

Index

ACCELERATION, DOCTRINE OF

Generally, **1:48**

ACCUMULATIONS

Generally, **3:23**

AD COLLIGENDA BONA

Generally, **7:15**

ADEMPTION

Generally, **2:8, 7:64**

AD LITEM, APPOINTMENT OF REPRESENTATIVE

Generally, **7:19**

ADMINISTRATION OF ESTATE

Ademption, **7:64**

Administrative tax

calculation of, **2:85**

minimizing

generally, **2:87 to 2:107**

Amherst Crane Rentals Ltd. v. Per-
ring, **2:103, 2:104**

appointment, powers of, **2:106**

beneficiary designations, **2:88**

Carlisle Estate, **2:97**

joint property, **2:87**

multiple wills, **2:107**

Pecore v. Pecore, **2:101, 2:104**

Sawdon Estate, **2:102**

trusts, **2:105**

Application for administration

generally, **7:13**

ad colligenda bona, **7:15**

appointment of representative ad litem,
7:19

attorney, by, **7:20**

de bonis non, **7:17**

pendente lite, **7:16**

small estate, **7:21**

special administration when personal
representative is absent, **7:23**

where all intestate successors are
minors, **7:22**

with will annexed, **7:14**

Conflict of laws, jurisdiction, **1:63**

ADMINISTRATION OF ESTATE

—Cont'd

Interest on legacies, **7:58**

date of payment specified in will, **7:61**

executor's year, **7:58**

legacy postponed for life tenancy, **7:59**

life interest gifts, **7:60**

Lapse, **7:62**

Missing successors or beneficiaries, **7:56**

Right to inherit, loss of, **7:57**

Trustee's obligations where holding
shares of private corporations, **7:65**

ADMINISTRATIVE TAX

Calculation of, **2:85**

Minimizing, **2:87 to 2:107**

ADOPTED CHILDREN

See children

ADVANCEMENT

Generally, **1:43**

Pecore v. Pecore, **2:101**

ALTER EGO AND SPOUSE/JOINT PARTNER TRUSTS

Generally, **3:58 to 3:76**

Attribution of income or gains to settlor,
3:74

Control of capital, **3:62**

Creditor-proofing, **3:64**

Dependents' relief legislation, avoiding,
3:65, 4:65

Disability planning, **5:32**

Disadvantages, **3:71 to 3:73**

Disposition of property

no deemed disposition, **3:69**

no disposition at insertion, **3:68**

Divesting for purpose of disinheritance,
3:76

Incapacity planning, **3:63**

Jurisdictional planning, **3:66**

Nature of trust, **4:66**

Opting out, **3:70**

Post-mortem estate planning and, **9:37**

Principal residence exemption, **3:75**

**ALTER EGO AND SPOUSE/JOINT
PARTNER TRUSTS—Cont'd**

Privacy, **3:67**
 Probate, avoiding, **3:61**
 Qualifying as, **3:59, 3:60**
 Sham trusts, **4:67**

**AMHERST CRANE RENTALS LTD. V.
PERRING**

Generally, **2:103, 2:104**

ANNUITIES VS RRIFs

Generally, **6:35**

ANTI-AVOIDANCE RULES

Charitable donations, **16:32 to 16:36**
 Donation tax shelters, draft legislation,
16:73
 DPSPs, **6:61**
 Foreign, s. 17(14), **12:94**
 General rule, s. 245, **9:54, 12:104, 21:68**
 to **21:78**
 Income splitting and, **11:30.100**
 Indirect loans, **12:87 to 12:94**
 Interprovincial tax planning, **12:78 to**
12:85
 Private corporations, **9:54**
 Private foundations, **16:63**
 RRSPs, **6:10 to 6:17**
 S. 75(2), **8:69**
 Spousal attribution rules, **11:30.20**
 TFSAs, **6:50**

**ANTI-VESTING RULES, REAL
ESTATE**

Generally, **APP 2C**

**APPLICATION FOR
ADMINISTRATION OF ESTATE**

See also administration of estate
 Generally, **7:13 to 7:23**

APPOINTMENT, POWERS OF

Generally, **2:106**

**ASHTON ESTATE V. SOUTH
MUSKOKA MEMORIAL
HOSPITAL FOUNDATION**

Generally, **2:13, 2:98**

ASSETS OF ESTATE

Dealing with, responsibility of personal
 representative, **7:31**

ASSETS OF ESTATE—Cont'd

Inventory, **7:34 to 7:36**
 personal property, **7:36**
 real estate, **7:35**
 Valuation, **7:37**

ATTESTATION OF WILL

Generally, **1:5**

ATTRIBUTION

See also taxation of trusts and income
 splitting and attribution rules
 Alter ego and spouse/joint partner trusts,
 and, **3:74**
 Corporate rule, **11:30.50**
 Exceptions, **11:30.90**
 Income splitting and, see income splitting
 and attribution rules
 Inter vivos trusts, and, **3:38**
 Spousal or common law partner trusts,
 and, **3:57**
 Spousal RRSPs, **6:113**
 Tax-free savings accounts, inapplicability
 of rules, **6:48**
 Trusts, rules applicable to, **11:30.40**
 Trusts for minor beneficiaries, under s.
 74.1(2), **3:78**

BACK TO BACK LOAN RULES

Generally, **12:96**

BALAZ ESTATE V. BALAZ

Generally, **2:50**
 Trustee Powers, **APP 2I**

BARBADOS FREEZE

Generally, **18:2, 18:21**

BECOMING A RESIDENT

See immigration—becoming a resident

**BENEFICIAL OWNERSHIP OF
PROPERTY**

Generally, **1:22**
 Registered title vs beneficial title, **10:5**
 Vesting, **1:34**

BENEFICIARIES

Cessation of rights, **2:38**
 Designation
 generally, **2:88, 6:155**
 Ashton Estate, **2:98**
 before death, **2:95**
 Buckmeyer Estate, **2:100**

BENEFICIARIES—Cont'd

- Designation—Cont'd
 - Carlisle Estate, **2:97**
 - changing designation, **6:157**
 - creditor protection, **6:160**
 - Desharnais, **2:99**
 - income tax considerations, **6:159**
 - Insurance Act, **2:91**
 - integrating with trusts, **2:92**
 - kinds of beneficiaries, **2:89**
 - life insurance, **15:47 to 15:60**
 - no designation, **2:94**
 - plan holder perspective, **2:93**
 - planning considerations, **6:158**
 - requirements, **6:156**
 - revoking designation, **6:157**
 - Succession Law Reform Act, **2:90**
- Lapse, **7:62**
- Location of, **2:39**
- Minor beneficiaries, income deemed payable to, **8:76**
- Missing beneficiaries, administration of estate where, **7:56**
- Non-resident, Canadian resident trusts with, **8:80 to 8:84**
- Preferred beneficiary election, **3:120 to 3:122, 5:28**
 - see also taxation of trusts and disability planning
- Saunders v. Vautier, **3:22**

BEQUESTS, DEFINITION

- Generally, **2:16**

BUCKMEYER ESTATE

- Generally, **2:100**

“BUMP” PROCEDURE

- See also post-mortem estate planning
- Generally, **9:38**
- Beneficiaries, impact on, **9:69**
- Bump denial rules, **9:60, 9:68**
- Combining with capital loss strategy, **9:71**
- Combining with pipeline procedure, **9:73**
- Election under s. 88(1)(d), **9:57, 9:58**
- Ineligible property, **9:59**
- “Restricted person,” definition, **9:61, 9:64**
 - “restricted property,” definition, **9:65, 9:66**
- “Series,” definition, **9:67**
- “Specified shareholder,” definition, **9:62**

“BUMP” PROCEDURE—Cont'd

- Tax issues, **9:70**
- Trust/estates and partnerships, **9:63**

BUSINESS SUCCESSION PLANNING

- Generally, **14:1**
- Agreements among owners
 - generally, **14:13 to 14:30**
 - additional shareholders, **14:15**
 - initial shareholders, among, **14:15**
 - sale of business by share sale, **14:17**
 - shareholder agreement with new owner, **14:25**
- Completing the transaction
 - generally, **14:51 to 14:65**
 - closing, **14:63**
 - confidential information memorandum, preparation of, **14:55**
 - confidentiality agreement/non-disclosure agreement, **14:54**
 - controlled auction process or private negotiations with purchaser, **14:53**
 - data room, **14:56**
 - documents and schedules, **14:62**
 - letter of intent, **14:57**
 - purchase agreement, **14:58**
 - share or asset sale, determination of which, **14:52**
- Life insurance policies, and
 - business-owned policies and premium deductibility, **15:38**
 - buy-sell arrangements and life insurance, **15:40**
 - founder, protecting against the death of, **15:39**
- Preparation for business sale
 - generally, **14:31 to 14:50**
 - customer and supplier issues, **14:49**
 - general business clean-up, **14:42 to 14:48**
 - lifetime capital gains exemption planning, **14:32 to 14:40**
 - privacy issues, **14:50**
 - safe income dividends, **14:41**
- Successors, identification of
 - generally, **14:2 to 14:12**
 - co-shareholders/partners, **14:9**
 - family members, **14:3**
 - investor purchasers, **14:11**
 - management, **14:4**
 - strategic purchasers, **14:10**

BUTTERFLY TRANSACTIONS

Generally, **12:31** Generally

“CAETERORUM” GRANT OF PROBATE

Generally, **7:11**

CANADA DISABILITY SAVINGS BOND

Generally, **5:38**

CANADA DISABILITY SAVINGS GRANT

Generally, **5:37**

CANADA PENSION PLAN

Generally, **6:86**

Assignment, **6:109**

Contributions

generally, **6:87 to 6:91**

contribution rate, **6:90**

employees and employers, **6:87**

maximum contributory earnings, **6:89**

multiple jobs, **6:91**

overpayment, **6:91**

self-employed, **6:88**

tax treatment, **6:92**

Credit splitting, **6:110**

Death benefit, **6:100**

Disability pension

generally, **6:97**

benefit levels, **6:98**

eligibility, **6:97**

end of pension, **6:99**

disabled contributor’s child benefit, **6:106**

benefit levels, **6:107**

eligibility, **6:106**

end of pension, **6:108**

Foreign retirement programs and recognition, **6:111**

Orphan’s benefits, **6:103**

benefit levels, **6:104**

eligibility, **6:93 to 6:108 60.10**

end of benefit, **6:105**

Post-retirement benefit, **6:96**

Retirement pension, **6:94**

benefit levels, **6:95**

eligibility, **6:94**

Survivor’s pension, **6:101**

benefit levels, **6:102**

eligibility, **6:101**

CANADA PENSION PLAN—Cont’d

Taxation at death, **6:153, 6:154**

generally, **6:153**

paid to non-residents, **6:154**

CANADA REVENUE AGENCY (CRA) ADMINISTRATIVE POLICIES REGARDING ESTATE FREEZES

Advance Tax Rulings (ATR), **13:64**

Information Circulars, **13:62**

Interpretation Bulletins, **13:63**

Other CRA publications, **13:69**

Technical News, **13:61**

CANADA REVENUE AGENCY (CRA) POLICY REGARDING ACQUIRING INFORMATION FROM TAXPAYERS

Policy, **APP 2K**

Solicitor-client privilege and, **2:78 to 2:80**

CANADA-US INCOME TAX CONVENTION

Generally, **10:43**

CANADIAN-CONTROLLED PRIVATE CORPORATIONS (CCPC)

Generally, **10:57**

CAPACITY

Burden of proof, **1:21**

Practical tips regarding, due diligence checklist for drafting wills, **2:8**

CAPITAL DIVIDEND ACCOUNT (CDA)

Generally, **9:43, 10:58, 10:64**

CAPITAL LOSS STRATEGY UNDER S. 164(6)

See also post-mortem estate planning

Generally, **9:38, 9:40 to 9:47**

CARLISLE ESTATE, RE

Generally, **2:97**

CEASING TO BE RESIDENT

See emigration—ceasing to be resident

CESSATE GRANTS

Generally, **7:9**

CHAIN OF REPRESENTATION

Generally, **7:78**

CHARITABLE DONATIONS

Generally, **16:2 to 16:36**

INDEX

CHARITABLE GIFTS AND CY-PR'C9S DOCTRINE

Generally, **7:63**

CHARITABLE PLANNING

Charitable donations, **16:2 to 16:36**

Charitable remainder trusts, **16:80**

Donation tax shelters, **16:66 to 16:78**
responses to shelter schemes, **16:69 to 16:78**

revocation of charitable registration, **16:78**

tax shelters, previously available, **16:67, 16:68**

Donor-advised funds, **16:65**

Gifts

anti-avoidance, **16:32 to 16:36**

excepted gifts, **16:35, 16:36**

non-qualifying securities, **16:35, 16:36**

personal use property, **16:33**

by corporations, tax deductions, **16:12**

by individuals, tax credits, **16:11**

legislation, **16:13**

meaning of, **16:2 to 16:10**

types, **16:14 to 16:31**

Private foundations, **16:37 to 16:64**

creation, **16:37 to 16:43**

excess business holdings regime, **16:52 to 16:64**

non-qualified investments and s. 189 tax, **16:44 to 16:51**

Trusts, use of, **16:79**

CHARITABLE REMAINDER TRUSTS

Charitable planning, and, **16:80**

Taxation of, **3:82**

CHILDREN

Guardianship

generally, **4:22 to 4:27**

appointment, **4:24**

court, by, **4:26**

deed or will, by, **4:25**

no guardian, **4:24**

powers and duties, **4:23**

removal, **4:27**

Intestate succession

generally, **1:36**

adopted children, and, **1:39**

children born outside marriage, and, **1:38**

CHILDREN—Cont'd

Intestate succession—Cont'd

posthumously conceived children, and, **1:42**

stepchildren, and, **1:40**

Support obligations

generally, **4:28 to 4:32**

child, definition, **4:29**

claims against estate, **7:44**

duty to contribute, **4:30**

estate bound, **4:32**

variation of obligations, **4:31**

CLEARANCE CERTIFICATE

Before distributing estate (Form TX21), **8:79**

Liability for estate's tax liability, **6:129, 8:45 to 8:50**

Non-resident vendors, s. 116, **8:84**

CODICILS

Generally, **2:6**

Holograph codicil, **1:11**

Multiple wills and, **2:55**

COMMODITY TAX ISSUES, CORPORATE RESTRUCTURING, AND

Generally, **12:99 to 12:102**

COMMON ACCIDENT

See also survivorship and presumption of death

Generally, **1:50**

COMPLEX TRUSTS, US INCOME TAX RULES

Generally, **20:7**

CONFLICT OF LAWS

Administration of estate, jurisdiction, **1:63**

Construction of wills, **1:61**

Intestate succession, choice of law, **1:60**

Limited wills, **2:64**

Testate succession, validity of will, **1:55**

immovables, **1:57**

movables, **1:56**

renvoi, doctrine of, **1:59**

revocation by marriage or divorce, **1:58**

Variation of will application, **1:62**

CONSANGUINITY, DEGREES OF

Generally, **1:45 [Table A]**

CONSTRUCTIVE TRUST

As basis for claim against estate, **7:41**
Mutual wills and, **2:69, 4:4**

CONTROLLED FOREIGN CORPORATION (CFC)

Generally, **20:11**

CORPORATIONS

Amalgamations

generally, **12:36 to 12:40**
GST/HST on amalgamations, **12:100**
tax treatment, **12:40**

Canadian-controlled private corporations (CCPC), portfolio investments and, **10:57**

Commodity tax issues

generally, **12:99 to 12:102**
GST/HST on amalgamations, **12:100**
GST/HST on exchange transactions, **12:99**

GST/HST on wind-ups and dissolutions, **12:101**

provincial sales tax, **12:102**

Corporate attribution rule, **11:30.50, 12:30**

Corporate beneficiary, distribution to, twenty-one year rule, **3:113**

Corporate freeze and distribution, taxation of trusts, **3:114**

Corporate restructuring

generally, **12:1**
domestic partnership transactions
generally, **12:105 to 12:123**
admission of new partners, **12:110**
changing partners, **12:110**
control acquisition of, **12:122**
default rules, **12:107**
fiduciary duty, **12:108**
loss utilization, **12:123**
nature of partnership, **12:106 to 12:114**
partnership agreement, **12:109**
rollovers, **12:115 to 12:121**
types of partnership, **12:111**
domestic share and asset transactions, **12:5 to 12:43**
rollovers and asset transfers, **12:6 to 12:30**

Creditor protection through beneficiary designation, **6:160**

CORPORATIONS—Cont'd

Dissolution, **12:41 to 12:43**

GST/HST on dissolutions, **12:101**

Divisive reorganizations

generally, **12:31 to 12:35**
butterfly transactions, **12:31**
exception, related party, **12:32**
preferred share rules, **12:33**
safe income strips, **12:35**
“spin-off” and “split-up,” **12:34**

Emigration of, **17:24 to 17:26**

see also emigration

Foreign persons, loans to

generally, **12:87 to 12:96**
back to back loan rules, **12:96**
imputed interest, **12:87 to 12:94**
thin capitalization rules, **12:95**

General anti-avoidance rule, s. 245, **12:104**

Immigration of, **17:35**

see also immigration

Income splitting structures, corporate considerations, **11:10.50**

Incorporation, **12:2 to 12:4**

holding corporations, **12:4**
small business deduction (s. 125), **12:3**

Indirect loan rules, **12:87 to 12:94**

Interprovincial tax planning, **12:68 to 12:86**

financing transactions, **12:86**

permanent establishment, definition, **12:71 to 12:77**

permanent establishment, significance, of, **12:69, 12:70**

provincial general anti-avoidance rules, **12:78 to 12:85**

Land transfer taxes and registration fees, **12:103**

Loss utilization strategies

generally, **12:44 to 12:67**
“affiliated,” **12:51**
control, acquisition of, **12:45 to 12:50**
corporate loss trading, **12:63**
loss-denial provisions, **12:62**
loss-restriction rules, **12:60, 12:61**
synthetic dispositions, **12:64 to 12:67**
transactions within affiliated corporate group, **12:52 to 12:59**

Nominee corporation, use of, land transfer tax, and, **10:35**

CORPORATIONS—Cont'd

- Private corporations, **9:38 to 9:75**
 - anti-avoidance rules, **9:54**
 - trustee's obligations where holding shares of private corporations, **7:65**
- Professional corporations, statutes authorizing, **APP 2Q**
- Qualified small business corporations, (QSBC), **12:18 to 12:25**
- Registration fees, **12:103**
- Resident, becoming, **17:35**
 - see also immigration
- Resident, ceasing to be, **17:24 to 17:26**
 - see also emigration
- Valuation, **12:97, 12:98**
 - price adjustment clauses, **12:98**
- Wind-ups and dissolutions
 - generally, **12:41 to 12:43, 12:54**
 - GST/HST on wind-ups and dissolutions, **12:101**
 - tax treatment, **12:42**

CPP

- Generally, **6:153, 6:154**
- DPSP
 - generally, **6:144 to 6:147**
 - liability for taxes, joint and several, **6:146**
 - paid or deemed paid to non-residents, **6:147**
 - payments to spouse or common law partner, **6:145**
- RDSP
 - deemed source of income in year of death, **8:31**
- RESP
 - deemed source of income in year of death, **8:30**
- RPP
 - generally, **6:148 to 6:152**
 - deemed source of income in year of death, **8:28**
 - liability for taxes, joint and several, **6:151**
 - paid to non-residents, **6:152**
 - payments to child or grandchild, **6:150**
 - payments to spouse or common law partner, **6:149**
- RRIF
 - generally, **6:133 to 6:138**

CPP—Cont'd

- RRIF—Cont'd
 - amounts received by financially dependent child or grandchild, **6:135**
 - amounts received by spouse or common law partner, **6:134**
 - deemed source of income in year of death, **8:29**
 - liability for taxes, joint and several, **6:137**
 - paid or deemed paid to non-residents, **6:138**
 - post-death changes in value, **6:136**
- RRSP
 - generally, **6:122 to 6:132**
 - deemed source of income in year of death, **8:27**
 - HBP, **6:131**
 - liability for taxes, joint and several, **6:129**
 - LLP, **6:132**
 - matured RRSP, **6:124**
 - paid or deemed paid to dependant, **6:127**
 - paid or deemed paid to non-residents, **6:130**
 - paid or deemed paid to spouse or common law partner, **6:123**
 - post-death changes in RRSP value, **6:128**
 - unmatured RRSP, **6:125**
- TFSA
 - generally, **6:139 to 6:143**
 - exempt contribution, **6:142**
 - income paid to non-residents, **6:143**
 - successor holder, **6:141**

**CREDIT SPLITTING, CANADA
PENSION PLAN AND**

- Generally, **6:110**
- "Crummey" rights of withdrawal, **19:17**

CRYSTALLIZATION

- Capital gains deduction, **13:54**
- Capital gains exemption, **12:21**

CY-PRES DOCTRINE

- Generally, **7:63**

DEATH, DEEMED DISPOSITION ON

- See also property, real property, and investments
- Generally, **10:1**

DEATH, ESTATE PLANNING AFTER

See post-mortem estate planning

DEATH, PLANNING FOR

Generally, **1:2**

Organ and tissue donation, **1:13, 5:77 to 5:82**

Physician-assisted death, **1:2, 5:83**

Remains, dealing with, **1:14**

DEATH, TAXATION OF DECEASED AT

Generally, **8:1, 8:4 to 8:50**

Deductions and other amounts claimed against income, **8:42 to 8:44**
amounts claimed in year of death, **8:44**
charitable donations, **8:42**
medical expenses, **8:43**

Implications of wills and intestacy, **8:2**

Income, categories, **8:6**
deemed disposition of property at death, **8:34 to 8:41**
capital property, **8:34**
eligible capital property, **8:39**
land inventory, **8:40**
resource properties, **8:41**
deemed sources in year of death, **8:23 to 8:33**
employee stock options, **8:25**
life insurance benefits, **8:24**
registered plans, **8:26**
income in year of death
generally, **8:7 to 8:22**
business and professional income, **8:14**
designated professional businesses, **8:15**
dividends, **8:17**
employment income, **8:13**
partnership, **8:16**
pension income, **8:19**
periodic payments, **8:8**
reserves, **8:20**
rights or things, **8:9 to 8:12**
testamentary trust, **8:18**
Separate from estate, **8:3**
Tax returns for year of death, **APP 8A, 8:45 to 8:50**
final return, **8:46**
return for income from a testamentary trust, **8:49**

DEATH, TAXATION OF DECEASED AT—Cont'd

Tax returns for year of death, **APP 8A, 8:45 to 8:50—Cont'd**
return for partner or proprietor, **8:48**
return for rights and things, **8:47**

DEATH, TAXATION OF ESTATE AND WILL TRUSTS

Generally, **8:51 to 8:79**

Canadian resident trusts with non-resident beneficiaries, **8:80 to 8:84**
gains realized from disposition of taxable Canadian property, **8:83**
income paid to credited to non-resident beneficiaries, **8:82**

Part XII.2 tax, **8:81**

Clearance certificate
before distributing estate, **8:79**
non-resident vendors, s. 116, **8:84**

Estate as trust, **8:53**

Individuals, taxation of trusts as, **8:54**

Tax returns (T3), **8:78**
returns for the year of death, **APP 8A**

Testamentary trusts
beneficiaries
income deemed payable to minor beneficiaries, **8:76**
preferred beneficiary election, **8:77**
calculation of taxable income
generally, **8:61**
alternative minimum tax, **8:71**
anti-avoidance rule, s. 75(2), **8:69**
charitable donations, **8:72**
death benefits, **8:64**
deductions, **8:67, 8:73**
periodic amounts, **8:63**
principal residence exemption, **8:66**
reserves, **8:68**
taxable capital gains and recapture, **8:65**
twenty-one-year deemed disposition rule, **8:70**
definition for tax purposes, **8:55**
designations under ss. 104(13.1) and (13.2), **8:75**
income deemed payable to minor beneficiaries, **8:76**
payments for maintenance of property held for use of beneficiary, **8:74**
preferred beneficiary election, **8:77**

**DEATH, TAXATION OF ESTATE AND
WILL TRUSTS—Cont'd**

Testamentary trusts—Cont'd
 taxation year, choice of, **8:60**
 tax planning using, **8:56**
 multiple trusts, **8:59**
 planning under new rules, **8:58**
 recent changes to tax rules, **8:57**
 tax returns, **8:78**

**DEATH BENEFIT, CANADA PENSION
PLAN AND**

Generally, **6:100**

DE BONIS NON

Generally, **7:17**

**DEEMED DISPOSITION OF
PROPERTY AT DEATH**

Generally, **8:34 to 8:41**
 Capital property, **8:34**
 Eligible capital property, **8:39**
 Land inventory, **8:40**
 Resource properties, **8:41**

**DEEMED DISPOSITION OF
PROPERTY UPON CEASING TO
BE RESIDENT**

Generally, **17:8**
 Corporations, **17:24 to 17:26**
 additional tax, **17:26**
 deemed disposition and reacquisition of
 property, **17:25**
 deemed year end, **17:24**
 Individuals
 deferral of departure tax and security,
 17:12
 elective deemed disposition, **17:11**
 foreign tax credit, **17:16**
 post-emigration losses, **17:13**
 property excluded, **17:9**
 returning former resident, **17:17**
 returning trust beneficiary, **17:20**
 shares acquired under employee stock
 option, **17:10**
 year of departure, reporting require-
 ments, **17:23**
 Trusts, **17:27 to 17:31**
 deemed disposition and reacquisition of
 property, **17:29**
 deemed year end, **17:28**
 relieving provisions not applicable to,
 17:30

**DEFERRED PROFIT SHARING PLANS
(DPSP)**

Generally, **6:57**
 Anti-avoidance provisions and penalties,
 6:61
 benefit or loan or security for loan, **6:65**
 excess contributions and excess
 amounts, **6:62**
 non-qualified investment, **6:64**
 related persons, **6:63**
 Contribution limit, **6:68**
 Investments, qualified, **6:60, 6:117, 6:118,**
 6:120
 Mandatory payout, **6:67**
 Taxation at death, **6:144 to 6:147**
 generally, **6:144**
 liability for taxes, joint and several,
 6:146
 paid or deemed paid to non-residents,
 6:147
 payments to spouse or common law
 partner, **6:145**
 Tax characteristics, **6:59**
 Transfers, **6:66**

DEFINED BENEFIT PLAN (DBP)

Generally, **6:72**

**DELAY, PRACTICAL TIPS
REGARDING**

Due diligence checklist for drafting wills,
2:8

DEPENDANTS' RELIEF

Date for determining adequacy of support
 generally, **1:85 to 1:89**
 commencement of proceedings, **1:86**
 hearing, **1:87**
 testator's death, **1:88**
 testator's will, **1:89**
 General considerations
 generally, **1:74 to 1:84**
 change in circumstances of claimant,
 1:80
 circumstances of claimant, **1:79**
 contribution to estate, **1:82**
 cultural traditions, **1:84**
 date for valuation, **1:76**
 disabled applicants, **1:78**
 gifts by testator outside will, **1:81**
 matters considered by the court, **1:74**
 size of estate, **1:75**

DEPENDANTS' RELIEF—Cont'd

- General considerations—Cont'd
 - standards of living, **1:77**
 - testamentary freedom, **1:83**
- Jurisdiction issues, **1:71 to 1:73**
 - assets subject to relief order, **1:72**
 - validity of will, **1:71**
 - who may apply, **1:73**
- Property exempt, contractual obligations, **1:90**
- Public policy considerations
 - in terrorism conditions, **1:91**
- Trusts established under dependants' relief legislation, **3:34**

**DEPENDANTS' RELIEF
LEGISLATION**

- Generally, **4:33**
- Contracting out, **4:63 to 4:67**
 - generally, **4:63**
 - alter ego trusts, **4:64**
 - attempts to circumvent legislation, **4:65**
 - nature of trusts, **4:66**
 - sham trusts, **4:67**
- Duty to make adequate provision, **4:57 to 4:62**
 - generally, **4:57**
 - Tataryn, application in various provinces
 - Alberta, **4:58**
 - British Columbia, **4:59**
 - Manitoba, **4:61**
 - Ontario, **4:62**
 - Saskatchewan, **4:60**
- Post-mortem estate planning, dependants' relief application and, **9:31**
- Prerequisites, **4:34 to 4:39**
 - limitation period, **4:39**
 - qualifying assets, **4:36**
 - extra-provincial assets, **4:37**
 - extra-testamentary assets, **4:38**
 - valid will, **4:35**
- Procedure, **4:40 to 4:56**
 - appeals, variations and rescissions, **4:56**
 - commencement, **4:40**
 - costs, **4:55**
 - disentitling conduct, **4:50**
 - evidence, **4:53**
 - land, special considerations, **4:51**

DEPENDANTS' RELIEF

LEGISLATION—Cont'd

- Procedure, **4:40 to 4:56—Cont'd**
 - order, **4:54**
 - representative actions, **4:49**
 - settlement, **4:52**
 - who may apply, **4:41**
 - adopted children, **4:46**
 - adult children, **4:45**
 - common law spouses, **4:43**
 - married spouses, **4:42**
 - minor children, **4:44**
 - parents and grandparents, **4:48**
 - siblings, **4:47**
- Trusts established under dependants' relief legislation, **3:34**

**DESHARNAIS V. TORONTO
DOMINION BANK**

- Generally, **2:13, 2:99**

DESIGNATION OF BENEFICIARIES

- See beneficiaries

**DEVASTAVIT, PERSONAL
REPRESENTATIVE'S LIABILITY
FOR**

- Generally, **7:49**

DEVISE, DEFINITION

- Generally, **2:16**

DEVOLUTION OF PROPERTY

- Personal representative, to, by province, **APP 2C, 1:33**
- What are estate assets, **7:2**

**DISABILITY PENSION, CANADA
PENSION PLAN AND**

- Generally, **6:97**

DISABILITY PLANNING

- Generally, **1:15, 5:1 to 5:42**
- Disability tax credit, **5:33**
- Protecting disabled individuals with trusts, **5:27 to 5:32**
 - alter ego and joint partner trusts, **5:32**
 - Henson trusts, **5:27**
 - inter vivos discretionary trusts, **5:30**
 - preferred beneficiary elections, **5:28**
 - qualified disability trusts, **5:29**
 - residence trusts, **5:31**

DISABILITY PLANNING—Cont'd

- Provincial disability benefits, **5:2 to 5:26**
 - Alberta—AISH benefit entitlements and disqualifications, **5:6 to 5:10**
 - AISH health benefit, **5:8**
 - AISH living allowance, child benefit and eligibility, **5:7**
 - asset limits for AISH eligibility, **5:10**
 - overview, **5:6**
 - personal benefits, **5:9**
- British Columbia—disability assistance benefits and eligibility requirements, **5:11 to 5:14**
 - asset limitations, **5:13**
 - hardship assistance and shelter allowance, **5:14**
 - income requirements, **5:12**
 - overview, **5:11**
- Manitoba—Income Assistance for Persons with Disabilities benefits and eligibility requirements, **5:15 to 5:20**
 - asset limitations, **5:17**
 - basic, shelter, utilities and special needs allowances, **5:18**
 - disability trust, **5:19**
 - health benefits, **5:20**
 - income requirements, **5:16**
 - overview, **5:15**
- Ontario—ODSP benefit entitlements and disqualifications, **5:3 to 5:5**
 - asset limits, **5:4**
 - income limits, **5:5**
 - overview, **5:3**
- Saskatchewan—Saskatchewan Assistance Program benefits and eligibility requirements, **5:21 to 5:26**
 - asset limitations, **5:23**
 - basic, shelter, utility and special needs allowances, **5:24**
 - health benefits, **5:25**
 - income requirements, **5:22**
 - overview, **5:21**
- The Saskatchewan Assured Income of Disability Program, **5:26**
- Registered Disability Savings Plan (RDSP), **5:36 to 5:42**
 - generally, **5:34**
- Canada Disability Savings Bond, **5:38**
- Canada Disability Savings Grant, **5:37**

DISABILITY PLANNING—Cont'd

- Registered Disability Savings Plan (RDSP), **5:36 to 5:42—Cont'd**
 - Henson trusts and RDSPs, **5:40**
 - provincial disability benefits and RDSPs, **5:39**
 - RESP rollovers to, **5:42**
 - RRSP/RRIF rollovers to, **5:41**
- Registered Retirement Savings Plan (RRSP) and Registered Retirement Income Fund (RRIF) rollovers, **5:34, 5:35**
 - generally, **5:34**
 - Henson trusts, and, **5:35**
 - RDSPs, and, **5:41**

DISABILITY TAX CREDIT

- Generally, **5:33**

DISABLED CONTRIBUTOR'S CHILD BENEFIT, CANADA PENSION PLAN AND

- Generally, **6:106**

DISPUTE RESOLUTION

- Generally, **21:1**
- Appeals, **21:6 to 21:38**
 - procedure, **21:36, 21:38**
 - right to, **21:35, 21:37**
- Assessments under section 159 of the Income Tax Act, **21:39 to 21:45**
 - appeal period for executors, **21:44**
 - Canada Revenue Agency interpretation, **21:40**
 - clearance certificates, **21:41**
 - elements of, **21:39**
 - legal representatives, liability of, **21:42**
 - liability, limitation on, **21:43**
 - taxpayer's taxation year, **21:42**
 - trustee liability, **21:45**
- Assessments under section 160 of the Income Tax Act, **21:46 to 21:59**
 - bankruptcy, **21:54**
 - common law principles, **21:47**
 - failure to transfer beneficial title, **21:48**
 - liability not limited to taxpayers, **21:52**
 - Minister's ability to assess, **21:47**
 - no family law exception under the Act, **21:51**
 - non-arm's length transfers, **21:50**

DISPUTE RESOLUTION—Cont'd

Assessments under section 160 of the Income Tax Act, **21:46 to 21:59**
 —Cont'd
 common law principles, **21:47**—Cont'd
 transfer, meaning of, **21:53**
 transfers between spouses, **21:49**
 dividend payments to shareholders, **21:57**
 elements of, **21:46**
 RRSP designation, **21:58**
 spouse, **21:58**
 taxpayer, intention of, **21:55**
 underlying assessment, ability to challenge, **21:56**
 Audit process, **21:4**
 Costs, **21:33, 21:34**
 Civil Code, **21:33**
 common law, **21:33**
 criminal law, **21:34**
 Criminal offence, elements of, **21:9**
 Decision, **21:31, 21:32**
 Civil Code, **21:31**
 common law, **21:31**
 criminal law, **21:32**
 Director, liability of, **21:60 to 21:66**
 application, conditions precedent to, **21:62**
 due diligence defence, **21:63**
 limitations defence, **21:64**
 section 227.1 of the Income Tax Act, **21:60, 21:61**
 underlying assessment, challenging, **21:65**
 Evidence, documentary, **21:17 to 21:21**
 criminal context, **21:20**
 examinations for discovery, **21:18**
 pre-trial exchange of, **21:17**
 special considerations, **21:19, 21:21**
 Evidence, expert, **21:25, 21:26**
 Civil Code, **21:25**
 criminal law, **21:25**
 trial, **21:26**
 Evidence, witness, **21:22 to 21:24**
 Civil Code, **21:22**
 common law, **21:22**
 criminal law, **21:24**
 witness, preparation of, **21:23**
 Fraud, **21:5**

DISPUTE RESOLUTION—Cont'd

General Anti-Avoidance Rule, **21:68 to 21:78**
 generally, **21:68**
 case law, **21:70, 21:71**
 policy, **21:78**
 section 245, **21:69**
 Legislative framework, **21:2, 21:3**
 Civil Code, **21:3**
 common law, **21:3**
 identification of, **21:2**
 Objections, **21:6 to 21:38**
 Plea bargain, **21:10**
 Pre-court process, **21:6**
 administrative determinations, **21:7**
 assessments, **21:7**
 reassessments, **21:7**
 Rectification, **21:67**
 Resolution before court, **21:8**
 Tax evasion, **21:5**
 Trial process, **21:11 to 21:16**
 burden of proof, **21:14**
 commencing proceedings, **21:12**
 criminal process, **21:16**
 government response, **21:13**
 timetable, **21:15**
 trier of fact, **21:11**

DISSOLUTION OF CORPORATION

Generally, **12:41 to 12:43**

DISTRIBUTION ON INTESTACY

Per capita distribution, **1:44**
 Per stirpes distribution, **1:44**

DIVIDENDS

Capital, flow-through of income, **3:89**
 Capital dividend account, **9:43, 10:58, 16:18**
 Corporate attribution rule, and, **11:30.50**
 Deemed
 immigrating corporation, to, **17:36**
 s. 84.1, corporate rollovers and asset transfers, **12:27**
 De minimus dividend rule, s. 110.6(8), **12:25**
 Dividend tax regime, **11:10.40**
 Eligible, flow-through of income, **3:88**
 Eligible vs ineligible, capital loss strategy for private corporations, **9:41**
 Estate freeze, unanimous shareholder agreement, and, **13:39**

DIVIDENDS—Cont'd

- Income in year of death, taxation of deceased, **8:17**
 - income splitting, investment income, **11:10.50**
- Inter-corporate dividends and Part IV tax, **10:59**
- Refundable dividend tax on hand (RDTOH), **9:42, 10:60**
- Safe income dividends, **14:41**
- Stock dividend, implementation of estate freeze by way of, **13:14, 13:21**
- Taxable, flow-through of income, **3:87**
- Trusts, investment income for income splitting, **11:10.60**

DIVISIVE CORPORATE REORGANIZATIONS

- Generally, **12:31 to 12:35**
- Butterfly transactions, **12:31**
- Exception, related party, **12:32**
- Preferred share rules, **12:33**
- Safe income strips, **12:35**
- “Spin-off” and “split-up,” **12:34**

DOCTRINE OF RENVOI

- Generally, **1:59**

DOMESTIC PARTNERSHIP TRANSACTIONS

- See also partnerships, corporate restructuring
- Generally, **12:105 to 12:123**

DONATIO MORTIS CAUSA

- Generally, **2:3**

DONATION TAX SHELTERS

- Generally, **16:66 to 16:78**
- Responses to shelter schemes, **16:69 to 16:78**
- Revocation of charitable registration, **16:78**
- Tax shelters, previously available, **16:67, 16:68**
 - leveraged donations, **16:68**
 - valuation-based shelters, **16:67**

DONOR-ADVISED FUNDS

- Generally, **16:65**

DOUBLE PROBATE

- Generally, **7:24**

DOWER RIGHTS

- Generally, **1:70**

DROP DOWN FREEZE

- Generally, **13:15**

DUE DILIGENCE CHECKLIST FOR DRAFTING WILLS

- Generally, **2:8**

DUTY TO MAKE ADEQUATE PROVISION

- See also dependants' relief legislation
- Generally, **4:57 to 4:62**

ADVANCE TAX RULINGS (ATR)

- Generally, **13:64**

EMIGRATION—CEASING TO BE RESIDENT

- Generally, **17:7 to 17:31**
- Corporations, **17:24 to 17:26**
 - additional tax, **17:26**
 - deemed disposition and reacquisition of property, **17:25**
 - deemed year end, **17:24**
- Individuals, **17:8 to 17:23**
 - deemed disposition of property, **17:8**
 - deferral of departure tax and security, **17:12**
 - elective deemed disposition, **17:11**
 - employee stock option, shares acquired under, **17:10**
 - foreign tax credit, **17:16**
 - post-emigration losses, **17:13**
 - property excluded from deemed disposition, **17:9**
 - returning former resident, **17:17**
 - returning trust beneficiary, **17:20**
 - year of departure, reporting requirements, **17:23**
- Trusts, **17:27 to 17:31**
 - deemed disposition and reacquisition of property, **17:29**
 - deemed year end, **17:28**
 - relieving provisions not applicable to, **17:30**

EMPLOYEE PROFIT SHARING PLANS (EPSP), INCOME SPLITTING AND

- Generally, **11:10.50**

EMPLOYEE SHARE OWNERSHIP PLANS (ESOP)

Generally, **14:7**

ESTATE, LIABILITIES OF

Generally, **7:38 to 7:49**

ESTATE FREEZE

Generally, **13:1**

Alteration of, **13:57 to 13:59**

melt/thaw, **13:59**

re-freeze, **13:58**

Capital gains deduction, **13:52**

crystallization of, **13:54**

“half-loaf plan,” **13:56**

multiplication, **13:55**

purification, **13:53**

Case law, **13:70**

Corporate attribution rule, **13:26**

Corporate issues

share structure, **13:29 to 13:34**

unanimous shareholder agreement,
13:35 to 13:41

Corporate restructuring, and, **12:13**

CRA administrative policies, **13:60 to 13:69**

Advance Tax Rulings (ATR), **13:64**

Information Circulars, **13:62**

Interpretation Bulletins, **13:63**

other CRA publications, **13:69**

Technical News, **13:61**

Implementation, **13:8 to 13:23**

comparison of approaches, **13:19**

drop down freeze, **13:15**

gift, **13:18**

partnership, **13:16**

sale, **13:17**

share exchange, **13:9**

stock dividend, **13:14**

use of holding corporation, **13:13**

Investment corporation vs operating corporation, **13:27**

Objectives

income splitting, **13:6**

limit growth, **13:2**

multiply capital gains deduction, **13:5**

quantify tax liability, **13:4**

shift growth, **13:3**

Succession planning, **13:28**

Trust, use of, **13:44**

ESTATE FREEZE—Cont’d

Valuation of corporation, **13:24**

decline in value, **13:25**

reversible freeze/re-freeze, **13:25**

Wasting freeze, **13:42**

holding corporation, and, **13:43**

ESTATE PLAN, ELEMENTS OF

Generally, **1:1 to 1:16**

EXCHANGE TRANSACTIONS

See also corporations

Generally, **12:7 to 12:11**

EXECUTION OF WILL, PRACTICAL TIPS REGARDING

Due diligence checklist for drafting wills,
2:8

EXECUTORS

Compensation, **2:28**

Constructive appointment, according to
tenor of will, **7:12**

Residence, **9:2**

inter-provincial tax planning, **9:4**

probate purposes, **9:2**

tax purposes, **9:3**

FAMILY PROPERTY EXCLUSION RULES

Generally, **APP 2G**

FARMING PROPERTY

“Actively engaged,” **10:21**

Definition of farming, **10:17**

Estate freeze, use of, **10:31**

Farming assets, **10:18**

Inter-generational rollovers/capital gains
exemption, **10:24**

disposition on death of owner, **10:26**

inter vivos transfers, **10:25**

“Primarily in a farming business,”
10:20

“Regular and continued basis,” **10:22**

Rollover at death, **9:14**

Trust, use of, **10:28**

FISHING/FARMING PROPERTY, ROLLOVER AT DEATH

Generally, **9:14**

FOREIGN GRANTOR TRUST (FGT)

Generally, **20:8**

FOREIGN NON-GRANTOR TRUST (FNGT)

Generally, **20:9**

FOREIGN RETIREMENT PROGRAMS AND RECOGNITION, CANADA PENSION PLAN AND

Generally, **6:111**

FOREIGN TAX CREDIT

Generally, **17:16**

FOREIGN TRUSTS, US INCOME TAX RULES

Generally, **20:8**

FOUR UNITIES, CREATION OF JOINT TENANCY

Generally, **1:25**

FUNERAL

Arrangements, responsibility of personal representative, **7:27**

care of grave, **7:30**

corpse, **7:27**

disposition of remains, **7:28**

expenses, **7:29, 7:47**

Provisions in will, **2:33**

GENERAL ANTI-AVOIDANCE RULES (GAAR)

Desmarais c. R., application in, **12:28**

Federal, s. 245, **9:54, 12:104**

Loss utilization strategies, and, **12:44 to 12:67**

Provincial, **12:78 to 12:85**

GENERAL RATE INCOME POOL (GRIP)

Generally, **9:39**

Eligible vs ineligible dividends, **10:61**

Safe income dividends, and, **14:41**

Unanimous shareholder agreement, and, **13:39**

GENERATION-SKIPPING TRANSFER TAX (GSTT)

Generally, **19:4, 19:12**

GIFTS

Anti-avoidance, **16:32 to 16:36**

excepted gifts, **16:35, 16:36**

non-qualifying securities, **16:35, 16:36**

personal use property, **16:33**

By corporations, tax deductions, **16:12**

GIFTS—Cont'd

By individuals, tax credits, **16:11**

Legislation, **16:13**

Meaning of, **16:2 to 16:10**

“amount of the advantage,” **16:10**

“consideration,” **16:7**

“eligible amount of a gift,” **16:9**

intention to make gift, **16:6**

split-receipting, partial gifts and, **16:8**

“transfer to the charity,” **16:5**

“voluntary,” **16:4**

Types, **16:14 to 16:31**

capital property, **16:15**

cultural, **16:22**

ecological, **16:23**

flow-through shares, **16:20**

life insurance, **16:27**

options, **16:21**

residual interests, **16:24**

RRSP designations, **16:31**

shares, **16:17**

testamentary, **16:25**

Validation of, **1:6**

GLOSSARY

Generally, APP 2A [pp. 2 to 137 to to 2 to 139]

Grantor trusts, US income tax rules, **20:5**

Green card holders, US income tax rules for individuals, **20:1 to 20:9**

GST/HST

Amalgamations, on, **12:100**

Clearance certificate required on distribution of assets of GST registrant, **8:79**

Exchange transactions, on, **12:99**

Farm land, sale of, **10:40**

Purchase price, allocation of, **10:41**

Taxable capital gains, transfer of assets on death, **8:65**

Vacant land, sale of, **10:39**

Wind-ups and dissolutions, on, **12:101**

GUARDIANSHIP

Court-appointed guardian of property, **5:75**

Court-appointed guardian of the person, **5:76**

Statutory guardian of property, **5:74**

“HALF-LOAF PLAN”

See also estate freeze

“HALF-LOAF PLAN”—Cont’d

Generally, **13:56**

HALL V. BENNETT

Generally, **2:3**

HENSON TRUSTS

Disabled individuals, protection of, **5:27**

RDSPs, and, **5:40**

RRSP/RRIF rollovers, and, **5:35**

**HOLDING CORPORATION, USE OF
IN ESTATE FREEZE**

Generally, **13:13, 13:43**

HOLOGRAPH CODICIL

Generally, **1:11**

HOLOGRAPH WILLS

Generally, **1:9**

HOMES BUYERS’ PLAN (HBP)

Generally, **6:18 to 6:22**

Participation, conditions for, **6:19**

home for relative with disability, **6:20**
after withdrawals have been made,
6:20

at time of withdrawal, **6:20**
before applying to withdraw funds
from RRSP, **6:20**

home for self, **6:19**
after withdrawals have been made,
6:19

at time of withdrawal, **6:19**
before applying to withdraw funds
from RRSP, **6:19**

limit on deductibility of RRSP contri-
bution, **6:21**

repayment of HBP withdrawals, **6:22**
normal repayment situation, **6:22**
special repayments situations, **6:22**

Taxation on death, **6:131**

HOTCHPOT

Generally, **2:18**

HST AND LAND

Generally, **10:37 to 10:41**

**HUMAN BODY, TISSUE AND ORGAN
DONATION**

See organ and tissue donation

**IMMIGRATION—BECOMING A
RESIDENT**

Generally, **17:32**

Corporations, **17:35**

branch tax, **17:38**

deemed dividend, **17:36**

foreign affiliate, **17:37**

paid-up capital adjustment and deemed
dividend, **17:39**

Immigration trusts, **17:40**

Individuals, **17:33**

Trusts, **17:34**

**INCOME, DEEMED SOURCES IN
YEAR OF DEATH**

Generally, **8:23 to 8:33**

INCOME SPLITTING, GENERALLY

Estate freezes, and, **13:6, 13:50**

Multiple testamentary trusts, allocation
among, **9:16**

Objectives and benefits, **11:10**

Spousal or common law partner trusts,
3:43

Spousal RRSPs, contributions to, **6:114**

**INCOME SPLITTING AND
ATTRIBUTION RULES**

Attribution rules, **11:30**

anti-avoidance rule, **11:30.100**

corporate attribution rules, **11:30.50**

equitable rectification and rescission,
11:30.70

exceptions, **11:30.90**

indirect payments, **11:30.80**

minor attribution rules, **11:30.30**

reversionary trust, **11:30.60**

scope and application, **11:30.10**

spousal attribution rules, **11:30.20**

trust attribution rules, **11:30.40**

Income splitting, **11:10**

dividend tax regime, **11:10.40**

marginal tax rates, **11:10.10**

objectives and benefits of income split-
ting, **11:10.20**

statutory constraints, **11:10.70**

structures to split income, **11:10.50**

trust, **11:10.60**

types on income to split, **11:10.30**

Tax on split income, **11:20**

background, **11:20.10**

**INCOME SPLITTING AND
ATTRIBUTION RULES—Cont'd**

Tax on split income, **11:20**—Cont'd
TOSI, **11:20.20, 11:20.30, 11:20.60,**
11:20.70, 11:20.80

INDIVIDUAL PENSION PLANS (IPP)

Generally, **6:79 to 6:85**
Advantages, **6:80**
Death, **6:85**
Disadvantages, **6:81**
Past service contributions, **6:82**
Proposed minimum withdrawals, **6:82**
Retirement, **6:84**
Termination of employment, **6:83**

INFLUENCE, UNDUE

Generally, **1:20**

INFORMATION CIRCULARS

Generally, **13:62**
Valuation of life insurance, **16:29**

INHERITANCE, LOSS OF RIGHT

Administration of estate where, **7:57**
Agreement, by, **1:46**
Public policy reasons, **1:49**

INSURANCE

Insurance trusts, **3:35, 15:55 to 15:60**
Life insurance, see life insurance
Survivorship and presumption of death,
1:52

INTEGRATION

Generally, **10:53**

**INTEREST ON LEGACY POSTPONED
FOR LIFE TENANCY**

Generally, **7:59**

INTERNATIONAL PLANNING

Amalgamations, **12:53**
Barbados freeze, **18:2**
Canadian resident trusts with non-resident
beneficiaries, **18:33 to 18:37**
deductibility of amounts payable to
beneficiaries and Part XII.2 tax,
18:34, 18:35
withholding tax, **18:36, 18:37**
Farm losses, **10:17**
Non-resident trusts (NRT) deemed resi-
dent in Canada, s. 94, **18:3 to 18:32**
generally, **18:3**
deemed transfers, **18:11 to 18:21**

INTERNATIONAL PLANNING

—Cont'd

Non-resident trusts (NRT) deemed resi-
dent in Canada, s. 94, **18:3 to 18:32**
—Cont'd
information reporting, **18:31, 18:32**
s. 94, **18:4 to 18:10, 18:25 to 18:30**
saving rules, **18:22 to 18:24**
Partnership, **12:106 to 12:114**
Periodic payments, income in year of
death, **8:8**
Principal residence exemption, **10:10**
Residence of trust, **18:2**
s. 94
generally, **18:4 to 18:10**
consequences of, **18:25 to 18:30**
deemed transfers, **18:11 to 18:21**
Interpretation Bulletins, **13:63**
saving rules, **18:22 to 18:24**
Spousal/common law partner trust,
untainting, **9:23**

INTERPROVINCIAL TAX PLANNING

Generally, **12:68 to 12:86**

IN TERROREM CONDITIONS

Generally, **1:91, 3:53**

INTER VIVOS PLANNING

Generally, **1:16**

INTER VIVOS TRUSTS

Generally, **3:36 to 3:38**
Attribution, **3:38**
Definition, **3:36**
Inter vivos discretionary trusts, **5:30**
Inter vivos spouse/partner trust, **3:40**

INTER VIVOS TRUSTS

Tax consequences to contributor or settlor,
3:37

INTESTACY

Generally, **1:35 to 1:45**
Advancement, **1:43**
Choice of law, **1:60**
Consanguinity, degrees of, **1:45 [Table A]**
Intestate succession
adopted children, **1:39**
children born outside marriage, **1:38**
half-blood relatives, **1:41**
missing successors or beneficiaries,
7:56

INTESTACY—Cont'd

Intestate succession—Cont'd
 posthumously conceived children, **1:42**
 separated spouses, **1:37**
 spouses, **1:36**
 stepchildren, **1:40**
 Per capita distribution, **1:44**
 Per stirpes distribution, **1:44**
 Relationship, degrees of, **1:45**
 Tax implications of, **8:2**

INVESTMENT RULES UNDER VARIOUS TRUSTEE ACTS

Generally, **APP 2F**

IRREVOCABLE GRANTOR TRUST

Generally, **19:15**

IRREVOCABLE LIFE INSURANCE TRUSTS (ILIT)

Generally, **19:14**

JOINT ACCOUNTS

Generally, **1:25**
 Mawdsley v. Meshen, **3:76**
 Pecore v. Pecore, **2:101**
 Sawdon Estate v. Watch Tower Bible and
 Tract Society of Canada, **2:102**
 Structuring wills, considerations, **2:35**
 Vesting of legal and beneficial ownership,
1:34

JOINT PARTNER TRUSTS

Alter ego and spouse/joint partner trusts,
3:58 to 3:76

JOINT TENANCY

Alienation by one joint tenant, **1:27**
 Creation, **1:25**
 Four unities, **1:25**
 Joint tenancy vs tenants-in-common, **10:4**
 Severance
 generally, **1:26**
 alienation by one joint tenant, **1:27**
 course of dealing suggesting intention
 to hold as tenants in common,
 1:29
 mutual agreement, **1:28**
 other methods, **1:30**
 words of, **1:25**
 Survivorship, right of, **1:24**

JURAT

Generally, **2:41**

LAND TRANSFER TAX

Generally, **10:33 to 10:36**

LAPSE WHERE BENEFICIARY DIES BEFORE DECEASED

Generally, **7:62**

LEGACY

Definition, **2:16**
 Interest on, **7:58**
 date of payment specified in will, **7:61**
 executor's year, **7:58**
 legacy postponed for life tenancy, **7:59**
 life interest gifts, **7:60**

LEGAL OWNERSHIP OF PROPERTY

Generally, **1:22**
 Vesting, **1:34**

LEVERAGED INSURED ANNUITIES (LIA)

Generally, **15:33**

LEVERAGED LIFE INSURANCE POLICIES

Generally, **15:24**

LEVERAGING ARRANGEMENTS AND

Generally, **15:31**

LIABILITIES OF ESTATE

Generally, **7:38 to 7:49**
 Administration of, **7:50 to 7:55**
 claimants, advertising for, **7:51**
 distribution under direction of court,
 7:54
 liabilities exceeding assets, **7:55**
 payment of, **7:53**
 priority of claims, **7:53**
 proof of claims, **7:52**
 Constructive trust, **7:41**
 Contract, claims in, **7:40**
 Debtor or creditor
 beneficiary, as, **7:45**
 executor, as, **7:46**
 Deceased, liabilities of, **7:39**
 Estate litigation, trusts in, **7:43**
 Funeral expenses, **7:47**
 Personal representative
 claims against, **7:49**
 devastavit, **7:49**
 liabilities incurred by, **7:48**
 Quantum meruit, **7:41**

LIABILITIES OF ESTATE—Cont'd

- Resulting trust, **7:42**
- Spousal and child claims, **7:44**
- Unjust enrichment, **7:41**

LIFE ESTATES

- Generally, **1:32**
- Acceleration, doctrine of, **1:48**
- Disclaimers, **1:48**
- Interest on legacy postponed for life tenancy, **7:59**

LIFE INSURANCE IN ESTATE PLANS

- Business succession planning
 - business-owned policies and premium deductibility, **15:38**
 - buy-sell arrangements and life insurance, **15:40**
 - founder, protecting against the death of, **15:39**
- Creditor protection, **15:37**
- Equalizing an estate, **15:35, 15:36**
 - family business, **15:35**
 - vacation property, **15:36**
- Estate enhancement, **15:23 to 15:34**
 - insured annuities, **15:32**
 - leveraged insured annuities (LIA), **15:33**
 - leveraging policies, **15:24**
 - RCAs and leveraging arrangements, **15:31**
 - 10/8 strategies, **15:34**
- Estate preservation, paying tax liabilities on death, **15:19 to 15:22**
 - capital gains tax, **15:20**
 - life interest trust rules, **15:22**
 - provincial probate taxes, **15:21**
- Family protection, **15:16 to 15:18**
 - mortgage life insurance, **15:16**
 - stay-at-home parent, **15:18**
 - support obligations, **15:17**
- Insurance trusts, **15:55 to 15:60**
 - addict beneficiary, **15:58**
 - creditors, protection from, **15:59**
 - minor beneficiary, **15:57**
 - spendthrift beneficiary, **15:58**
 - trusts generally, **15:55, 15:56**
 - twenty-one year rule, avoidance, **15:60**
 - uses, **15:57 to 15:60**
- Transferring policies, **15:44 to 15:46**
 - exceptions to general rule, **15:45**

LIFE INSURANCE POLICIES

- Advanced death benefits, **15:12**
- Beneficiaries, designation, **15:47 to 15:60**
 - generally, **15:54**
 - declaration in will or other instrument, **15:50**
 - immediate family members, **15:49**
 - irrevocable designation, **15:48**
 - revocable designation, **15:47**
 - spousal rollovers and rollovers to children, **15:53**
- International policies, **15:14**
- Permanent insurance
 - participating policies, **15:6, 15:8**
 - term-to-100 insurance policies, **15:7**
 - universal life policies, **15:10**
 - whole life insurance, **15:9**
- “Tax exempt” policies, **15:2, 15:3**
 - disposition, taxation of, **15:3**
- Term insurance, **15:5**
- Transferring policies, **15:44 to 15:46**

LIFELONG LEARNING PLAN (LLP)

- Generally, **6:23 to 6:28**
- Limitations on deductibility of RRSP contributions, **6:26**
- Participation, conditions for, **6:24**
- Repayment of withdrawals, **6:27**
 - normal repayment situation, **6:27**
 - special repayment situations, **6:28**
- Taxation on death, **6:132**
- Withdrawals, **6:25**

LIFETIME CAPITAL GAINS EXEMPTION (LCGE)

- Generally, **14:32 to 14:41**

LIMITATION PERIODS IN APPLICATION FOR MATRIMONIAL PROPERTY ORDER

- Generally, **1:69**

LIMITED WILLS

- Generally, **2:51 to 2:68**
- Accounting with multiple wills, **2:66**
- Cross-border (multiple provinces or countries), **2:63**
 - conflict of laws, **2:64**
- Domestic (one province), **2:51**
 - multiple wills, **2:51**

LIMITED WILLS—Cont'd

- Domestic (one province), **2:51**—Cont'd
 - wills for private company shares, **2:61**
 - professional corporations, **APP 2Q, 2:62**
- Jurisdictions, moving between, **2:65**
- Operation of estate accounts with multiple wills, **2:67**
- Other forms of testamentary documents, **2:68**

LOSS UTILIZATION STRATEGIES, CORPORATE RESTRUCTURING, AND

- Generally, **12:44 to 12:67**

LOST WILL

- Generally, **2:77**

MACLEAN ESTATE

- Generally, **4:10**

MARGINAL TAX RATES APPLICABLE TO INDIVIDUALS

- Generally, **11:10.10**

MARRIAGE

- Generally, **4:12**
 - separation agreements, **4:13**
 - binding estate, **4:20**
 - child support, **4:16**
 - enforceability, **4:14**
 - interpretation, **4:18**
 - property division, **4:15**
 - spousal support, **4:17**
 - variation, **4:19**
- Breakdown of relationship, anticipating, **4:12 to 4:21**
 - cohabitation agreements, **4:21**
- Mutual wills, doctrine of, **4:1 to 4:5**
 - generally, **4:1**
 - agreement, proving, **4:3**
 - constructive trust, **4:4**
 - interest, nature of, **4:5**
 - prerequisites, **4:2**
- Revocation of will, **4:6 to 4:11**
 - agreement, by, **4:7**
 - legislative change, **4:11**
 - MacLean Estate, **4:10**
 - operation of law, by, **4:8**
 - Ratzlaff Estate, **4:9**

MENTAL CAPACITY

- Generally, **1:17**
- Personal directive, **1:19**
- Power of attorney for personal care, **1:19**
- Power of attorney for property, **1:18**
- Wills, **1:17**

MILITARY WILLS

- Generally, **1:10**

MINOR ATTRIBUTION RULES

- Generally, **11:30.30**

MINOR BENEFICIARIES, TAXATION OF TRUSTS FOR

- Generally, **3:77 to 3:81**
- Attribution under s. 74.1(1), **3:78**
- Taxable under s. 104(18), **3:80**
- Tax on split income rules under s. 120.4, **3:81**

MONEY PURCHASE PLAN (MPP)

- Generally, **6:71**

MULTI-EMPLOYER PLAN (MEP)

- Generally, **6:69, 6:73**

MULTIPLE WILLS

- Generally, **2:51**
- Accounting, **2:66**
- Estate administration tax avoidance, **2:107**
- Operation of estate accounts, **2:67**

MUTUAL WILLS

- See also marriage
- Generally, **2:69, 4:1 to 4:5**

NATIVE PERSONS WILLS

- Generally, **2:71**

NOMINEE CORPORATION, LAND TRANSFER TAX, AND

- Generally, **10:35**

NON-RESIDENT ALIENS (NRA)

- See US transfer tax system
- Generally, **19:1 to 19:12**

NON-RESIDENT HOLDING CANADIAN PORTFOLIO INVESTMENTS

- Generally, **10:64**

INDEX

NON-RESIDENT HOLDING

CANADIAN REAL ESTATE

- Generally, **10:43 to 10:47**
- Property acquired before December 31, 1984, relief for, **10:43**
- s. 116 certificate, **10:44**

NON-RESIDENT TRUSTS (NRT)

DEEMED RESIDENT IN CANADA UNDER S. 94

- Generally, **18:3 to 18:32**

ONTARIO (DIRECTOR OF INCOME MAINTENANCE, MINISTRY OF COMMUNITY & SOCIAL SERVICES) V. HENSON

- Generally, **5:27**

ORGAN AND TISSUE DONATION

- Generally, **1:13, 5:77 to 5:82**
- Alberta, **5:80**
- British Columbia, **5:78**
- Manitoba, **5:82**
- Ontario, **5:79**
- Overview, **5:77**
- Saskatchewan, **5:81**

ORPHAN'S BENEFITS, CANADA PENSION PLAN AND

- Generally, **6:103**

OWNERSHIP OF PROPERTY

- See property ownership

PARENTELIC DISTRIBUTION CHART

- Generally, **APP 1A**

PARTNERSHIP, ESTATE FREEZE AND

- Generally, **13:16**

PARTNERSHIPS, CORPORATE RESTRUCTURING

- Control acquisition of, **12:122**
- Loss utilization, **12:123**
- Nature of partnership, **12:106 to 12:114**
 - admission of new partners, **12:110**
 - changing partners, **12:110**
 - default rules, **12:107**
 - fiduciary duty, **12:108**
 - partnership agreement, **12:109**
 - types of partnership, **12:111**
- Rollovers, **12:115 to 12:121**
 - continuing the partnership, **12:119, 12:121**

PARTNERSHIPS, CORPORATE

RESTRUCTURING—Cont'd

- Rollovers, **12:115 to 12:121—Cont'd**
 - dissolving partnership, **12:118**
 - incorporating partnership, **12:116**
 - merger of partnerships, **12:117**
 - transfer of assets to partnership, **12:115**
 - transfer to sole proprietorship, **12:120**

PARTNERSHIPS, INCOME SPLITTING STRUCTURE

- Generally, **11:10.50**

PASSIVE FOREIGN INVESTMENT COMPANY (PFIC)

- Generally, **20:12**

PECORE V. PECORE

- Generally, **2:101, 2:104**

PENDENTE LITE

- Generally, **7:16**

PENSION SPLITTING

- Generally, **6:115**
- Eligible pension income, **6:116**

PER CAPITA DISTRIBUTION

- Generally, **1:44**
- Per capita vs per stirpes, **2:44**

PERMANENT LIFE INSURANCE

- Generally, **15:6, 15:24**

PERPETUITIES, RULE AGAINST

- Generally, **1:92, 3:23**

PERSONAL DIRECTIVE/POWER OF ATTORNEY FOR PERSONAL CARE

- Mental capacity, **1:19**

PERSONAL REPRESENTATIVE

- Generally, **7:3**
- Accounts, **7:79 to 7:85**
 - approval out of court, **7:84**
 - beneficiaries' rights to information, **7:80**
 - duty to account, nature of, **7:79**
 - passing of, **7:81, 7:85**
- Acting as personal representative, considerations, **7:24**
- Application for administration generally, **7:13**
 - ad colligenda bona, **7:15**

PERSONAL REPRESENTATIVE

—Cont'd

Application for administration—Cont'd
appointment of representative ad litem,
7:19

attorney, by, **7:20**

de bonis non, **7:17**

pendente lite, **7:16**

small estate, **7:21**

special administration when personal
representative is absent, **7:23**

where all intestate successors are
minors, **7:22**

with will annexed, **7:14**

Breach of trust, **7:49**

Claims against, **7:49**

Constructive appointment, according to
tenor of will, **7:12**

Dealing with remains, **1:14**

Devastavit, liability for, **7:49**

Devolution of property to, **APP 2C, 1:33**

Disability of executor after grant, **7:5**

Disability of executor before grant, **7:4**

Duties

generally, **7:25**

immediate responsibilities, **7:26 to
7:33**

accounts and expenses, **7:33**

assets, dealing with, **7:31**

funeral arrangements, **7:27**

liabilities, arranging for, **7:32**

Liabilities incurred by, **7:48**

Removal, replacement, **7:73 to 7:78**

Remuneration, **7:86 to 7:91**

indemnity for expenses, **7:89**

payment procedure, **7:90**

approval of amount, **7:90**

pre-taking remuneration, **7:91**

quantum, **7:87**

specified by legislation, **7:88**

specified by will or contract, **7:87**

PER STIRPES DISTRIBUTION

Generally, **1:44**

Per capita vs per stirpes, **2:44**

PHANTOM INCOME, TAXATION OF

Generally, **3:93**

PHYSICIAN-ASSISTED DEATH

Generally, **1:2**

“PIPELINE” PROCEDURE

See also post-mortem estate planning

Generally, **9:38, 9:48 to 9:55**

Combining with bump procedure, **9:73**

Combining with capital loss strategy, **9:72**

CRA statements re: s. 84(2), **9:51**

General anti-avoidance rule (GAAR),
9:54

Implementation, **9:49**

Practical considerations, **9:55**

s. 84(2), **9:50, 9:51**

s. 88(1)(d.1), **9:52**

s. 84.1 vs s. 84(2), **9:53**

PLENE ADMINISTRAVIT, BASIS FOR REJECTION OF CLAIM

Generally, **7:38 to 7:49**

POOLED REGISTERED PENSION PLANS (PRPP)

Generally, **6:74**

PORTFOLIO INVESTMENTS

Generally, **10:53 to 10:64**

Canadian-controlled private corporations
(CCPC), **10:57**

Capital dividend account (CDA), **10:58**

Capital gains, taxation of, **10:55**

Deemed disposition on death, **10:55**

GRIP—eligible vs ineligible dividends,
10:61

Holding company, use of, **10:62**

Integration, **10:53**

Inter-corporate dividends and Part IV tax,
10:59

Interest income, taxation of, **10:56**

Non-resident holding Canadian portfolio
investments, **10:64**

RDTOH, **10:60**

Specified investment business rules and
exceptions, **10:57**

Trust, use of, **10:63**

POST-MORTEM ESTATE PLANNING

Alter ego and joint partner trusts, **9:37**

“Bump” procedure

generally, **9:38, 9:56 to 9:70**

beneficiaries, impact on, **9:69**

bump denial rules, **9:60, 9:68**

combining with capital loss strategy,
9:71

POST-MORTEM ESTATE PLANNING

—Cont'd

- “Bump” procedure—Cont'd
 - beneficiaries, impact on, **9:69**—Cont'd
 - combining with pipeline procedure, **9:73**
 - election under s. 88(1)(d), **9:57, 9:58**
 - ineligible property, **9:59**
 - “restricted person,” definition, **9:61, 9:64**
 - “restricted property,” definition, **9:65, 9:66**
 - “series,” definition, **9:67**
 - “specified shareholder” definition, **9:62**
 - tax issues, **9:70**
 - trust/estates and partnerships, **9:63**
 - capital loss strategy under s. 164(6), **9:38, 9:40 to 9:47**
 - capital dividend account, **9:43**
 - combining with bump procedure, **9:71**
 - combining with pipeline procedure, **9:72**
 - eligible dividends vs ineligible dividends, **9:41**
 - refundable dividend tax on hand (RDTOH), **9:42**
 - stop-loss rules, **9:43**
 - choosing between post-mortem planning strategies, **9:74**
 - \$10,000 non-taxable “death benefit,” **9:75**
 - general rate income pool (GRIP), **9:39**
 - “pipeline” procedure, **9:38, 9:48 to 9:55**
 - combining with bump procedure, **9:73**
 - combining with capital loss strategy, **9:72**
 - CRA statements re: s. 84(2), **9:51**
 - general anti-avoidance rule (GAAR), **9:54**
 - implementation, **9:49**
 - practical considerations, **9:55**
 - s. 84(2), **9:50, 9:51**
 - s. 84.1 vs s. 84(2), **9:53**
 - s. 88(1)(d.1), **9:52**
 - tax rates, **9:39**
- Distribution, “fixing” of
 - dependants’ relief application, **9:31**

POST-MORTEM ESTATE PLANNING

—Cont'd

- Distribution, “fixing” of—Cont'd
 - disclaimer, **9:24**
 - release or surrender, **9:29**
 - Saunders v. Vautier, use of, **9:32**
 - “untainting” the spousal/common law partner trust, **9:23**
- Executors and trustees, residence, **9:2**
- inter-provincial tax planning, **9:4**
- probate purposes, **9:2**
- tax purposes, **9:3**
- Private corporations, **9:38 to 9:75**
- RESPs, **9:35**
- Rollovers, **9:5 to 9:15**
 - election under 70(6.2), **9:8, 9:9**
 - fishing/farming property, **9:14**
 - partial rollovers, **9:15**
 - outright spouse/common law partner distribution, **9:6**
 - spousal/common law partner trust, **9:10**
 - exclusive entitlement, **9:12**
 - spousal entitlement to trust income, **9:11**
 - testamentary spousal trust, benefits of, **9:13**
- RRIFs, **9:34**
- RRSPs, **9:33**
- Taxation year-end, selection, **9:21**
 - s. 164(6), **9:22**
- TFASAs, **9:36**
- Trusts, allocations among, **9:16**
 - beneficiaries, allocation among, **9:20**
 - capital costs allowance and terminal losses, **9:19**
 - capital losses, allocation of, **9:17**

POWER OF ATTORNEY FOR PERSONAL CARE

- Generally, **5:62**
- Compensation, **5:73**
- Jurisdictional matters, **5:64**
 - Alberta, **5:67**
 - British Columbia, **5:68**
 - Manitoba, **5:66**
 - mental capacity, **1:19, 5:63**
 - Nova Scotia, **5:69**
 - Prince Edward Island, **5:71**
 - Quebec, **5:72**
 - Saskatchewan, **5:65**
 - standard of care, **5:73**

POWER OF ATTORNEY FOR PROPERTY

Accounting and compensation, **5:61**
 Choosing attorney, **5:58**
 Duties and responsibilities, **5:59**
 Estate planning, **5:60**
 Jurisdictional matters, **5:44**
 Alberta, **5:48**
 British Columbia, **5:49**
 Manitoba, **5:47**
 New Brunswick, **5:55**
 Newfoundland and Labrador, **5:52**
 Northwest Territories and Nunavut, **5:51**
 Nova Scotia, **5:54**
 Ontario, **5:45**
 Prince Edward Island, **5:53**
 Quebec, **5:56**
 Saskatchewan, **5:46**
 Yukon Territory, **5:50**
 Mental capacity, **1:18, 5:57**
 Provincial legislation, **5:43**

PRACTICE

Anti-vesting rules, real estate, **APP 2C**
 Common will drafting errors, **2:44**
 CRA policy for acquiring taxpayer information, **APP 2K**
 Definitions of “will,” **APP 2D**
 Due diligence checklist for drafting wills, **2:8**
 Family property exclusion rules, **APP 2G**
 Glossary, **APP 2A**
 Investment rules under various Trustee Acts, **APP 2F**
 Professional corporations, statutes authorizing, **APP 2Q**
 Records Retention Guidelines, **APP 2J**
 Reporting letter to clients, **2:72**
 Solicitor-client privilege and CRA policy, **APP 2L, 2:78 to 2:80**
 Storage and safekeeping of wills, **2:73 to 2:77**
 Summary of Wills and Estates Statutes in Canada, **APP 2B**
 Trustee Act, s. 3 comparison table, **APP 2E**
 Trustee Act, s. 47 comparison table, **APP 2M**

PREFERRED BENEFICIARY ELECTION

See also taxation of trusts
 Generally, **3:120 to 3:122**

PRESUMPTION OF DEATH

See also survivorship and presumption of death
 Generally, **1:53**

PRINCIPAL RESIDENCE EXEMPTION

Generally, **3:75, 3:127, 10:9 to 10:12**

PRIVATE CORPORATIONS

Generally, **9:38 to 9:75**
 “Bump” procedure
 generally, **9:38, 9:56 to 9:70**
 beneficiaries, impact on, **9:69**
 bump denial rules, **9:60, 9:68**
 combining with capital loss strategy, **9:71**
 combining with pipeline procedure, **9:73**
 election under s. 88(1)(d), **9:57, 9:58**
 ineligible property, **9:59**
 “restricted person,” definition, **9:61, 9:64**
 “restricted property,” definition, **9:65, 9:66**
 “series,” definition, **9:67**
 “specified shareholder” definition, **9:62**
 tax issues, **9:70**
 trust/estates and partnerships, **9:63**
 Canadian-controlled private corporations (CCPC), **10:57**
 Capital loss strategy under s. 164(6), **9:38, 9:40 to 9:47**
 capital dividend account, **9:43**
 combining with bump procedure, **9:71**
 combining with pipeline procedure, **9:72**
 eligible dividends vs ineligible dividends, **9:41**
 refundable dividend tax on hand (RDTOH), **9:42**
 stop-loss rules, **9:43**
 Choosing between post-mortem planning strategies, **9:74**
 10,000 dollar non-taxable “death benefit,” **9:75**

PRIVATE CORPORATIONS—Cont'd

- General rate income pool (GRIP), **9:39**
 - combining with bump procedure, **9:73**
 - combining with capital loss strategy, **9:72**
- CRA statements re: s. 84(2), **9:51**
- general anti-avoidance rule (GAAR), **9:54**
- implementation, **9:49**
- “pipeline” procedure, **9:38, 9:48 to 9:55**
- practical considerations, **9:55**
- s. 84(2), **9:50, 9:51**
- s. 88(1)(d.1), **9:52**
- s. 84.1 vs s. 84(2), **9:53**

PRIVATE FOUNDATIONS

- Generally, **16:37 to 16:64**
- Creation, **16:37 to 16:43**
- Excess business holdings regime, **16:52 to 16:64**
- Non-qualified investments and s. 189 tax, **16:44 to 16:51**

PROBATE, SPECIAL FORMS OF

- Limited grants
 - cessate grants, **7:9**
 - constructive appointment, according to tenor of will, **7:12**
 - duration, limited in, **7:8**
 - powers, limited as to, **7:11**
 - “save and except” or “caeterorum,” limited as to powers, **7:11**
 - subject-matter, limited as to, **7:10**
- Proof of copy of will, **7:6**
- Proof of copy of will retained by official in another jurisdiction, **7:7**

PROBATE FEES

- Calculation of, **2:85**
- Land, on, **10:42**
- Minimizing, **2:87 to 2:107**
- Probate fee legislation by province, **APP 2O**
- Probate fees by province, **APP 2N**

PROBATE PLANNING

- Generally, **2:82 to 2:108**
- Administrative tax/probate fee, calculation of, **2:85**
- Alternatives to probate, **2:83**
- Benefits of probate, **2:82**
- Fees by province, **APP 2N**

PROBATE PLANNING—Cont'd

- Glossary, **APP 2A**
- Pitfalls, **2:108**
- Situs of property, **2:86**
- Statutes related to exemption of plan proceeds, **APP 2P**
- Tax, provincial authority to levy, **2:86**
- When probate is required, **2:84**

PROFESSIONAL CORPORATIONS, STATUTES AUTHORIZING

- Generally, **APP 2Q**

PROOF OF CLAIMS AGAINST ESTATE

- Generally, **7:52**

PROPERTY

- See also power of attorney for property and property ownership
- Court-appointed guardian, **5:75**
- Deemed disposition at death, **8:34 to 8:41**
 - capital property, **8:34**
 - eligible capital property, **8:39**
 - land inventory, **8:40**
 - resource properties, **8:41**
- Exclusion rules, **APP 2G**
- Statutory guardian, **5:74**
- Will, governed by, **2:4**

PROPERTY OWNERSHIP

- Beneficial
 - generally, **1:22**
 - vesting, **1:34**
- Devolution of property, **1:33**
- Legal
 - generally, **1:22**
 - vesting, **1:34**
- Life estate, **1:32**
- Limitation periods, **1:69**
- Matrimonial property division, **1:66**
- Remainder interest, **1:32**
- Shared, **1:23**
 - joint tenancy, **1:24**
 - tenancy in common, **1:31**

PROTECTIVE TRUST

- Generally, **3:96**

PROVINCIAL DISABILITY BENEFITS

- See also disability planning
- Generally, **5:2 to 5:26**

PURIFICATION STRATEGIES

Generally, **12:20**

QUALIFIED DOMESTIC TRUST (QDOT)

Generally, **19:7**

QUALIFIED SMALL BUSINESS CORPORATIONS (QSBC)

Generally, **12:18 to 12:25**

QUALIFIED TERMINABLE INTEREST PROPERTY (QTIP)

Generally, **19:5**

QUANTUM MERUIT

See also liabilities of estate

Generally, **7:41**

QUEBEC

Children

custody and tutorship, **4:73**

in loco parentis, **4:76**

Common law spouses, **4:75**

Conduct, **4:78**

Contribution, amount of, **4:79**

Dependants' relief, **4:74**

Family patrimony and matrimonial regimes, **4:69**

Family property, division on death, **4:72**

Limitation, **4:77**

Mandate given in anticipation of incapacity, **5:56, 5:72**

Support obligations, protection of, **4:80**

Wills

generally, **2:70**

nature, **4:70**

revocation, **4:71**

RATZLAFF ESTATE

Generally, **4:9**

REAL ESTATE ANTI-VESTING RULES

Generally, **APP 2C**

REAL PROPERTY

Capital gains/tax consequences, **10:2**

Cottage, **10:14**

Deemed disposition on death, **10:1**

Farm property, **10:16**

“actively engaged,” **10:21**

definition of farming, **10:17**

estate freeze, use of, **10:31**

farming assets, **10:18**

REAL PROPERTY—Cont'd

Farm property, **10:16—Cont'd**

HST, **10:40**

inter-generational rollovers/capital

gains exemption, **10:24**

disposition on death of owner, **10:26**

inter vivos transfers, **10:25**

“principally in a farming business,”
10:20

“regular and continued basis,” **10:22**

trust, use of, **10:28**

HST and land, **10:37 to 10:41**

Joint tenancy vs tenants-in-common, **10:4**

Land inventory in business, **10:32**

Land Transfer Tax, **10:33 to 10:36**

definitions, **10:33**

exemptions/deferrals, **10:36**

nominee corporation, use of, **10:35**

provincial differences, **10:34**

Non-resident holding Canadian real

estate, **10:43 to 10:47**

caveats, **10:12**

legal title and, **10:11**

principal residence exemption, **10:9 to 10:12**

property acquired before December 31, 1984, relief for, **10:43**

requirements for, **10:10**

s. 116 certificate, **10:44**

Probate fees, **10:42**

Property/municipal taxes, **10:6**

Registered title vs beneficial title, **10:5**

Replacement property rules, **10:52**

Timeshares, **10:15**

US property held by Canadian resident,
10:48 to 10:51

V-day, **10:7**

RECORDS RETENTION GUIDELINES, LAW SOCIETY OF UPPER CANADA

Generally, **APP 2J**

REFUNDABLE DIVIDEND TAX ON HAND (RDTOH)

See also private corporations and portfolio investments

Generally, **9:42, 10:60**

REGISTERED DISABILITY SAVINGS PLAN (RDSP)

Deemed source of income in year of death, **8:31**

REGISTERED DISABILITY SAVINGS PLAN (RDSP)—Cont'd

Disability planning, and, **5:36 to 5:42**
 RESP rollovers to, **5:42**
 RRSP and RRIF rollovers, and, **5:36 to 5:42, 8:32**

REGISTERED EDUCATION SAVINGS PLAN (RESP)

Deemed source of income in year of death, **8:30**
 Post-mortem estate planning and, **9:35**
 Rollovers to RDSPs, **5:42**

REGISTERED PENSION PLANS (RPP)

Generally, **6:68**
 Individual Pension Plans (IPP), **6:79 to 6:85**
 generally, **6:79**
 advantages, **6:80**
 death, **6:85**
 disadvantages, **6:81**
 past service contributions, **6:82**
 proposed minimum withdrawals, **6:82**
 retirement, **6:84**
 termination of employment, **6:83**
 Payment of benefits, **6:75**
 DBP payments, **6:77**
 MPP benefits, **6:76**
 Pension adjustment, **6:69**
 Pension credit, **6:69**
 Taxation at death, **6:148 to 6:152**
 generally, **6:148**
 liability for taxes, joint and several, **6:151**
 paid to non-residents, **6:152**
 payments to child or grandchild, **6:150**
 payments to spouse or common law partner, **6:149**
 Tax characteristics, **6:70**
 Transfers to RPPs, RRSPs, RRIFs, **6:78**
 Types of RPPs
 Defined Benefit Plan (DBP), **6:72**
 Money Purchase Plan (MPP), **6:71**
 Multi-Employer Plan (MEP), **6:73**
 Pooled Registered Pension Plans (PRPP), **6:74**

REGISTERED RETIREMENT INCOME FUND (RRIF)

Generally, **6:30**

REGISTERED RETIREMENT INCOME FUND (RRIF)—Cont'd

Annuities, RRIFs vs, **6:35**
 conversion, **6:40**
 death, **6:42**
 description, **6:35**
 guaranteed payments, **6:37**
 inflation and interest rates, **6:38**
 investment choice, **6:41**
 risk of investment, **6:36**
 spousal protection, **6:39**
 taxation, **6:43**
 withdrawal and conversion, **6:40**
 Anti-avoidance provisions and penalties, **6:44**
 In-kind contributions, **6:121**
 Investments, qualified, **6:34, 6:117 to 6:119, 6:121**
 Post-mortem estate planning and, **9:34**
 Rollovers, **5:34, 5:35**
 Taxation, Generally, **6:31, 6:32**
 withdrawal, minimum, **6:33**
 Taxation at death, **6:133 to 6:138**
 generally, **6:133**
 amounts received by financially dependent child or grandchild, **6:135**
 amounts received by spouse or common law partner, **6:134**
 liability for taxes, joint and several, **6:137**
 paid or deemed paid to non-residents, **6:138**
 post-death changes in value, **6:136**

REGISTERED RETIREMENT SAVINGS PLAN (RRSP)

Generally, **6:2**
 Advantage, **6:17**
 Anti-avoidance provisions and penalties, **6:10 to 6:17**
 excess contributions, **6:13**
 limits, **6:6**
 non-residents, **6:14**
 spousal RRSPs, see spousal RRSPs
 Deductions from annuitant income, **6:7**
 Earned income, **6:8**
 Fair market value rules, **6:11**
 Homes Buyers' Plan (HBP), **6:18 to 6:22**
 generally, **6:18**

REGISTERED RETIREMENT

SAVINGS PLAN (RRSP)—Cont'd

Homes Buyers' Plan (HBP), **6:18 to 6:22**

—Cont'd

participation, conditions for, **6:19**

home for relative with disability,
6:20

home for self, **6:19**

limit on deductibility of RRSP con-
tribution, **6:21**

repayment of HBP withdrawals, **6:22**

taxation at death, **6:131**

In-kind contributions, **6:121**

Investments

non-qualified, **6:15**

prohibited, **6:16**

qualified, **6:9, 6:117 to 6:119, 6:121**

Lifelong Learning Plan (LLP), **6:23 to 6:28**

generally, **6:23**

limitations on deductibility of RRSP
contributions, **6:26**

participation, conditions for, **6:24**

repayment of withdrawals, **6:27**

normal repayment situation, **6:27**

special repayment situations, **6:28**

taxation at death, **6:132**

withdrawals, **6:25**

Maturity of RRSP, options, **6:29**

Penalties, **6:10 to 6:17**

Post-mortem estate planning and, **9:33**

Rollovers, **5:34, 5:35**

RRSP strips, **6:17**

Security for loan, **6:12**

Swap transaction, **6:17**

Taxation, Generally, **6:4, 6:5 to 6:8**

Taxation at death, **6:122 to 6:154**

generally, **6:122, 6:126**

HBP, **6:131**

liability for taxes, joint and several,
6:129

LLP, **6:132**

matured RRSP, **6:124**

paid or deemed paid to dependant,
6:127

paid or deemed paid to non-residents,
6:130

paid or deemed paid to spouse or com-
mon law partner, **6:123**

post-death changes in RRSP value,
6:128

REGISTERED RETIREMENT

SAVINGS PLAN (RRSP)—Cont'd

Taxation at death, **6:122 to 6:154**

—Cont'd

unmatured RRSP, **6:125**

Types of RRSPs, **6:3**

RELATIONSHIP, DEGREES OF

Generally, **1:45**

REMAINDER INTERESTS

Generally, **1:32**

REMAINS, DEALING WITH

Generally, **1:14**

RENVOL, DOCTRINE OF

Generally, **1:59**

REPLACEMENT PROPERTY RULES

Generally, **10:52**

RESIDENCE

Generally, **17:2 to 17:6**

Ceasing to be resident, see emigration

Corporations, for income tax purposes,
17:4

Individuals, for income tax purposes, **17:3**

Permanent residence status under
Immigration and Refugee Protection
Act, **17:6**

Residence trusts, **5:31**

Trusts, for income tax purposes, **3:83,**
17:5

RESTRICTED PROPERTY

Generally, **18:21**

RETIREMENT COMPENSATION ARRANGEMENT (RCA)

Generally, **15:25**

REVERSIONARY TRUSTS, ATTRIBUTION RULES AND

Generally, **11:30.60**

REVOCABLE LIVING TRUST

Generally, **3:96**

REVOCATION OF WILL

Ashton Estate v. South Muskoka Memo-
rial Hospital Foundation, **2:98**

Marriage or divorce, **APP 2H, 1:58, 4:6**
to 4:11

**RIGHTS OF WITHDRAWAL, US
ESTATE PLANNING TRUSTS AND**
Generally, **19:17**

ROLLOVERS
Domestic partnership transactions, **12:115 to 12:121**
Farming property, rollover at death, **9:14**
Post-mortem estate planning, and, **9:5 to 9:15**
RRIFs, **5:34, 5:35**
RRSPs, **5:34, 5:35**
Spousal rollovers and rollovers to children, designating life insurance beneficiaries, **15:53**

SAFE HARBOUR RANGE
See also charitable planning
Generally, **16:53**

SAFE INCOME DIVIDENDS
Generally, **14:41**

SAFE INCOME STRIPS
Generally, **12:35**

SAUNDERS V. VAUTIER
Post-mortem estate planning and, **9:32**
Rule in, **3:22**

**SAWDON ESTATE V. WATCH TOWER
BIBLE AND TRACT SOCIETY OF
CANADA**
Generally, **2:102**

**SECOND GENERATION INCOME,
ATTRIBUTION RULES**
See income splitting and attribution rules

SECTION 94 OF THE ITA
Generally, **18:3 to 18:32**

SEPARATION AGREEMENTS
See also marriage
Generally, **4:13**

SEVERANCE, WORDS OF
Generally, **1:25**

SHARED OWNERSHIP OF PROPERTY
Generally, **1:23**

**SIMPLE TRUSTS, US INCOME TAX
RULES**
Generally, **20:6**

SKINNY SHARES
Generally, **13:24**

**SMALL BUSINESS DEDUCTION (S.
125)**
Generally, **12:3**

**SOLICITOR-CLIENT PRIVILEGE
AND CRA POLICY**
Generally, **2:78 to 2:80**

SOLICITOR'S REMUNERATION
Generally, **7:92 to 7:95**
Assessment of bill, **7:95**
Bills for legal services, **7:94**
Fees, **7:93**
Solicitor-client relationship, **7:92**

**SPECIFIED INVESTMENT BUSINESS
RULES AND EXCEPTIONS**
Generally, **10:57**

**SPECIFIED MULTI-EMPLOYER PLAN
(SMEP)**
Generally, **6:69**

SPOUSAL AND PARTNER RIGHTS
Generally, **1:64 to 1:70**
Claims
 limitation periods, **1:69**
 nature of, **1:67**
 who may claim, **1:68**
Dependants' relief rights, **1:71 to 1:89**
 date for determining adequacy of support, **1:85 to 1:89**
 general considerations, **1:74 to 1:84**
 jurisdictional issues, **1:71 to 1:73**
Dower rights, **1:70**
Family home, possession of, **1:70**
Maintenance, **1:65**
Property division, **1:66**
Support, liabilities of estate, **7:44**

**SPOUSAL AND PARTNER TRUSTS,
TAXATION OF**
Generally, **3:39 to 3:57**
Balancing gains and losses, **3:45**
Capital distributions to beneficiaries, **3:97**
Constructive and resulting trusts, **3:54**
Income and gains attribution, **3:57**
Income splitting, **3:43**
In terrorem clauses, **3:53**
Inter vivos, **3:40**

**SPOUSAL AND PARTNER TRUSTS,
TAXATION OF—Cont'd**

Opting out of special tax treatment, **3:28 to 3:82 50.60.30**

Realization

deemed realization at death of spouse/
partner, **3:52**

deemed realization on death of benefi-
ciary, **3:47**

no deemed realization at 21 years, **3:51**

Rollover at insertion, **3:50, 9:10**

Second marriage concerns, **3:46**

Spouse/partner trusts to successive trusts,
tax implications, **3:44**

Status, loss of, **3:56**

Tainted, **3:48, 3:49**

“untainting” the trust, **9:23**

Testamentary, **3:41**

SPOUSAL ATTRIBUTION RULES

Generally, **11:30.20**

SPOUSAL RRSPS

Generally, **6:112**

Attribution, **6:113**

Income splitting, **6:114**

STOP-LOSS RULES

Generally, **9:43**

**STORAGE AND SAFEKEEPING OF
WILLS**

Generally, **2:73 to 2:77**

10/8 STRATEGIES

Generally, **15:34**

SUBSTANTIAL PRESENCE TEST

Generally, **20:3**

SUCCESSION

Business succession planning, see busi-
ness succession planning

Choice of law on intestacy, **1:60**

Conflict of laws, **1:54 to 1:63**

Devolution of property, **1:33**

Estate freezing, succession planning,
13:28

Farm property, succession planning,
10:23 to 10:31

Intestate succession, **1:36**

see also intestacy

Loss of right to inherit, **1:46 to 1:49**

SUCCESSION—Cont'd

Missing successors or beneficiaries,
administration of estate where, **7:56**

Succession planning, estate freezes and,
13:28

Survivorship, see survivorship and
presumption of death

Validity of wills, **1:55**

Vesting, **1:34**

**SURVIVORSHIP AND PRESUMPTION
OF DEATH**

Generally, **1:50 to 1:53**

Common accident, **1:50**

Conflict of laws

generally, **1:54 to 1:63**

construction of will, **1:61**

estate administration, **1:63**

intestate succession, **1:60**

testate succession, validity of will, **1:55**

variation application, **1:62**

Insurance, **1:52**

Presumption of death, **1:53**

Provisions in instrument, **1:51**

**SURVIVOR'S PENSION, CANADA
PENSION PLAN AND**

Generally, **6:101**

**SYNTHETIC DISPOSITION
ARRANGEMENT**

Generally, **12:64 to 12:67**

TATARYN V. TATARYN

Generally, **1:74, 2:49**

Application in various provinces

Alberta, **4:58**

British Columbia, **4:59**

Manitoba, **4:61**

Ontario, **4:62**

Saskatchewan, **4:60**

TAXATION OF DECEASED AT DEATH

See death, taxation of deceased at

**TAXATION OF ESTATE AND WILL
TRUSTS AT DEATH**

See death, taxation of estate and will
trusts at

**TAXATION OF TAX-DEFERRED
PLANS AT DEATH**

See death, taxation of tax-deferred plans
at

TAXATION OF TRUSTS

- Alter ego and joint partner trusts, **3:58 to 3:76**
 - see also alter ego and joint partner trusts
- Alternative minimum tax, **3:115**
- Attribution
 - minors, s. 74.1(2), **3:124**
 - s. 74.4, **3:125**
 - s. 75(2), **3:126**
 - spouse/partner, ss. 74.1(1), 74.2(1), **3:124**
- Capital gains
 - lifetime deduction, **3:91**
 - taxable, **3:90**
- Characterization for tax purposes, **3:4**
- Charitable remainder trusts, **3:82**
- Corporate freeze and distribution, **3:114**
- Definition of trust, **3:1, 3:2**
- Dependants' relief legislation, trusts
 - established under, **3:34**
- Discretionary vs non-discretionary income distributions, **3:116 to 3:118**
- Distribution of trust property
 - capital distributions to beneficiaries, **3:97**
 - contributions and distributions, summary, **3:97**
 - income distributions to beneficiaries, **3:98**
 - realizations, deemed, **3:99**
- Dividends
 - capital, **3:89**
 - eligible, **3:88**
- Foreign income, **3:92**
- Income
 - designations under ss. 104(13.1) and 104(13.2), **3:119**
 - discretionary vs non-discretionary income distributions, **3:116 to 3:118**
 - exceptions to general rules, **3:85**
 - flow-through of income, **3:86 to 3:93**
 - foreign, **3:92**
 - income and gains inclusions, general rules, **3:84**
 - phantom income, taxation of, **3:93**
- Individuals, as, **8:54**
- Insurance trusts, **3:35**
- Inter vivos trusts, **3:36 to 3:38**
 - see also Inter vivos trusts

TAXATION OF TRUSTS—Cont'd

- Minor beneficiaries, trusts for, **3:77 to 3:81**
 - see also minor beneficiaries, taxation of trusts for
 - Preferred beneficiary election
 - generally, **3:120**
 - availability, **3:121**
 - filing requirements, **3:122**
 - Principal residence exemption, **3:127**
 - Property, transfer into trust
 - disposition, **3:94**
 - protective trust, **3:96**
 - Reporting requirements for 2021, **3:128**
 - residency, **3:83**
 - revocable living trust, **3:96**
 - taxable disposition, **3:95**
 - tax-deferred disposition, **3:96**
 - Spouse/partner trusts, **3:39 to 3:57**
 - see also spousal and partner trusts, taxation of
 - Testamentary trusts, **3:28 to 3:33**
 - see also testamentary trusts
 - Twenty-one year rule
 - generally, **3:105**
 - corporate beneficiary, distribution to, **3:113**
 - deemed disposition, when will it occur, **3:107 to 3:111**
 - property subject to rule, **3:106**
 - rollouts under s. 107(2), **3:112**
 - Winding up
 - deemed realization, planning for, **3:99**
 - disposition where s. 107(4.1) applies, **3:103**
 - income vs capital beneficiaries, **3:102**
 - non-resident beneficiaries, distributing capital to, **3:104**
 - tax consequences to beneficiary, **3:101**
- ## TAX-DEFERRED PLANS, TAXATION AT DEATH
- See death, taxation of tax-deferred plans at
 - Generally, **6:122 to 6:154**
- ## TAX-FREE SAVINGS ACCOUNTS (TFSA)
- Generally, **6:45 to 6:56**
 - Anti-avoidance rules, **6:10 to 6:17**
 - Attribution rules, **6:48**

TAX-FREE SAVINGS ACCOUNTS (TFSA)—Cont'd

- Deemed source of income in year of death, **8:33**
- In-kind contributions, **6:121**
- Investments, qualified, **6:117, 6:119, 6:121**
- Non-residents, **6:56**
- Penalties, **6:50**
 - advantage, **6:55**
 - non-qualified investment, **6:53**
 - non-resident contribution, **6:52**
 - prohibited investment, **6:54**
- Post-mortem estate planning and, **9:36**
- Qualifying transfers, **6:47**
- Taxation at death, **6:139 to 6:143**
 - generally, **6:140**
 - exempt contribution, **6:142**
 - income paid to non-residents, **6:143**
 - successor holder, **6:141**
- Tax characteristics, **6:49**

TAX ON SPLIT INCOME (TOSI)

- Application, **11:20.20, 11:20.60**
- Background, **11:20.10**
- Dealing with rules, **11:20.80**
- Exclusions, **11:20.30**
- Joint and Several Liability, **11:20.50**
- Solidary Liability, **11:20.50**
- Taxable capital gains, **11:20.40**
- Trusts, **11:20.70**

TECHNICAL NEWS

- Generally, **13:61**
- Amount of the advantage, **16:10**
- Intention to make a gift, charitable planning, **16:6, 16:9**

TENANCY IN COMMON

- Generally, **1:31**

TESTAMENTARY FREEDOM, LIMITS ON

- Contractual obligations of deceased, **1:90**
- Dependants' relief rights, **1:71 to 1:89**
 - see dependants' relief
- In terrorem conditions, **1:91**
- Perpetuities, **1:92**
- Spousal and partner rights, **1:64 to 1:70**
 - see spousal and partner rights
- Tataryn v. Tataryn, **1:74, 2:49**
- Testamentary intention, **1:83**

TESTAMENTARY TRUSTS

- Allocations among, **9:16**
 - beneficiaries, allocation among, **9:20**
 - capital costs allowance and terminal losses, **9:19**
 - capital losses, allocation of, **9:17**
- Definition, **3:28**
- Disposition of property into trust, tax consequences, **3:31**
- Instalment taxes, **3:33**
- Multiple trusts in common, tax issues, **9:16**
- New year end for testamentary trusts, **3:32**
- Spouse/partner, **3:41**
 - benefits of, **9:13**
- Structuring wills, **2:20**
- Tainting, **3:29**
- Taxation at highest marginal rate, **3:30**
- Taxation on death, **8:55**
 - beneficiaries
 - alternative minimum tax, **8:71**
 - anti-avoidance rule, s. 75(2), **8:69**
 - calculation of taxable income, **8:61**
 - charitable donations, **8:72**
 - death benefits, **8:64**
 - deductions, **8:67, 8:73**
 - income deemed payable to minor beneficiaries, **8:76**
 - periodic amounts, **8:63**
 - preferred beneficiary election, **8:77**
 - principal residence exemption, **8:66**
 - reserves, **8:68**
 - taxable capital gains and recapture, **8:65**
 - twenty-one-year deemed disposition rule, **8:70**
 - definition for tax purposes, **8:55**
 - designations under ss. 104(13.1) and (13.2), **8:75**
 - income deemed payable to minor beneficiaries, **8:76**
 - payments for maintenance of property held for use of beneficiary, **8:74**
 - preferred beneficiary election, **8:77**
 - taxation year, choice of, **8:60**
 - multiple trusts, **8:59**
 - planning under new rules, **8:58**
 - recent changes to tax rules, **8:57**
 - tax planning using, **8:56**

INDEX

TESTAMENTARY TRUSTS—Cont'd

- Tax planning using, **8:56**
- Tax return in year of death for income from a testamentary trust, **8:49**
- Tax returns (T3), **8:78**

THIN CAPITALIZATION RULES

- Generally, **12:95**

THREE CERTAINTIES IN CREATION OF A TRUST

- Intention, **3:11**
- Objects, **3:16**
- Subject-matter, **3:12**

TIMESHARES

- Generally, **10:15**

TRUSTEE ACT

- Investment rules under various Trustee Acts, **APP 2F**
- s. 3 comparison table, **APP 2E**
- s. 47 comparison table, **APP 2M**

TRUSTEES

- Appointment and replacement, **2:15**
- Breach of trust
 - generally, **7:66 to 7:72**
 - defences, **7:72**
 - innocent but negligent, **7:67**
 - liability, relief from, **7:70**
 - liability of co-executors and co-trustees, **7:71**
 - penalties, **7:69**
 - use of trust property for own purposes, **7:68**
- Chain of representation, **7:78**
- Compensation, **2:28**
- Definition, **3:7**
- Obligations where holding shares of private corporations, **7:65**
- Powers
 - generally, **2:21**
 - early trust windup, **2:23**
 - in specie, **2:22**
 - investment, **2:21**
 - resettlement of trusts, **2:24**
 - restrictions on powers, **2:26**
 - settlement of trusts, **2:25**
- Removal, **7:74**
- Remuneration
 - generally, **7:86 to 7:91**
 - indemnity for expenses, **7:89**

TRUSTEES—Cont'd

- Remuneration—Cont'd
 - payment procedure, **7:90**
 - approval of amount, **7:90**
 - pre-taking remuneration, **7:91**
 - quantum, **7:87**
 - specified by legislation, **7:88**
 - specified by will or contract, **7:87**
- Replacement, **2:15, 7:76**
- Residence, **9:2**
 - inter-provincial tax planning, **9:4**
 - probate purposes, **9:2**
 - tax purposes, **9:3**
- Resignation, **7:75**
- Successor trustee, **7:78**
- Surviving trustees, **7:77**
- Trustee Act
 - investment rules, **APP 2F**
 - s. 3 comparison table, **APP 2E**
 - s. 47 comparison table, **APP 2M**

TRUSTS

- Accumulations, **3:23**
- Applicable law, determination of, **3:26**
- Attribution rules applicable to, **11:30.40**
 - reversionary trusts, **11:30.60**
- Beneficiary, **3:8**
- Comparison of discretionary trusts for benefit of US resident, Exhibit 1, **20:19**
- Constructive, **7:41**
 - see also liabilities of estate
- Creation
 - express words or conduct, **3:17**
 - operation of law, **3:18**
 - three certainties, **3:10**
- Definition, **3:1, 3:2**
- Dependants' relief legislation trusts, **3:34**
- Dual ownership, **3:9**
- Estate administration tax, reducing, **2:105**
- Immigration trusts, **17:40**
- Insurance trusts, **3:35, 15:55 to 15:60**
- Inter vivos trusts, **3:36 to 3:38**
- Legal nature, **3:3**
- Parties to trust, **3:5**
- Perpetuities, **3:23**
- Residence for income tax purposes, **3:83, 17:5**
 - Canadian resident trusts with non-resident beneficiaries, **18:33 to 18:37**

TRUSTS—Cont'd

- Residence for income tax purposes, **3:83, 17:5—Cont'd**
 - non-resident trusts deemed resident in Canada, s. 94, **18:3 to 18:32**
- Resident, becoming, **17:34**
 - see also immigration
- Resident, ceasing to be, **17:27 to 17:31**
 - see also emigration
- Resulting, **7:42**
 - see also liabilities of estate
 - reversionary trusts, attribution rules and, **11:30.60**
 - Saunders v. Vautier, **3:22**
 - settlor, **3:6**
- Taxation, see taxation of trusts
- Testamentary trusts, **2:20, 3:28 to 3:33**
- US income tax rules
 - complex trusts, **20:7**
 - foreign trusts, **20:8**
 - grantor trusts, **20:5**
 - simple trusts, **20:6**

TTESTATION OF WILL

- Practical tips regarding, due diligence checklist for drafting wills, **2:8**

TWENTY-ONE YEAR RULE

- Generally, **3:105 to 3:113**
- Avoidance, insurance trusts, **15:60**

UNANIMOUS SHAREHOLDER AGREEMENT (USA), ESTATE FREEZES AND

- Generally, **13:35 to 13:41**

UNDUE INFLUENCE

- Generally, **1:20**
- Burden of proof, **1:21**
- Practical tips regarding, due diligence checklist for drafting wills, **2:8**

UNJUST ENRICHMENT

- See also liabilities of estate
- Generally, **7:41**

US ANTI-DEFERRAL RULES

- Generally, **20:10 to 20:13**
- Corporate, **20:11**
 - choice of entity, **20:24**
 - controlled foreign corporation (CFC), **20:11**
 - passive foreign investment company (PFIC), **20:12**

US ANTI-DEFERRAL RULES—Cont'd

- Corporate, **20:11—Cont'd**
 - tax compliance, **20:13**
 - Tax Cuts and Jobs Act (TCJA), **20:20**
 - Management of, **20:23**

US ESTATE PLANNING, USE OF TRUSTS

- Generally, **19:13 to 19:17**
- Canadian moving to US, **19:29**
- Canadian parents of US citizen or resident children, **19:24 to 19:26**
 - lifetime planning, **19:25**
 - will design, **19:26**
- Canadians holding US assets, **19:27, 19:28**
 - already owning individually, **19:28**
 - purchasing or acquiring initially, **19:27**
- Married couple, one US citizen, one not, resident in Canada, **19:21 to 19:23**
 - lifetime planning, **19:22**
 - will design, **19:23**
- Rights of withdrawal
 - annual rights of withdrawal, **19:17**
 - “Crummey” rights of withdrawal, **19:17**
 - testamentary powers of appointment, **19:17**
- Types of trusts, **19:14**
 - irrevocable grantor trust, **19:15**
 - irrevocable life insurance trusts (ILIT), **19:14**
 - marital (spousal) trust, **19:16**
- US assets, Canadians holding, **19:27, 19:28**
- US citizen spouses resident in Canada, **19:18 to 19:20**
 - lifetime planning, **19:19**
 - will design, **19:20**

US EXPATRIATION RULES FOR CANADIAN RESIDENTS OR RETURNING CITIZENS

- Generally, **20:19**

US INCOME TAX

ISSUES—CANADIAN TAX AND ESTATE PLANNING

- Accumulation distributions from existing foreign non-grantor trusts, **20:17**
- Canadian immigrating to US, **20:14**

US INCOME TAX

ISSUES—CANADIAN TAX AND ESTATE PLANNING—Cont'd

- Canadian parents of US citizen or resident children, **20:16**
- US citizen immigrating to Canada (no expatriation), **20:15**
- US citizen resident in Canada, **20:18**

US INCOME TAX RULES FOR INDIVIDUALS

- Generally, **20:1 to 20:9**
- Substantial presence test, **20:3**
- Tax Cuts and Jobs Act (TCJA), **20:20**
- US citizens, **20:1**
- US permanent residents (“Green Card” holders), **20:2**

US INCOME TAX RULES FOR TRUSTS

- Generally, **20:1 to 20:9**
- Complex trusts, **20:7**
- Foreign trusts, **20:8**
- Grantor trusts, **20:5**
- Simple trusts, **20:6**
- Tax Cuts and Jobs Act (TCJA), **20:21**

US PROPERTY HELD BY CANADIAN RESIDENT

- Generally, **10:48 to 10:51**

US TRANSFER TAX SYSTEM

- Generally, **19:1 to 19:12**
- Canadian resident non-resident aliens (NRA), **19:7 to 19:9**
 - qualified domestic trust (QDOT), **19:7**
 - spousal planning, **19:9**
 - treaty benefits and planning, **19:8**
 - US situs assets, **19:7**
- Compliance, **19:10 to 19:12**
 - estate tax, **19:11**
 - generation-skipping transfer tax, **19:12**
 - gift tax, **19:10**
- US citizens and domiciliaries, **19:2 to 19:6**
 - estate tax, **19:3**
 - generation-skipping transfer tax, **19:4**
 - gift tax, **19:2**
 - portability, **19:6**
 - qualified terminable interest property (QTIP), **19:5**
 - spousal planning, **19:5**

VALUATION OF BUSINESS

- See also corporations
- Generally, **12:97, 12:98**

VOUT V. HAY

- Generally, **2:3**

VSPLIT-RECEIPTING, PARTIAL GIFTS AND

- Generally, **16:8**

WASTING FREEZE

- Generally, **13:42**

WILLS, DRAFTING

- Common drafting errors, **2:44**
 - lapse, **2:46**
 - per capita vs per stirpes, **2:44**
 - residue, failure to dispose of, **2:45**
- Incorporation by reference, **2:43**
- Interpretation, **2:42, 2:50**
- Rectification, **2:49, 2:50**
- Variation, **2:48**

WILLS, GENERALLY

- Generally, **2:1 to 2:81**
- Alterations, erasures and attachments, **1:11**
- Attestation, **1:5**
- Capacity
 - generally, **2:3**
 - burden of proof, **1:21**
- Codicils, **2:6**
- Conflict of laws
 - construction, **1:61**
 - variation application, **1:62**
- Definition, **APP 2D**
- Donatio mortis causa, **2:3**
- Due diligence checklist, **2:8**
- Formalities
 - generally, **1:3, 2:3**
 - dispensing with, **1:7**
- Gifts, validation of, **1:6**
- Holograph wills, **1:9**
- Influence, **1:20**
- Intention, evidence of, **1:4**
 - support, entitlement, **1:83**
- International wills, **1:8**
- In terrorem conditions, **1:91**
- Intestacy, **1:35 to 1:45, 2:7**
- Limited, **2:51 to 2:68**
 - see also limited wills

WILLS, GENERALLY—Cont'd

Lost will, **2:77**
 Mental capacity, **1:17**
 Military wills, **1:10**
 Mutual wills, **2:69**
 Native persons wills, **2:71**
 Organ and tissue donation, **1:13**
 Other testamentary dispositions, **1:12**
 Property governed by will, **2:4**
 Quebec wills, **2:70**
 Remains, dealing with, **1:14**
 Reporting letter to client, **2:72**
 Revocation by marriage or divorce, **APP 2H, 1:58**
 Storage and safekeeping of wills, **2:73 to 2:77**
 Summary of Wills and Estates Statutes in Canada, **APP 2B**
 Tax implications of, **8:2**
 Testamentary documents, **2:5**
 Trust and non-trust wills, **2:10**
 Undue influence, **1:20, 2:3**
 What is governed by will, **2:4**

WILLS, PLANNING OF

Due diligence checklist, **2:8**
 Glossary, **APP 2A**
 Participants, **2:81**
 Statutes related to exemption of plan proceeds, **APP 2P**

WILLS, STRUCTURING OF

Generally, **2:9 to 2:41**
 Administrative provisions
 generally, **2:21**
 compensation of executor and trustee, **2:28**
 dispute resolution, **2:27**
 family law provisions, **2:29**
 governing law, **2:30**
 trustee powers, **2:21**

WILLS, STRUCTURING OF—Cont'd

Beneficiary
 cessation of rights, **2:38**
 location of, **2:39**
 Bequests and legacies, **2:16**
 Contemplation of marriage, **2:31**
 Date of estate distribution, **2:40**
 Definitions section, **2:11**
 Disclaimer, effect of, **2:37**
 Domestic contracts, application of, **2:31**
 Estate trustee, appointment of, **2:14**
 Funeral, **2:33**
 Guardianship appointment, **2:32**
 Hotchpot and debt forgiveness, **2:18**
 Joint accounts, **2:35**
 Jurat, **2:41**
 Memorandum clauses, **2:17**
 Mutual wills, **2:36**
 Pets, **2:34**
 Plan designations, **2:12**
 Residue, **2:19**
 Revocation, **APP 2H, 2:13, 4:6 to 4:11**
 Testamentary trusts, **2:20**
 Trust and non-trust wills, **2:10**
 Trustees, appointment and replacement, **2:15**

WINDING UP OF A TRUST, TAX IMPLICATIONS

Deemed realization, planning for, **3:99**
 Disposition where s. 107(4.1) applies, **3:103**
 Income vs capital beneficiaries, **3:102**
 Non-resident beneficiaries, distributing capital to, **3:104**
 Tax consequences to beneficiary, **3:101**

WIND-UPS AND DISSOLUTIONS, CORPORATE RESTRUCTURING, AND

Generally, **12:41 to 12:43, 12:54**