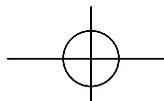
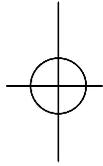
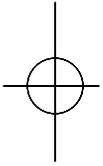
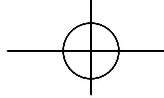


Canadian Residents Going Down South





Visually impaired persons can get information on services available to them, and can order publications in braille or large print, or on audio cassette or computer diskette. In Canada, please call 1-800-267-1267 weekdays from 8:15 a.m. to 5:00 p.m. (Eastern Time). From the United States, call 1-800-267-5177.

Your opinion counts!

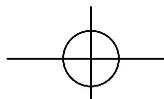
We review this pamphlet each year. If you have any comments or suggestions that would help us improve it, we would like to hear from you.

Please send your comments on this pamphlet to:

Client Services Directorate
Canada Customs and Revenue Agency
Place Vanier, Tower A
Ottawa ON K1A 0L5
CANADA

The Internal Revenue Service (IRS) of the Government of the United States of America provided information for the section called "How U.S. tax laws apply."

La version française de cette publication est intitulée
Résidents canadiens qui séjournent dans le Sud.



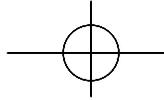
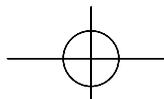
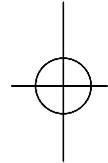
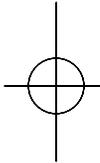
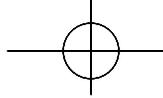


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Before you start

Is this pamphlet for you?

This pamphlet is for you if you spent part of 2000 in the United States (U.S.) for health reasons or for vacation, and still maintained residential ties in Canada.

This pamphlet will give you information about certain income tax requirements that may affect you. It will also help you understand the U.S. tax laws that may apply to you.

This pamphlet does **not** apply to you if:

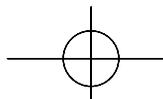
- you are a U.S. citizen;
- you have been granted permanent resident status by the U.S. Immigration and Naturalization Service (i.e., granted a “green card”); or
- you have residential ties to a country other than the U.S. and Canada.

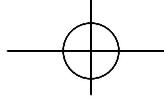
What are residential ties?

Residential ties include such things as:

- a home in Canada;
- a spouse and dependants who stay in Canada while you are outside the country; and
- personal property, such as a car or furniture, and social ties in Canada.

Other relevant ties may include a Canadian driver’s licence, Canadian bank accounts or credit cards, and hospitalization insurance with a province or territory of Canada.



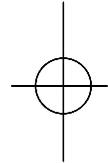
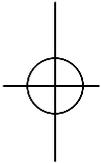


How Canadian income tax laws apply

If you spend part of the year in the U.S. for health reasons or vacation and maintain residential ties in Canada, we consider you to be a factual resident of Canada.

As a factual resident, we tax your income as if you never left Canada. There are no special rules that apply to you. You will continue to:

- report all income you receive from sources inside and outside Canada for the year;
- claim all applicable deductions, non-refundable tax credits, and refundable federal, provincial, or territorial tax credits;
- pay federal tax and provincial or territorial tax in the province or territory where you maintain residential ties; and
- be eligible to apply for the goods and services tax/harmonized sales tax credit.

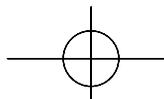


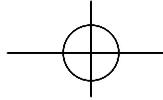
Completing your Canadian return

You will find most of the information you need to complete your return in your tax guide. However, we have included in this pamphlet some additional information you will need.

Identification

When you complete the Identification area on your return, **do not** show a date of entry or departure. Only immigrants and emigrants use these spaces. If you enter a date of entry or departure, we may reduce your claim for non-refundable tax credits.





On the line “Enter your province or territory of residence on December 31, 2000,” enter the name of the province or territory where you have residential ties.

Income

As a factual resident, you will continue to pay tax on your world income as though you had lived in Canada for the whole year. Report all amounts in Canadian dollars.

Did you receive an NR4 or NR4-OAS information slip?
Human Resources Development Canada sends an NR4 or NR4-OAS information slip to all individuals who receive certain income from Canada (such as Old Age Security pension and Canada Pension Plan benefits) and who have an address outside Canada.

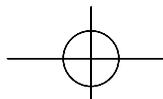
If you are a factual resident of Canada who has received an NR4 or NR4-OAS information slip, include the amount in your income and write “factual resident” at the top of page 1 of your return.

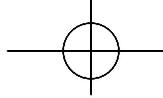
Did you receive U.S. lottery or gambling winnings?
This income is not taxable in Canada, so you do not have to report it on your Canadian return.

Do you hold foreign property?
Special rules may apply if you meet any of the following situations:

- at any time in 2000, you held foreign property with a total cost of more than CAN\$100,000;
- in 2000 or a previous year, you loaned or transferred funds or property to a non-resident trust; or
- in 2000, you received funds or property from, or were indebted to, a non-resident trust under which you were a beneficiary.

If any of these situations apply to you, see your tax guide for details.





Did you have property rentals in the U.S.?

If so, keep records to support your income and expense claims. For information, get the income tax guide called *Rental Income*.

Non-refundable tax credits

Can you claim medical expenses paid in the U.S.?

You can claim eligible expenses that were paid for yourself, your spouse, and certain other individuals who were dependent on you for support. You can claim medical expenses that were paid in any 12-month period ending in 2000, if they were not claimed in 1999.

Your total expenses have to be more than 3% of your net income or, \$1,637, whichever is less.

For information, see line 330 in your income tax guide, or get Interpretation Bulletin IT-519, *Medical Expense and Disability Tax Credits and Attendant Care Expense Deduction*.

Did you pay premiums to private health-services plans?

If so, you can claim most of them as a medical expense on your return.

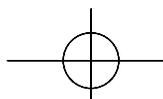
Did you donate to U.S. charities?

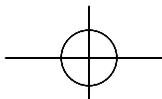
If you are including U.S. income on your return, you can claim any donations to U.S. charities that would be allowed on a U.S. return. You can claim up to 75% of the net U.S. income you report on your Canadian return.

Can you claim a foreign tax credit?

If you paid U.S. tax on U.S. income that you are reporting on your Canadian return, you may be able to claim a foreign tax credit to reduce your Canadian taxes payable.

See lines 431 and 433 in the *General Income Tax and Benefit Guide*, or get Interpretation Bulletin IT-270, *Foreign Tax Credit*, for more information.





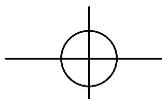
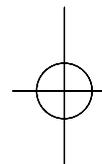
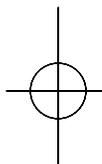
Need more information?

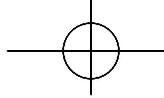
If you need more information, or if you want to order publications or forms, contact us.

For the address and telephone numbers of your tax services office, see the listings in the government section of your telephone book.

You will find the address and telephone numbers of the International Tax Services Office on the back cover of this pamphlet.

If you have access to the Internet, you can find most of our publications and forms at: www.cra-adrc.gc.ca





How Canadian customs laws apply

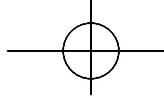
Going south for the winter?

Whether you go for seven days or six months, the same benefits apply when it comes to bringing goods into Canada. There are no special benefits for Canadian residents who go south for the winter. That is one important message in our *I Declare* booklet, the source most travellers use to determine their customs entitlements.

If you spend part of the year in the U.S. for health or pleasure reasons, you are admitted as a “visitor” by the U.S. Immigration Service. We consider that you remain a resident of Canada and, when you return, you are limited to the same exemptions as other returning residents.

Foreign goods or vehicles that you import for your personal use in Canada have to meet all the import requirements, and you have to pay any duties that apply. This means that if you rent, borrow, own, or maintain goods or vehicles outside the country, you cannot bring them into Canada, even for a few days, unless the goods or vehicles meet all the import restrictions, and you pay all duties and assessments that apply.

What’s the bottom line? If you are absent for seven or more days, you can bring in goods up to a value of \$750 without paying any duties. For goods worth more than \$750, we will charge duties only on the amount over \$750. For example, for an \$850 item, you will have to pay duties on \$100.



Importing a motor vehicle into Canada?

Transport Canada requirements

There are restrictive importation rules for vehicles, such as motor homes, trailers, trucks, and cars that are less than 15 years old. Under the North American Free Trade Agreement (NAFTA), you can import such a vehicle from the U.S. only if it meets Transport Canada's strict safety and emission standards, or if it can be modified to meet these standards after you import it.

Motor vehicles manufactured to meet United States safety standards do not automatically pass Canadian safety standards. You are responsible for determining whether your vehicle complies with Canadian standards, or whether it can be modified to meet the standards after you import it. You cannot import vehicles that cannot be modified to meet Canadian standards.

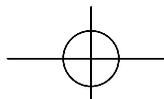
For information on importing a vehicle originally manufactured to meet U.S. safety and emission standards, and on the federal registration fees that apply, call the Registrar of Imported Vehicles at:

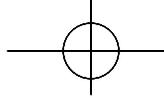
- 1-800-511-7755 (from within Canada or the U.S.)
- (416) 967-9955 (local calls from the Toronto area)

Import duties

If your vehicle is eligible for importation into Canada, we will apply import assessments. These assessments can include:

- duty;
- excise tax (if the vehicle is air conditioned, or if it is a passenger vehicle that weighs over 2,007 kg or 4,425 lbs); and
- the goods and services tax (GST).





The following example shows an assessment for a North American car made in the U.S., and imported from the U.S. in 2001.

Example

2001 Ford Focus

Purchase price (including state taxes)		US\$15,000.00
Value for duty ($\$15,000 \times 1.50^*$)		CAN\$22,500.00
Duty free	\$ 00.00	
Excise tax on air conditioner	100.00	
Excise tax on excess weight	<u>00.00</u>	
	\$100.00	<u>100.00</u>
Value for tax (value + duty + excise taxes)		\$22,600.00
GST ($\$22,600.00 \times 7\%$)		<u>1,582.00</u>
Total cost		\$24,182.00

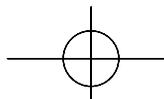
*exchange rate (subject to change)

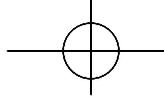
In addition, you have to pay any provincial or territorial taxes that apply, as well as the registration fee assessed by the Registrar of Imported Vehicles.

The duty-free rate used in the example applies only to eligible vehicles you import from the U.S. that are made in the U.S. or Canada. For eligible vehicles imported from the U.S. that are made in Mexico, the duty rate in 2001 is 0.6%. For all other eligible vehicles you import from the U.S., the duty rate in 2001 is 6.1%.

Value for duty

If you import a vehicle within 30 days of the date it was delivered to the purchaser, we will convert the original purchase price, including state sales tax and other costs that apply, to Canadian funds. We will also use this amount to determine the vehicle's value, with no deduction for depreciation.



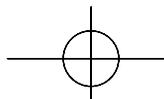
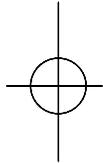
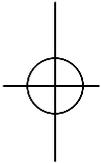


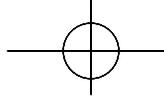
However, we do allow a depreciation deduction for a vehicle you buy new and import after 30 days but within one year of the delivery date. We do not allow a depreciation deduction for a vehicle you buy used. In this case, we use normal market value information from a neutral source, such as the Canadian or U.S. *Automobile Red Book* (a publication that gives values for vehicles).

In the case of a trade-in, we calculate the value for duty based on the **full value** of the vehicle you are importing, not just the price you paid. In other words, we do not use the difference between the value of the trade-in and the full value of the vehicle.

For more information on bringing goods and vehicles into Canada, please contact your nearest customs office. For the address and telephone numbers, see the listings in the government section of your Canadian telephone book.

You can also get copies of *I Declare* and *Importing a Motor Vehicle Into Canada* from any of our customs offices in Canada, or from a Canadian consulate abroad.



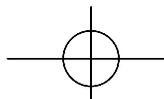
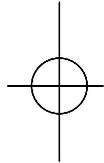
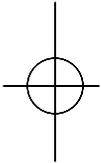


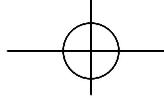
Your provincial or territorial health-care coverage

Before you head south, don't forget to check that your provincial or territorial health-care coverage will continue throughout your stay in the United States.

Also, you may find that your province or territory now limits payment for health-care treatment in the U.S., and you may want to get supplementary health-care coverage.

See the provincial government listings in your Canadian telephone book for the address and telephone number of your provincial or territorial ministry of health office.





How U.S. tax laws apply

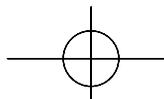
As a Canadian resident who spends part of the year in the U.S., you are considered either a **resident alien** or a **non-resident alien** of the U.S. for tax purposes.

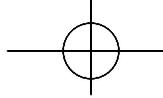
Resident aliens are generally taxed in the U.S. on income from all sources worldwide, and non-resident aliens are generally taxed in the U.S. only on income from U.S. sources. Therefore, it is important for you to determine if you are a resident alien or a non-resident alien.

Are you a resident alien?

You are considered a resident alien if you meet the substantial presence test.

- If you were in the U.S. for 183 days or more in 2000 you meet the substantial presence test. If this is your situation, you are considered a **resident alien** of the U.S. Although the comments in this section and the following section do not apply to you, you should read “Residence under the treaty” and “Do you have to file a U.S. tax return?” on pages 19 and 20.
- If you were in the U.S. for less than 31 days in 2000, you do not meet the substantial presence test. If this is your situation, you are considered a **non-resident alien** of the U.S. Although this section does not apply to you, you should read “Do you have to file a U.S. tax return?” on page 20.
- If you were in the U.S. for 31 to 182 days in 2000, you may meet the substantial presence test.





What is the substantial presence test?

This test uses the number of days you were in the U.S. during a three-year period (the current and the two previous years) to determine if you are a resident alien or a non-resident alien.

To determine whether you meet the substantial presence test for 2000, calculate the number of days you were present in the U.S. during 2000, 1999, and 1998. The days do not have to be consecutive, and you are treated as being present in the U.S. on any day you were there for part or all of the day. Each day:

- in 2000 counts as a full day;
- in 1999 counts as one-third of a day; and
- in 1998 counts as one-sixth of a day.

If your total is **more than 182 days**, you have met the substantial presence test and you are considered a resident alien for 2000. If this is your situation, see “Are you a non-resident alien?” on page 16 for more information.

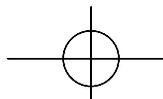
If your total is **182 days or less**, you are considered a non-resident alien for 2000. If this is your situation, see “Do you have to file a U.S. tax return?” on page 20.

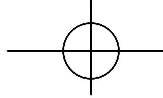
Example

Joy and Ken are residents of Canada and own a trailer home in Florida, where they spend each winter. Although they have no U.S.-source income, they need to determine their U.S. residency status. To do this, they have to determine how many days they were in the U.S. during 2000, 1999, and 1998.

During 2000, they were in the U.S. from January 1 to April 12, and from November 13 to December 31 (**152 days**).

During 1999, they were in the U.S. from January 1 to April 1, and from November 14 to December 31 (**139 days**).





During 1998, they were in the U.S. from January 1 to April 5, and from November 1 to December 31 (**156 days**).

Each day they were in the U.S. during 2000 counts as a full day (**152**). Each day they were in the U.S. during 1999 counts as one-third of a day ($139 \times 1/3 = 46$). Each day they were in the U.S. during 1998 counts as one-sixth of a day ($156 \times 1/6 = 26$).

They add the subtotals: $152 + 46 + 26 = 224$. Since this total is more than 182 days during the three-year period, they meet the substantial presence test, and they are considered resident aliens by the U.S. for 2000.

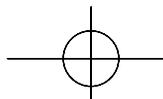
For more information on this subject, see Chapter 1 of IRS Publication 519, *U.S. Tax Guide for Aliens*.

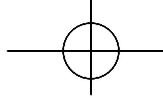
Are you a non-resident alien?

You are a non-resident alien if you **do not** meet the substantial presence test. If you have determined that you are a non-resident alien, read “Do you have to file a U.S. tax return?” on page 20.

If you have determined that you are a resident alien because you meet the substantial presence test, you can be considered a non-resident alien if:

- you were present in the U.S. for less than 183 days in 2000;
- your **tax home** is in Canada; and
- you had a **closer connection** to Canada than to the U.S. during 2000.





What is a tax home?

If you are employed or self-employed, your tax home is the location of your principal place of business or employment, regardless of where you maintain your family home.

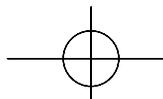
If you are not employed or self-employed, your tax home is where you regularly live. It can be a house, an apartment, or a furnished room, and you can rent or own it. It must have been available to you continuously and at all times throughout 2000, and not just for short stays during the year.

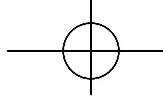
How do you determine a closer connection to Canada?

You are considered to have a closer connection to Canada than to the U.S. if you maintain more significant ties to Canada. Some important ties include the location of the following:

- your permanent home and business activities;
- your family;
- personal belongings, such as cars, furniture, clothing, and jewellery;
- social, political, cultural, or religious organizations to which you belong;
- the jurisdiction where you vote; and
- the jurisdiction where you hold a driver's licence.

If you have applied to the U.S. Immigration and Naturalization Service for permanent resident status in the U.S. (i.e., applied for a "green card"), or you have been granted permanent residency status (i.e., granted a "green card"), you will not be eligible to claim the closer connection exception.





How do you advise the IRS about your closer connection to Canada?

You have to file IRS Form 8840, *Closer Connection Exception Statement [Under Section 7701(b)]*, to advise the IRS that your tax home is in Canada, and that you maintained more significant ties in Canada than in the U.S. during 2000. We have included a copy of the form in the middle of this pamphlet.

If you have to file a U.S. income tax return for 2000, attach Form 8840 to it. If you do not have to file a return, send Form 8840 by June 15, 2001, to: **Internal Revenue Service Center, Philadelphia, Pennsylvania, U.S.A. 19255.**

Each individual claiming the closer connection exception has to file Form 8840. Therefore, if you have a spouse and children, each of them must file Form 8840 to claim the exception.

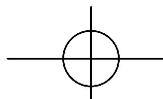
Note

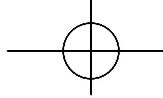
If you do not file Form 8840 by June 15, 2001, you will not be eligible to claim the closer connection to Canada, and you will be considered a resident alien. However, if you tried to comply with this filing requirement, but were unable to do so for a valid reason, let the IRS know.

Example

Joy and Ken have determined that they are resident aliens for 2000 because they meet the substantial presence test. However, they file Canadian returns as residents of Canada, and their family, belongings, and permanent home are in Canada. Also, they maintain social and religious ties in their home town in Canada.

Since Joy and Ken have closer ties to Canada than to the U.S., **and** they were present in the U.S. for less than 183 days during 2000, they may be considered non-residents of the U.S. under the closer connection exception.





Joy and Ken each have to submit Form 8840 by June 15, 2001, to advise the IRS of their closer connection to Canada, or they will not be eligible for the exception. If they do not file on time, they may be subject to U.S. income tax on their worldwide income.

Each year, you have to determine if you are a resident alien or a non-resident alien. And each year, if you are a resident alien with closer ties to Canada than to the U.S., you have to file a new Form 8840.

Residence under the treaty

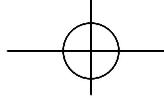
If you are a resident alien because you met the substantial presence test and you cannot claim the closer connection exception, you may be able to determine your residency status under Article IV of the *Canada-United States Income Tax Convention*.

You may be treated as a non-resident alien under Article IV, for the purposes of calculating your U.S. income tax liability, if you meet the following conditions:

- you are considered a resident of both the U.S. and Canada under each country's tax laws (i.e., you are a Canadian resident and a U.S. resident alien); and
- your permanent home is in Canada.

If you also have a permanent home in the U.S., you may be treated as a non-resident alien if your personal and economic ties are closer to Canada than to the U.S.

For more information on this subject, get Publication 519, *U.S. Tax Guide for Aliens*, and Form 8833, *Treaty-Based Return Position Disclosure Under Section 6614 or 7701(b)*, from the IRS.



Do you have to file a U.S. tax return?

Resident aliens

Generally, resident aliens have to file a U.S. tax return to report worldwide income for the year.

If you are a resident alien who cannot be considered a non-resident alien under Article IV of the *Canada-U.S. Income Tax Convention* or under the closer connection exception, you should contact the IRS for information on how to file your U.S. return. The address and telephone number are on page 26 of this pamphlet.

Non-resident aliens

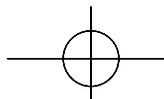
If you are a non-resident alien, your income that is subject to U.S. income tax is divided into two categories:

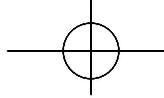
- income that **is effectively connected** with a trade or business in the U.S. (including income from the sale or exchange of U.S. real property); and
- income that **is not effectively connected** with a trade or business in the U.S., but is from U.S. sources (including interest, dividends, rents, and annuities).

Effectively connected income, after allowable deductions, is taxed at the same rates that apply to U.S. citizens and residents. Income that is not effectively connected is taxed at 30% or a lower treaty rate.

As a non-resident alien, you have to file a U.S. tax return, by June 15, 2001, if:

- you have income that is effectively connected;
- you have income that is not effectively connected and that did not have sufficient tax withheld at source; or
- you have income that is not effectively connected and that had too much tax withheld at source.





You have to file your U.S. return by April 15, 2001, if you were an employee in the U.S. and received wages subject to withholding.

For more information, get IRS Publication 519, *U.S. Tax Guide for Aliens*, or contact the IRS at the address and telephone number shown on page 26 of this pamphlet.

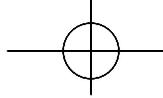
Did you receive U.S. gambling or lottery winnings?

As a non-resident alien, you are subject to tax on the gross gambling or lottery winnings at the rate of 30% at the time of winning. However, winnings from blackjack, baccarat, craps, roulette, and Big-6 wheel are exempt from tax.

If you received tax-exempt winnings, or if the correct tax was collected at the time of winning, you do not have to file a U.S. tax return if this is your only U.S. income.

Under the *Canada-U.S. Income Tax Convention*, you can claim your gambling losses up to the amount of your gambling winnings for the year using the same rules that apply to U.S. citizens and residents. You cannot claim a refund for tax withheld on gambling winnings before 1996.

Since proceeds from blackjack, baccarat, craps, roulette, and Big-6 wheel are exempt from tax, you cannot claim any wagering losses you incur from these games. Be sure to keep an accurate record of your gambling losses and winnings.



Do you own U.S. property?

If you own U.S. property, such as a condominium or house, you should be aware of the tax consequences of renting out or selling U.S. real estate.

Did you receive rental income from this property?

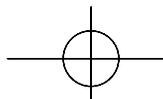
As a non-resident alien, you are subject to U.S. income tax on rental income you receive from U.S. real property. You are considered to have received the income from a U.S. source, even if it was paid to you while you were in Canada. Rental income is **not** effectively connected and, as such, is subject to a 30% tax on the gross income, with no expenses or deductions allowed.

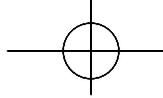
However, under the *Internal Revenue Code*, you can elect to permanently treat rental income as income that is effectively connected with the conduct of a U.S. trade or business. If you make this election, you are taxed on the net income. You can claim expenses related to owning and operating the rental property during the rental period, including a mandatory depreciation charge.

To make this election, attach a letter to Form 1040NR, *U.S. Nonresident Alien Income Tax Return*, stating that you are making the election. Include the following information:

- the location of all your real property in the U.S.;
- the extent of your ownership in the property;
- a description of any major improvements to the property; and
- any previous choices and revocations you have made of the real property income choice.

For information on rental income and expenses, get IRS Publication 527, *Residential Rental Property*.





Tenants or management agents (withholding agents) have to withhold non-resident tax from the gross rent and send it to the IRS using Form 1042, *Annual Withholding Tax Return for U.S. Source Income of Foreign Persons*, and Form 1042-S, *Foreign Persons' U.S. Source Income Subject to Withholding*.

If you want to be exempt from the non-resident withholding tax and are making the election, you have to give the tenant or management agent Form W-8ECI, *Certificate of Foreign Person's Claim for Exemption from Withholding on Income Effectively Connected With the Conduct of a Trade or Business in the United States*.

For more information on U.S. withholding taxes, get IRS Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Corporations*.

Did you dispose of U.S. real estate?

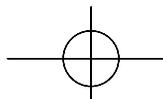
As a non-resident alien, gains or losses you have from disposing of U.S. real property interests are considered to be effectively connected with a U.S. trade or business. If you sell or otherwise dispose of U.S. real estate, the purchaser, or his or her agent, is generally required to withhold 10% of the gross sale price at the point of sale.

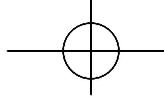
You then have to file Form 1040NR, *U.S. Nonresident Alien Income Tax Return*, to report the gain or loss.

If you own the real property with another person such as your spouse, each of you has to file a Form 1040NR.

Please note that stock in a U.S. corporation or an interest in a partnership may be treated the same as real estate if the corporation owns a certain amount of U.S. real estate, or if the partnership owns U.S. real estate.

For more information on gains and losses from the sale of U.S. real property, get IRS Publication 519, *U.S. Tax Guide for Aliens* and Publication 515, *Withholding of Tax on Nonresident Aliens and Foreign Corporations*.





U.S. estate tax for non-resident aliens

The U.S. imposes an estate tax on the transfer of a deceased person's taxable estate. The taxable estate of a Canadian non-resident alien includes the following assets located in the U.S.:

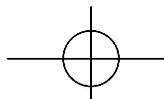
- real estate and tangible personal property;
- stock in a U.S. corporation;
- debt issued by, or enforceable against, a U.S. entity (for example, debt security, regardless of how or where the security was purchased); and
- interest in a partnership, if the partnership is doing business in the U.S.

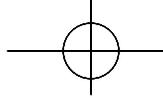
The U.S. estate tax is based on the fair market value of the asset on the date of death, so there is no impact from a profit or loss because of a deemed disposition on the date of death. Non-resident aliens cannot claim foreign tax credits on a U.S. estate tax return for deemed-disposition capital gains income taxes paid to Canada.

For U.S. assets, the IRS requires Form 706NA, *United States Estate (and Generation-Skipping Transfer) Tax Return (Estate of a Nonresident Not a Citizen of the United States)*.

The *Canada-U.S. Income Tax Convention* provides significant changes to the U.S. estate tax provisions if you own U.S. property. These provisions are retroactive to November 10, 1988.

For more information, get Publication 448, *U.S. Estate and Gift Tax Guide* from the IRS. You will find the address and telephone numbers of the IRS on page 26.





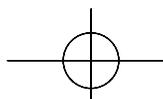
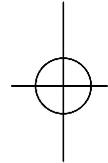
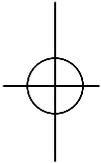
Individual taxpayer identification number

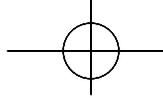
If you are a non-resident alien who has to file a U.S. tax return, you must have an identification number. Generally, this is a Social Security Number from the United States. If you were ever issued a Social Security Number, you should use it. You must not use your Canadian number.

A non-resident alien who does not have an identification number must apply for one. Generally, non-resident aliens are not eligible to apply for Social Security Numbers. Instead, you must apply for an IRS individual taxpayer identification number (ITIN).

If you were issued a U.S. temporary identification number by the IRS for a tax year before 1996, you can no longer use that number, and must apply for an ITIN. ITINs are intended for tax use only. They have no effect on being allowed to work or live in the U.S.

Use IRS Form *W-7, Application for IRS Individual Taxpayer Identification Number*, to apply for an ITIN.





Need more information?

While you are in Canada, if you need more information about U.S. tax laws or tax-filing procedures, contact:

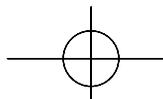
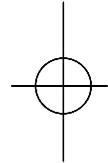
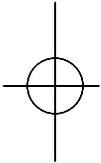
Internal Revenue Service
950 L'Enfant Plaza SW
OP: IN: D: CS
Washington DC 20024
U.S.A.

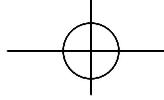
Telephone (787) 759-5100
Fax (202) 874-5440

If you want to order forms or publications, please write to:

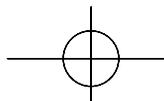
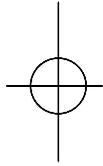
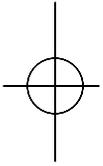
Internal Revenue Service
Eastern Area Distribution Center
P.O. Box 25866
Richmond VA 23286-8107
U.S.A.

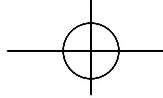
If you are in the U.S., contact the IRS office in your area.





Notes





International Tax Services Office

Canada Customs and Revenue Agency
2204 Walkley Road
Ottawa ON K1A 1A8
CANADA

Regular hours of service

Monday to Friday (holidays excluded)
8:15 a.m. to 5:00 p.m. (Eastern Time)

Extended hours of telephone service

February 19, 2001, through April 30, 2001
Monday to Thursday (holidays excluded)
8:15 a.m. to 9:00 p.m. (Eastern Time)

Calls from the Ottawa area.....952-3741
Calls from other areas in Canada and the U.S. 1-800-267-5177
Problem Resolution Program.....(613) 952-3502/1-800-661-4985
Fax number (613) 941-2505

The International Tax Services Office **only** handles Canadian income tax queries. If you have questions about your U.S. income tax affairs, please contact the IRS.

Think recycling!



Printed in Canada