enter the tax shelter name (the Gravitas LP you are invested in)
- Enter the purchase date
- Enter the amount found in box 116 "business income loss"
- Enter the line number that this amount is reported on in your T1 General (found on Line 224 (Exploration and Development Expenses) or Line 122 (Net Partnership Income) of your T1 General

Investor's name		Investor's identification number		
Investor's address				
Tax shelter identification number*	Tax shelter's name	Purchase date Year Month	Loss or deduction claimed	Line from T1 return**
1 T S				
2 T S				
3 T S				
4 T S				
5 T S				
6 T S				
7 T S				
8 T S				
9 T S				
Total amount claimed			6765	

Note
Use another form if you need more room to list your tax shelter losses or deductions. Enter the "Total amount claimed" on the last form only. That amount is the total of all losses or deductions you are claiming for the year.

* Income Tax Act paragraph 237.1(5)(c) –
"The identification number issued for this tax shelter shall be included in any income tax return filed by the investor. Issuance of the identification number is for administrative purposes only and does not in any way confirm the entitlement of an investor to claim any tax benefits associated with the tax shelter."

- ** Fill in the last column above to indicate the line where you are making your claim on an individual income tax and benefit return.
- If your claim is for a *Gift*, use line 349, and if your claim is for a *Political contribution* (monetary contribution), use line 409.
 - If you are a **limited partner** of a partnership that invested in a tax shelter, make your claim on line 122, *Net partnership income: limited or non-active partners only*.
 - **Otherwise**, make your claim on the line that corresponds with the type of loss or deduction you are claiming. For example: line
126, *Rental income*; 141, *Farming income*; 217, *Business investment loss*; 224, *Exploration and development expenses*;
135, *Business income*; 143, *Fishing income*; 221, *Carrying charges and interest expenses*; 232, *Other deductions*

Privacy Act, personal information bank number CRA PPU 035

(Vous pouvez obtenir ce formulaire en français à www.arc.gc.ca/formulaires ou en composant le 1-800-959-7775.)

In conclusion

About the 2016 Tax Guide

This tax filing guide is designed to be a general guide only. Tax and investment planning circumstances differ by individual and as such, Gravitas strongly recommends you consult with your professional tax and/or investment advisor to determine the appropriate use of tax deductions and other tax considerations.

The following are some additional considerations that may be applicable to your situation, and investors should be cautioned that is not a detailed listing of every possible tax consideration.

Carrying forward the CEE or CDE election: While an investor is allowed to deduct the full renounced CEE or CDE, it is not required. As part of a tax planning strategy an investor may find it advantageous to carry forward some or all of an available CCEE or CCDE deduction and use this amount in subsequent years.

Alternative Minimum Tax: Alternative minimum tax may apply, depending on the amount of renounced expenditures deducted by the Investor.

Cumulative Net Investment: The investor's calculation of CNIL may be impacted by the utilization of tax deductions through flow-through shares.

Issue Costs: Investors may deduct issue costs associated with a flow-through limited partnership over a number of years subsequent to the dissolution of the partnership. These costs can be deducted on line 122 of your T1 General.

Deferred Tax Deductions: In the event the Investment Manager does not elect to invest in joint ventures in the initial year, the Investors' tax deductions will be deferred to the following year.

Contact us

If you have questions, or would like to know more about the Gravitas Select Flow-Through Funds, please contact us:

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