

# Index

- ALDA. *See* Advanced Life Deferred Annuity (ALDA)
- Advanced Life Deferred Annuity (ALDA), 18–19, 79
- Annuities, 18, 78–79
  - types, 18, 78–79
- Assets. *See* Estate assets
- Bank accounts. *See also* Estate assets
  - foreign, 65–66
  - freezing, 63
  - joint, 12
- Beneficiaries, 2, 3
- Bequests, 29
- Body/organ donation, 55
  - Trillium Gift of Life website, 55
- Business arrangements, 83–91
  - corporation, 88
  - double taxation, 134
  - joint venture, 87
  - limited liability partnership (LLP), 85–86
  - limited partnership (LP), 86
  - offshore structure, 89–91
  - partnership, 84–85
    - agreement, 84
    - contact person, 84
    - retired partner, 98
    - tax cost, 84
  - proprietorship, 83
  - shareholder, 100
  - trust(s), 89
- Canadian entrepreneurs' incentive (CEI), 105
- Capital gains/losses, 8, 10, 23–24, 36, 105, 111–112, 114, 121–126
  - capital gains deduction, 111
  - definitions, 111, 112
  - GRE, 35, 36
  - inclusion rate, 105, 111, 112, 124
  - lifetime capital gain exemption (LCGE), 105, 112
- Charitable giving, 34–38, 122–126
  - art, life/residual interest, 13
  - community foundations of Canada (CFC), 37–38
  - direct gift, 37
  - donations, 34–37
  - foundation, 37–38
  - GRE, 35–36
  - remainder trusts, 37
- Class actions/lawsuits, 104
- Cohabitation (pre-nuptial) agreements, 40, 104
- Computer passwords, 135
- Contracts/agreements, 93–104
  - employment, 93
  - partnership, 84, 97
  - pre-nuptial/co-habitation, 104
  - retired employee, 95
  - retired partner, 98
  - royalty, 102
  - shareholder, 100
- Corporation
  - common shares, 21–22
  - family, 21
    - multiple Wills, no probate fees, 25–26
  - preferred shares, 21–22
- Death benefit, 77, 88, 93, 95, 97, 98, 100, 109, 119
- Death notices, 136–139
- Deemed disposition, 6, 8–9 *See also* Fair market value (FMV)
  - capital property, 111, 112
  - inter vivos* trust, 20–23
- Disability, 30–32, 39, 93, 110

## INDEX

- Divorce/separation, 40, 42
- Donations. *See* Charitable giving
- Estate assets, 65–92
  - annuities, 78–79, 109
  - bitcoin/virtual/crypto currency, 66
  - business, 82–83
  - cash, 65–69
    - bitcoin/virtual/crypto currency, 66
  - charitable donations, 34–38
  - corporation, 88
  - digital assets, 69–70
  - exchange traded funds (ETF), 77
  - family business, 82–83
  - family cottage, 71–72
  - family home, 70–71
  - family loans, 74
  - first home savings account (FHSA), 80–81
  - foreign property, 72
  - foreign retirement, 81
  - investments, 74–75
  - life income funds (LIF), 80
  - life insurance, 75
  - joint venture, 87
  - limited liability partnership (LLP), 85–86
  - limited partnership (LP), 86
  - mortgages, 73
  - mutual funds, 76–77
  - offshore assets, 89
  - offshore structure, 89–91
  - partnership, 84–85
  - property, real, 73
  - proprietorship, 83
  - registered education savings plans (RESP), 82
  - registered retirement income funds (RRIF), 80
  - registered retirement savings plans (RRSP), 80
  - safety deposit boxes, 66
  - segregated funds, 20, 77
  - simplifying, 48–49
  - social media accounts, 69–70
  - stuff, other, 91–92
  - trusts, 89
- Estate freeze, 21–22, 26
- Estate Information Return, Ontario, 5
- Estate liabilities, 57–64
  - bank statements, 63
  - credit cards, 58–59
  - deferred payments, 57
  - funeral, 58
  - health expenses, 58
  - home buyers' plan (HBP), 63–64
  - income tax, 57, 62
  - lawsuits, 58
  - lifelong learning plan (LLP), 63–64
  - lines of credit, 57
  - loans, 57, 74
  - mortgages, 57
  - probate fees, 57
  - property tax, 57
  - rents, 57
  - tax liabilities, 62
  - Will, probate, 57
- Executors, life interest, 13, 57, 65
  - fees, 4, 65
  - instructions, 27–28
  - letter of wishes, 39, 41–42
  - records, 48–49
  - responsibilities, 4, 65
- Fair market value (FMV)
  - alter ego trust, 23–25
  - capital property, 111–112
  - corporation, 88
  - gifting, 6, 124–126
  - inter vivos*/family trust, 20–23
  - joint partner trust, 23–25

## INDEX

- mutual funds, 76–77
- partnership, 84–85
  - limited liability partnership (LLP), 85–86
  - limited partnership (LP), 86
- property, 62
  - gifted, 6–7
  - life/residual interests/remainderman arrangement, 13
  - joint tenancy, 7–12
- proprietorship, 83
- segregated funds, 20, 77
- “stuff,” 8–10
- tax liabilities, 62
- testamentary trust, for minors, 32–33
- TFSA, 15
- Family Law Act* (Ontario), 42, 145–147
- Family law, provincial, 42–43
- FHSA. *See* Tax-Free Home Savings Account (FHSA)
- First Home Savings Account. *See* Tax-Free Home Savings Account (FHSA)
- Funeral, 51–55
  - body/organ donation, 55
  - estate liability, 58
  - life insurance, 55
  - natural burial, 51–52
  - prepaid, 51
- Gifting, 6-7
- Graduated rate estates (GRE), 25, 31, 34–36, 123–124, 133
  - capital gains, 35–36
  - donations, 35–36, 122–126
  - post-2015 rules, 32, 34, 123
  - taxation year, 34–36
- Henson trust, 33–34
- Home buyers’ plan (HBP), 16, 63–64, 118
- Income, 108-110
  - annuities, 18–19
  - blended payment, 75
  - Canada Pension Plan (CPP), 109
  - death benefit, 119
  - employment, 109
  - foreign, 75, 108
  - investment, 74–75, 110
  - joint partner, 23–25
  - net income, 121
  - Old Age Security Pension (OAS), 109
  - other types, 120
  - pensions or superannuation, 109
  - registered retirement income fund (RRIF), 119–120
  - registered retirement savings plan (RRSP), 116–117
  - self-employment, 120
  - taxable, 121–126
  - testamentary spousal/partner trust, 30–34, 107, 113
  - total, 108
  - year of death, 106
    - reserves, 120
- Inheritance, family, 42
- Inter-vivos* trust. *See under* Trusts
- Intestate, dying, 2–3, 26–27
- Investment portfolio, 74–75
  - blended payment, 75
  - freezing, 21–22
  - multiple Wills, 25–26
- Joint tenancy, 7–13
- LIFs. *See* Life Income Funds (LIFs)
- LIRA. *See* Locked-in Retirement Account (LIRA)
- Lawsuits, 104
- Liabilities. *See* Estate liabilities
- Life Income Funds (LIFs), 15, 109, 118, 134
- Life insurance policy, 19, 35, 55, 76, 78, 93, 123
- Lifelong learning plan (LLP), 17, 63–64, 80, 118
- Life/residual interest, 13–14

## INDEX

- Locked-in Retirement Account (LIRA), 14, 74, 118, 134
- Medical expenses, 58
- Memberships, 134
- Organ donation, 55
- Partner. *See* Spouse/partner
- Passwords, 135
- Pension, 109
  - plans, registered, 14
  - splitting, 110
- Pets, 41–42
- Pooled Registered Pension Plan (PRPP), 118, 121
- Power of attorney, 24, 40
  - personal care, 40
  - property, 40
- Pre-nuptial agreements. *See* Cohabitation (pre-nuptial) agreements
- Probate fees, 5–6
  - bank account, 63
  - life insurance, 19, 55
  - provincial/territorial, 5
  - reduction of, 6–26
    - advanced life, 7–8
    - annuities, 18
    - deferred annuity (ALDA), 18–19
    - gifting, 6–7
    - home buyers' plan (HBP), 16
    - insurance trust, 38–39
    - inter-vivos*/family trust, 20–23
      - alter ego/joint partner, 23–25
    - joint tenancy, 7–13
      - reasons for not doing, 11–12
    - life insurance, 19
    - life/residual interests/remainderman arrangement, 13–14
    - lifelong learning plan (LLP), 17
    - multiple Wills, 25–26
    - registered education savings plan (RESP), 17
    - registered plans, 14
    - segregated funds, 20
    - tax-free home savings account (FHSA), 16
    - tax-free savings account (TFSA), 15
    - variable payment life annuity plan (VPLA), 19
  - testamentary trust, 30–34
    - insurance trust, 38–39
    - minors, 32–33
- Will, 4, 57
- Property, 113–116
  - capital gains deduction, 111
  - cash/bitcoin/virtual currency, 66
  - depreciable, 111–112, 113–116
  - family cottage, 71–72
  - family home, 70–71
  - farming, 114–116
  - fishing, 114–116
  - foreign property, 72
  - gifted, 6–7
  - joint tenancy, 7–8, 10–13
  - life/residual interests/remainderman arrangement, 13
  - principal residence, 10, 70–71
  - qualified farm and fishing property, 111
  - real estate, 73
  - tenancy in common, 7–9
  - transfer of ownership, 7–8, 9, 10–11, 113–116
    - farming/fishing property to child, 114–116
- RDSP. *See* Registered Disability Savings Plans (RDSPs)
- RESP. *See* Registered Education Savings Plans (RESPs)
- RRIF. *See* Registered Retirement Income Funds (RRIFs)
- RRSP. *See* Registered Retirement Savings Plans (RRSPs)

## INDEX

- Records/files, 48–49, 57, 65, 69–72, 83
- Registered Disability Savings Plans (RDSPs), 14, 110, 118
- Registered Education Savings Plans (RESPs), 17, 82
- Registered Retirement Income Funds (RRIFs), 14, 18, 80, 109, 117–118, 134
- Registered Retirement Savings Plans (RRSPs), 14, 18–19, 80, 116–118, 134
  - home buyers' plan (HBP), 118
  - lifelong learning plan (LLP), 118
  - locked-in RRSP, 118
  - net income, 121
- Registered plans, 14, 134
  - annuities, 14
  - inclusions, 14
- Reporting requirements, Ontario, 5
  - Certificate of Appointment, 5
  - Estate Information Return, 5
- Retirement, 95
  - partner, 98
- Same sex partner. *See* Spouse/partner
- Sample letter, death notice 136–139
- Segregated funds, 20, 77
- Shares
  - common, 21–22
  - corporate, 21–22, 88
  - preferred, 21–22
- Spouse/partner
  - definition, 2
  - joint partner trust, 23–25
  - registered plans, 14, 134
  - surviving, 32, 40–41, 134
  - trust exemptions, 10
- “Stuff,” 4, 8–10. *See also* Estate assets
  - getting rid of, 91–92
- Succession Law Reform Act* (Ontario), 2, 141–143
- Tax Free Home Savings Account (FHSA), 16, 80–81
- TFSA. *See* Tax Free Savings Account (TFSA)
- Tax Free Savings Account (TFSA), 15, 75, 123
- Tax records, 48–49
- Tax return, 105–131. *See also* Income
  - adjusted cost base, 111–112, 113, 115
  - balance owing, 107
  - CPP/QPP benefits, 109
  - capital gains/losses, 35–36, 105, 111–112, 121–126
  - clearance certificate, 131
  - credits, 122
  - death benefits, 119
  - depreciable property, 113–116
  - donations/gifts, 122–126
  - due dates, 106–107
  - employment income, 109
  - employment insurance benefits, 109
  - final, 105–126
    - completion of, 105–126
    - GST/HST, 130
    - GST/HST liability at death, 130
  - home buyers' plan (HBP), 118
  - identification, 107–108
  - income reported on T3, 106
  - investment income, 110
  - late filing, 107
  - lifelong learning plan (LLP), 118
  - old age security pension, 109
  - optional, 106, 126–130
    - filing, 127
    - graduated rate estate (GRE), 123–124
    - partner/proprietor, 128
    - rights or things, 126–128
  - pensions/superannuation, 109
    - split-pension election, 110
  - previous year, 106
  - property, 113–116
  - recaptures, 112
  - reserves, 120

## INDEX

- RDSP, 14, 110, 118
- RRIF, 117–118, 134
- RRSP, 116–118, 121, 134
- self-employment income, 120
- tax credits, 35–36, 122
- terminal losses, 112
- testamentary spousal/partner trust, 107, 113
- testamentary trust returns, 34, 133–134
- transfers from spouse, 122
- transfers to spouse, 113
- year of death, 106
- Testamentary spousal/partner trust, 12, 30–34, 107, 113
- Testamentary trusts, 30–34
- Trusts, 89
  - bare trusts, 25
  - corporate, family, 21
  - definitions, 2
  - employee ownership trust (EOT), 93
  - insurance trust, 38–39
  - inter-vivos*/family, 2, 20–23
    - alter ego, 23–25
    - graduated rate estates (GRE), 35–36
    - Henson Trust, 33–34
    - joint partner, 23–25, 89
    - letter of wishes, 39, 41
    - taxes, 21–23
    - tax returns, 23–25, 34
  - new reporting requirements (2022), 25, 34, 89
  - qualified disability trust (QDT), 31–32
  - testamentary, 2, 30–34, 128
- T3 Trust Income Tax and Information Return, 23, 34, 106, 109, 110
- Union, 93
- Variable Payment Life Annuity (VPLA), 19, 79
- Wills, 1–49
  - amendments/codicil, 28
  - charitable giving. *See* Charitable giving
  - common disaster clause, 39
  - creditor of the estate, 57
  - currency of, 27–28
  - definition, 1
  - executor(s), 4, 29
  - Family Law Acts*, 42–43
  - family meeting, 39
  - foreign/international, 43
  - hand-written/holograph, 1
  - intestate, 2–4, 26–27
  - last Will, 28
  - letter of wishes, 39
  - liability, 57–58
  - marriage/co-habitation agreement, 40
  - multiple, 25–26
  - nullified, 3
  - pets, 41–42
  - preferred shares, 21–22
  - primary/secondary, 25
  - probate, 5
  - probate fees, 5, 25, 57
    - reduce or eliminate, 6–25
  - rewrite, 28
  - sound mind, 28
  - specific bequests, 30
  - storage of, 4, 27
  - “stuff”, 4, 8–10
  - surviving spouse/partner, 32, 40–41, 134
  - terrorem clause, 28–29
  - testamentary spousal/partner trust, 31–32
  - testamentary trust, 2, 30–34
- Year of death, 106
  - charitable donations, 34–38
  - reserves, 120