

2017/2018 Tax Seminar Series Final Program

Session 1

Tuesday, September 12, 2017

Wednesday, September 13, 2017

- Tax Changes For Private Corporations And Shareholders
- Tax Update

A. Tax Changes For Private Corporations And Shareholders

Draft legislation issued on July 18, 2017 will, if passed into law, have a major impact on tax planning for private corporations and their shareholders. This session will focus on these proposed rules.

- New restrictions on income splitting from 2018 onwards including extension of the kiddie tax, reasonable compensation determination for income splitting, impact on corporate structures and tax planning strategies for 2017 before the changes apply.
- New limitations on the capital gains exemption, denial of exemption to persons under age 18 and to trusts, special 2018 election to trigger capital gains.
- Extension of deemed dividend treatment for capital gains realized in a corporate group and denial of CDA addition, impact on tax planning, post-mortem estate planning and sale of a business to a related person (e.g. children). Sale of assets v. shares in light of new rules.
- Tax deferral by retaining funds in a corporate group and legislation being considered to deny tax deferral benefit. Strategies to consider before possible changes come about.

B. Tax Update

An update on important tax developments for 2017 including:

- 2017 personal and corporate tax rates and implications;
- Tax changes from 2017 federal budget;
- Ontario foreign buyer's tax;
- Changes to Voluntary Disclosure Program;

- Common Reporting Standard (CRS), a worldwide exchange of information program;
- Update on R&D tax credits;
- Rectification, Supreme Court cuts back the scope;
- Case law update, new cases of interest including de facto control.

Session 2

Tuesday, October 24, 2017

- **Owner-Manager Remuneration**
- **WIP Income Inclusion**

Wednesday, October 25, 2017

C. Owner-Manager Remuneration

A look at the traditional remuneration issues of private corporations and their shareholders as well as the impact of proposed changes announce July 18, 2017. Topics will include:

- New small business deduction rules (a review);
- Salary vs. dividend income;
- Income splitting (especially strategies for 2017 before the proposed change in 2018);
- Purification and capital gains exemption (focusing on changes for 2018);
- Creative remuneration strategies in light of proposed changes;
- Traps and pitfalls of shareholder loans.

D. WIP Income Inclusion

Proposed changes to include WIP of professionals in income over two years. What does this mean, and tax planning considerations. Some examples of common CPA and law firm structures and how they may be impacted.

Session 3

Tuesday, November 14, 2017

Wednesday, November 15, 2017

- **Sale Of A Business**
- **Foreign Tax Credit**

E. Sale Of A Business

A look at various strategies and tax planning ideas on a sale of a business such as:

- Assets vs. shares under the new rules for goodwill;
- Issues with the capital gains exemption;
- Safe income strips;
- Earnouts and share-for-share exchanges;
- Replacement property rules;
- Capital dividend account issues;
- Proposed new rules for related party sales.

F. Foreign Tax Credit

Now the leading source of disputes with CRA, what do the foreign tax credit rules actually say, what is sufficient proof of foreign tax paid, practical issues of timing, and strategies for resolving disputes.

Session 4

Wednesday, December 13, 2017

Thursday, December 14, 2017

- **The Estate Freeze**
- **Year-End Planning**

G. The Estate Freeze

A case study to illustrate all the aspects of an estate freeze, such as:

- When to carry out an estate freeze and when not;
- Maintaining control;
- Use of trusts and what can go wrong with them;

- Valuation issues;
- Family law issues;
- Techniques and mechanics to carry out a freeze;
- Ongoing strategies and monitoring (such as share redemptions);
- Designing insurance needs;
- Taxation at death;
- 21-year rule for trusts.

H. Year-End Planning

Tax planning for 2017 in the context of proposed changes for 2018. An update on where the July 18, 2017 tax proposals stand and the implications.

Session 5

Tuesday, January 16, 2018

Wednesday, January 17, 2018

- U.S. Tax Reform
- Practical Issues In U.S. Tax
- Back To Basics

I. U.S. Tax Reform

Where are we on U.S. tax reform. An update on proposed elimination of U.S. estate tax, reduction in corporate tax rate to 15%, other issues and implications for Canadian families and for doing business in the U.S.

J. Practical Issues In U.S. Tax

Topics will cover:

- Getting a tax ID number;
- Instalments and withholding;
- Tax filing deadlines and extensions;
- Penalties (a U.S. way of life) and objecting to them;
- Sale of U.S. real estate and clearances.

K. Back To Basics

The popular Back to Basics topic to review certain fundamental tax topics. These may include:

- Deduction of accounting and tax return preparation fees;
- RRSP's, earned income and over contributions;
- Reserves on capital gains;
- When are tax payments due;
- What is a large corporation and implications.

Special Evening Session

Tuesday, November 21, 2017

• Case Study

Wednesday, November 22, 2017

A case study involving a corporate group and its shareholders. You will be asked to:

- Find the issues and mistakes;
- Recommend corrections and strategies;
- Design tax planning and remuneration strategies.

The case study will be given out in advance. A comprehensive solution will be provided at the session.