

Statement of Business or Professional Activities

- Use this form to calculate your self-employment business and professional income.
- For each business or profession, fill in a **separate** Form T2125.
- Fill in this form and send it with your income tax and benefit return.
- For more information on how to fill in this form, see Guide T4002, Self-employed Business, Professional, Commission, Farming, and Fishing Income.

Part 1 – Identification

Your name				Your social insurance number	
Business name				Business number	
Business address					
City				Prov./Terr.	Postal code
Fiscal period	Date (YYYYMMDD)	Date (YYYYMMDD)	Was this your last year of business? Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>		
From	2025-01-01	to	2025-12-31		
Main product or service				Industry code (see Chapter 2 in Guide T4002)	
Accounting method (commission only)	<input type="checkbox"/> Cash	<input checked="" type="checkbox"/> Accrual	Tax shelter identification number	Partnership business number	Your percentage of the partnership %
Name and address of the person or firm preparing this form		HBM Professional Corporation 100 River Avenue Cochrane AB T4C 2C3			

Part 2 – Internet business activities

If your web pages or websites generate business or professional income, fill in this part of the form.

From how many Internet web pages and websites (including third-party platform websites) does your business earn income?
Enter "0" if none _____

Provide up to five main web page or website addresses:

http:// _____

http:// _____

http:// _____

http:// _____

http:// _____

Percentage of your gross income generated from the web pages and websites
(if no gross income was generated from the Internet, enter "0") _____ %

Part 3A – Business income

Fill in this part **only** if you have business income. If you have professional income, leave this part blank and fill in Part 3B. If you have both business and professional income, you have to fill out a separate Form T2125 for each.

Part 3B – Professional income

Fill in this part **only** if you have professional income. If you have business income, leave this part blank and fill in Part 3A. If you have both business and professional income, you have to fill out a separate Form T2125 for each.

Note: You can **no longer** use the transitional rules which allowed you to include your work-in-progress (WIP) progressively in your income if you had made an election to exclude your WIP. For more information on the inclusion of WIP in your income, see Chapter 2 of Guide T4002.

Part 3A – Business income

Gross sales, commissions, or fees (include GST/HST collected or collectible)		3A
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 3A)		3B
Subtotal: Amount 3A minus amount 3B		3C
If you are using the quick method for GST/HST – Government assistance calculated as follows:		
GST/HST collected or collectible on sales, commissions, and fees eligible for the quick method		3D
GST/HST remitted: (sales, commissions, and fees eligible for the quick method plus GST/HST collected or collectible) multiplied by the applicable quick method remittance rate		3E
Subtotal: Amount 3D minus amount 3E		3F
Adjusted gross sales: Amount 3C plus amount 3F (enter on line 8000 of Part 3C)		3G

Part 3B – Professional income

Gross professional fees including work-in-progress (WIP) and GST/HST collected or collectible		3H
GST/HST, provincial sales tax, returns, allowances, discounts, and GST/HST adjustments (included in amount 3H)		3I
Subtotal: Amount 3H minus amount 3I		3J
If you are using the quick method for GST/HST – Government assistance calculated as follows:		
GST/HST collected or collectible on professional fees eligible for the quick method		3K
GST/HST remitted: (professional fees eligible for the quick method plus GST/HST collected or collectible) multiplied by the applicable quick method remittance rate		3L
Subtotal: Amount 3K minus amount 3L		3M
Adjusted professional fees: Amount 3J plus amount 3M (enter on line 8000 of Part 3C)		3N

Part 3C – Gross business or professional income

Adjusted gross sales (amount 3G) or adjusted professional fees (amount 3N)		8000
Reserves deducted last year	8290	
Other income (specify):	8230	
Subtotal: Line 8290 plus line 8230		3O
Gross business or professional income: Line 8000 plus amount 3O		8299

Report the gross business or professional income from line 8299 on the applicable line of your income tax and benefit return as indicated below:

- business income on line 13499
- professional income on line 13699
- commission income on line 13899

For Parts 3D, 4, and 5, if GST/HST has been remitted or an input tax credit has been claimed, do not include GST/HST when you calculate the cost of goods sold, expenses, or net income (loss). If you are using the quick method for GST/HST, include the GST/HST paid or payable when you calculate the cost of goods sold, expenses, or net income (loss).

Part 3D – Cost of goods sold and gross profit

If you have business income, fill in this part. Enter only the business part of the costs.

Gross business income (line 8299 of Part 3C)			3P
Opening inventory (include raw materials, goods in process, and finished goods)	8300		3Q
Purchases during the year (net of returns, allowances, and discounts)	8320		3R
Direct wage costs	8340		3S
Subcontracts	8360		3T
Other costs	8450		3U
Subtotal: Add amounts 3Q to 3U.			3V
Closing inventory (include raw materials, goods in process, and finished goods)	8500		
Cost of goods sold: Amount 3V minus line 8500	8518		
Gross profit (or loss): Amount 3P minus line 8518			8519

Part 4 – Net income (loss) before adjustments

Gross business or professional income (line 8299 of Part 3C) or Gross profit (line 8519 of Part 3D)			4A
Expenses (enter only the business part)			
Advertising	8521		4B
Meals and entertainment	8523		4C
Bad debts	8590		4D
Insurance	8690		4E
Interest and bank charges	8710		4F
Business taxes, licences, and memberships	8760		4G
Office expenses	8810		4H
Office stationery and supplies	8811		4I
Professional fees (includes legal and accounting fees)	8860		4J
Management and administration fees	8871		4K
Rent	8910		4L
Repairs and maintenance	8960		4M
Salaries, wages, and benefits (including employer's contributions)	9060		4N
Property taxes	9180		4O
Travel expenses	9200		4P
Utilities	9220		4Q
Fuel costs (except for motor vehicles)	9224		4R
Delivery, freight, and express	9275		4S
Motor vehicle expenses (not including CCA) (amount 16 of Chart A)	9281		4T
Capital cost allowance (CCA). Enter amount ii of Area A minus any personal part and any CCA for business-use-of-home expenses	9936		4U
Other expenses (specify):	9270		4V
Total expenses: Total of amounts 4B to 4V	9368		
Net income (loss) before adjustments: Amount 4A minus line 9368			9369

Part 5 – Your net income (loss)

Your share of line 9369 or the amount from your T5013 slip, Statement of Partnership Income			5A
Canadian journalism labour tax credit allocated to you in the year (box 236 of your T5013 slip)			5B
GST/HST rebate for partners received in the year	9974		
Total: Amount 5A plus amount 5B plus line 9974			5C
Other amounts deductible from your share of net partnership income (loss) (amount 6F)			9943
Net income (loss) after adjustments: Amount 5C minus line 9943			5D
Business-use-of-home expenses (amount 7P)			9945
Your net income (loss): Amount 5D minus line 9945			9946

Report the net income amount from line 9946 on the applicable line of your income tax and benefit return as indicated below:

- business income on line 13500
- professional income on line 13700
- commission income on line 13900

Note: Do not report a loss resulting from the disposition of a flipped property on your income tax and benefit return, but include the details on this form. Any loss resulting from the disposition of a flipped property is deemed to be zero. For more information, read Chapter 1 of Guide T4002.

Area A – Calculation of capital cost allowance (CCA) claim

CCA other than classes 10.1 and 13

1 Class number	2 Undepreciated capital cost (UCC) at the start of the year	Amount to be subtracted	3 Cost of additions in the year (see Areas B and C below)	4 Cost of additions from column 3 that are DIEPs (property must be available for use before 2025) Note 1	5 Proceeds of dispositions in the year (see Areas D and E below) Note 2	6 Proceeds of dispositions of DIEP (enter amount from col. 5 that relates to DIEP from col. 4)	7* UCC after additions and dispositions (col. 2 plus col. 3 minus col. 5)
Class number	8 UCC of DIEP (col. 4 minus col. 6) Note 3	9 Immediate expensing amount for DIEPs Note 4	10 Cost of remaining additions after immediate expensing (col. 3 minus col. 9)	11 Cost of remaining additions from column 10 that are AIIPs or ZEVs acquired before 2025 Note 5	12 Cost of remaining additions from column 10 that are RIIPs or ZEVs acquired after 2024 Note 5	13 Remaining UCC after immediate expensing (col. 7 minus col. 9)	14 Proceeds of dispositions available to reduce additions of AIIPs, RIIPs, and ZEVs (col. 5 minus col. 10 plus col. 11 plus col. 12). If negative, enter "0"

i ◀ **Total immediate expensing claim for the year: Total of column 9**

Class number	15 UCC adjustment for current-year additions of AIIPs and ZEVs acquired before 2025 (col. 11 minus col. 14) multiplied by the relevant factor. If negative, enter "0" Note 6	16 Proceeds of dispositions available to reduce additions of RIIPs and ZEVs acquired after 2024 (col. 14 minus col. 11). If negative, enter "0"	17 UCC adjustment for current-year additions of RIIPs and ZEVs acquired after 2024 (col. 12 minus col. 16) multiplied by the relevant factor. If negative, enter "0" Note 7	18 Adjustment for current-year additions subject to the half-year rule. 1/2 multiplied by (col. 10 minus col. 11 minus col. 5). If negative, enter "0"	19 Base amount for CCA (col. 13 plus col. 15 plus col. 17 minus col. 18)	20 CCA rate %	21 CCA for the year (col. 19 multiplied by col. 20, or a lower amount, plus col. 9)	22 UCC at the end of the year (col. 7 minus col. 21) Note 8
--------------	---	--	--	---	---	------------------	--	--

Total CCA for classes other than 10.1 and 13.

Total CCA claim for the year: Total of column 21 (enter on line 9936 of Part 4 amount ii minus any personal part and any CCA for business-use-of-home expenses**)

* If you have a negative amount in column 7, add it to income as a recapture in Part 3C on line 8230. If no property is left in the class and there is a positive amount in this column, deduct the amount from income as a terminal loss in Part 4 on line 9270. Recapture and terminal loss do not apply to a Class 10.1 property unless it is a DIEP. For more information, read Chapter 4 of Guide T4002.

** For information on CCA for "Part 7 – Calculating business-use-of-home expenses," see "Special situations" in Chapter 4 of Guide T4002. To help you calculate the CCA, see the calculation charts in Areas B to G.

Note 1: Columns 4, 6, 8, and 9 apply only to designated immediate expensing properties (DIEPs). See subsection 1104(3.1) of the Income Tax Regulations for definitions. A DIEP is a property that you acquired after December 31, 2021, and that became available for use before 2025. For more information, see Guide T4002.

Note 2: The proceeds of disposition of a zero-emission passenger vehicle (ZEPV) that has been included in Class 54, or a passenger vehicle bought after April 18, 2021, that has been included in Class 10.1, and whose cost is more than the prescribed amount will be adjusted based on a factor equal to its prescribed amount as a proportion of the actual cost of the vehicle. For dispositions after July 29, 2019, you will have to adjust the actual cost of the vehicle for any payments or repayments of government assistance that you may have received or repaid for the vehicle. If the passenger vehicle in Class 10.1 is not designated for immediate expensing treatment, this special rule does not apply. For more information on proceeds of disposition and the prescribed amounts, read "Class 10.1 (30%)" and "Class 54 (30%)" in Guide T4002.

Note 3: The amount you enter in column 8 must not be more than the amount from column 7. If the amount from column 7 is negative, enter "0."

Note 4: The immediate expensing applies to DIEPs included in column 8. The total immediate expensing amount for the tax year (total of column 9) is limited to the lesser of:

- the immediate expensing limit, which is equal to one of the following, whichever is applicable:
 - \$1.5 million, if you are not associated with any other eligible person or partnership (EPOP) in the tax year
 - amount iii of Area G, if you are associated with one or more EPOPs in the tax year
 - zero, if you are associated with one or more EPOPs and an agreement that assigns a percentage to one or more of the associated EPOPs was not filed with the minister in a prescribed form
 - any amount allocated by the minister under subsection 1104(3.4) of the Regulations
- the UCC of DIEPs in column 8
- the amount of income, if any, earned from the source of income that is a business (before any CCA deductions) in which the relevant DIEP is used for the tax year

For more information, see Guide T4002.

Note 5: Columns 11, 12, 14, 15, 16, and 17 apply only to accelerated investment incentive properties (AIIPs) (see Guide T4002 for the definition), zero-emission vehicles (ZEVs), ZEPVs, and other eligible zero-emission automotive equipment and vehicles that become available for use in the year. Under proposed changes, these columns may also apply to the reaccelerated investment incentive properties (RIIPs) (see Guide T4002 for the proposed definition). In this chart, ZEVs represent zero-emission vehicles, ZEPVs, and other eligible zero-emission automotive equipment and vehicles. An AIIP is a property (other than a ZEV) that you acquired after November 20, 2018, (and, under proposed changes, before 2025) and that became available for use before 2028. A ZEV is a motor vehicle included in Class 54 or 55 that you acquired after March 18, 2019, and that became available for use before 2028 (or, under proposed changes, before 2034), or eligible zero-emission automotive equipment and vehicles included in Class 56 acquired after March 1, 2020, and that became available for use before 2028 (or, under proposed changes, before 2034). Under proposed changes, a RIIP is a property (other than a ZEV) that you acquired after 2024, and that became available for use before 2034. For more information, see Guide T4002.

Note 6: For ZEVs (under proposed changes, acquired before 2025) and AIIPs that became available for use in 2025, the relevant factors are 1 1/2 (Classes 43.1, 54, and 56), 7/8 (Class 55), and 1/2 (Classes 43.2 and 53). Under proposed changes, for properties included in Class 44, 46, or 50 acquired after April 15, 2024, and that became available for use in 2025, the relevant factors are 3 (Class 44), 2 1/3 (Class 46), and 9/11 (Class 50). The factor is 0 for any remaining AIIPs not listed in this note.

Note 7: Under proposed changes, for ZEVs acquired after 2024 and RIIPs that became available for use in 2025, the relevant factors are 3 (Class 44), 2 1/3 (Classes 43.1, 46, 54, and 56), 1 1/2 (Class 55), 1 (Class 53), 9/11 (Class 50), and 0 (Classes 12, 13, 14, 15, and 59). The factor is 1/2 for any remaining RIIPs not listed in this note.

Note 8: If, in the year, you disposed of a property that you used for both personal and business use, and your business use of that property changed from year to year, you must subtract any remaining personal part of this property's cost from the UCC at the end of the year. For more information, see "Special situations" in Chapter 4 of Guide T4002.

For more information on AIIPs and RIIPs, see Guide T4002 or go to canada.ca/taxes-accelerated-investment-income.

Area B – Equipment additions in the year

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
-------------------	---------------------------	-----------------	------------------------------------	--

Total equipment additions in the year: Total of column 5 9925

Area C – Building additions in the year

1 Class number	2 Property description	3 Total cost	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
-------------------	---------------------------	-----------------	------------------------------------	--

Total building additions in the year: Total of column 5 9927

Area D – Equipment dispositions in the year

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
-------------------	---------------------------	---	------------------------------------	--

Total equipment dispositions in the year: Total of column 5 9926

Note: If you disposed of property in the year, see Chapter 4 of Guide T4002 for information about your proceeds of disposition.

Area E – Building dispositions in the year

1 Class number	2 Property description	3 Proceeds of disposition (should not be more than the capital cost)	4 Personal part (if applicable)	5 Business part (column 3 minus column 4)
-------------------	---------------------------	---	------------------------------------	--

Total building dispositions in the year: Total of column 5 9928

Note: If you disposed of property in the year, see Chapter 4 of Guide T4002 for information about your proceeds of disposition.

Area F – Land additions and dispositions in the year

Total cost of all land additions in the year	9923	
Total proceeds from all land dispositions in the year	9924	

Note: You cannot claim capital cost allowance on land. For more information, see Chapter 3 of Guide T4002.

Area G – Agreement between associated eligible persons or partnerships (EPOPs)

Are you associated in the fiscal period with one or more EPOPs that you have entered into an agreement with under subsection 1104(3.3) of the Regulations? Yes No

If you answered **yes**, fill in the table below.

Enter the percentage assigned to each associated EPOP (including your business) as determined in the agreement.

This percentage will be used to allocate the immediate expensing limit. The total of all percentages assigned under the agreement should not be more than 100%. If the total is more than 100%, then the associated group has an immediate expensing limit of zero. For more information about the immediate expensing limit, see Guide T4002.

1 Name of the EPOP	2 Identification number Note 9	3 Percentage assigned under the agreement
-----------------------	---	--

Total of percentage assigned: Total of column 3 ▶

Immediate expensing limit allocated to your business: Multiply \$1.5 million by the percentage assigned to your business in column 3 (see **note 10**)

Note 9: The identification number is the EPOP's social insurance number, business number, or partnership account number.

Note 10: If the total of column 3 is more than 100%, enter "0."