

Year-End Tax Planner – 2010

*What individuals
and owner-managed
businesses need
to do now to save tax*



Looming Tax Deadlines – December 2010 to April 2011

This calendar includes many key tax deadlines during the next few months.

Among the deadlines **not** included are those for provincial payroll taxes, payroll withholdings, provincial health insurance premiums, workers' compensation, federal and provincial *corporate* income and capital tax payments, Goods and Services Tax/Harmonized Sales Tax and provincial sales taxes.

Deadlines falling on holidays or Sundays may be extended to the next business day.

	Su	Mo	Tu	We	Th	Fr	Sa
2010				1	2	3	4
	5	6	7	8	9	10	11
December	12	13	14	15	16	17	18
	19	20	21	22	23	24	25
	26	27	28	29	30	31	1
2011	2	3	4	5	6	7	8
	9	10	11	12	13	14	15
January	16	17	18	19	20	21	22
	23	24	25	26	27	28	29
	30	31	1	2	3	4	5
February	6	7	8	9	10	11	12
	13	14	15	16	17	18	19
	20	21	22	23	24	25	26
	27	28	1	2	3	4	5
	6	7	8	9	10	11	12
March	13	14	15	16	17	18	19
	20	21	22	23	24	25	26
	27	28	29	30	31	1	2
April	3	4	5	6	7	8	9
	10	11	12	13	14	15	16
	17	18	19	20	21	22	23
	24	25	26	27	28	29	30

Dec. 15 Final quarterly instalment of tax due: For individuals (other than unincorporated farmers and fishermen)

Dec. 24 Final trading day on which to settle a trade in 2010:

- Canadian stock exchanges: Likely December 24
- U.S. and others: Consult your broker

Dec. 31 Final payment date for a 2010 tax deduction or credit:

- Alimony and maintenance payments
- Charitable donations
- Child care and child fitness expenses
- Contributions to your own RRSP if you are 71 by December 31
- Employees' legal fees to collect unpaid remuneration
- Employees' registered pension plan contributions
- Interest (for paid-basis taxpayers)
- Investment counsel fees and other investment expenses
- Medical expenses
- Moving expenses (of individuals)
- Political contributions
- Safety deposit box rental fees (not deductible in Quebec)
- Tuition fees and interest on student loans

Employer-provided automobile:

- Employees should notify employers if the alternative operating cost benefit calculation is advantageous (need > 50% business use)
- Last day to make payments to employer to reduce standby charge

Final instalment of tax due:

- For unincorporated farmers and fishermen
- Others: See December 15

Other items for employees and employers:

- Last day to purchase and make "available for use" business-use capital assets for CCA claim in 2010

Jan. 10 Quebec employees with employer-provided automobile: Last day to provide employer your logbook (deadline is earlier in some cases)

Jan. 15 Stock option benefits: Last day for employees to file or revoke designations to defer stock option benefits on options exercised in 2010, but on or before 4:00 pm EST on March 4, 2010.

U.S. taxes: estimated tax payments due for individuals

Jan. 30 Loans:

- Interest due on intra-family loans
- Non-deductible interest due on loans from employer (to reduce interest benefit)

Feb. 14 Employer-provided automobile: Last day to reimburse employer for costs to reduce operating cost benefit

Feb. 28 Tax reporting slips: Filing deadline for T4, T4A and T5 Summary and Supplementaries

Employer-provided automobile: Last day to notify employer regarding reduction in standby charge benefit for low personal use of vehicle (<50%), but for practical purposes it must be earlier

Mar. 1 RRSPs:

- Last day for all regular 2010 contributions
- In respect of taxpayers who died in 2010, the last date for contributions to a surviving spouse's RRSP for a deduction in deceased's final return
- Home Buyer's Plan repayment due

Mar. 15 Quarterly instalment of tax due

Mar. 31 Income tax returns for inter vivos trusts: Last day to file without penalty
Tax reporting slips: Filing deadline for NR4 Summary and Supplementaries relating to amounts paid or credited to non-residents of Canada

Apr. 15 U.S. taxes:

- Final 2010 and 2011 estimated tax payments for individuals due
- U.S. individual tax return due (an extension may be available)

Apr. 30 Personal income tax returns: Last day to file without penalty, except:

- June 15 if individual or spouse carried on a business in the year
- deadline may be later if individual or spouse died

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What individuals and owner-managed businesses need to do now to save tax

How to Use this Planner

This *Year-End Tax Planner* is designed primarily for individuals who have accumulated some wealth or who own their own businesses (large or small). Contact your PricewaterhouseCoopers LLP (PwC) adviser or any of the individuals listed on page 22 to discuss how this *Year-End Tax Planner* applies to you.

This edition is current to November 2, 2010, and provides year-end tax planning checklists for:

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Students.....	12		

Other features include:

- a calendar of upcoming tax filing and other deadlines (inside front cover);
- integration tables relating to active business income and investment income (page 16);
- key personal and corporate income tax rates (pages 17 to 19);
- titles of additional PwC publications, which are available at www.pwc.com/ca/publications (page 20); and
- a list of PwC podcasts, which are available at www.pwc.com/ca/taxtracks (page 21).

Of course, tax is only one aspect of a complete financial plan. Other elements should reflect investment philosophies, sound business practices, cash flow management and motivational considerations. Given that uncertainty in the economic environment persists, cash flow management remains especially important. When making decisions on remuneration and cash flow management, owner-managers should ensure that sufficient funds are retained to meet business objectives.

What is New for 2010?

Federal

- **Corporate income tax rates** – general and M&P rate dropped from 19% to 18% in 2010 and will decrease to 16.5% in 2011 and 15% in 2012; small business rate remains 11% in 2010 and subsequently.
- **Eligible dividends** – personal taxes increasing in stages from 2010 to 2012.
- **Employee stock options** – for stock options disposed of after 4:00 pm EST on March 4, 2010:
 - only the employer or employee (not both) can claim a tax deduction for cashed-out stock options; and
 - employee elections to defer the payment of tax on stock option benefits until the shares are sold are no longer allowed.
- **Partnership information returns** – the Canada Revenue Agency (CRA) has changed its administrative policy on the filing criteria for partnership information returns, for partnerships with fiscal periods ending after December 31, 2010.
- **Avoidance transactions** – must be reported after 2010.

What is New for 2010? (continued)

Federal (continued)

- **Non-resident trusts** – “outstanding proposals” simplified and better targeted, and will be subject to further public consultation.
- **Offshore investment funds** – rules modified and foreign investment entity proposals essentially eliminated.
- **Taxable Canadian property** – commencing March 5, 2010, excludes shares of corporations, and certain other interests, that do not derive their value (over a 60-month look-back period) principally from real or immovable property situated in Canada, Canadian resource property or timber resource property.

Provincial

- **Corporate income tax rates** –
 - **General and M&P rate** – declining in British Columbia (2011), New Brunswick (2010 to 2012) and Ontario (2010 to 2013; for M&P, 2010 only).
 - **Small business rate** – declining in Newfoundland and Labrador (2011), Nova Scotia (2011), Ontario (2010) and Prince Edward Island (2010); eliminated in British Columbia (April 1, 2012) and Manitoba (December 1, 2010).
 - **Ontario small business clawback** – eliminated on July 1, 2010.
- **Small business threshold** – \$500,000 threshold applies in all jurisdictions except Manitoba, Nova Scotia and, until January 1, 2011, the Yukon.
- **M&P** –
 - **Nova Scotia** – M&P property costing over \$50,000 that is acquired after 2009 may qualify for a 10% investment credit.
 - **Quebec** – credit rates revised for investments made in certain regions after December 10, 2009.
- **SR&ED** –
 - **Manitoba** – R&D credit:
 - fully refundable after 2009 for work with qualifying research institutes; and
 - partially refundable (25% in 2011 and 50% after 2011) for in-house R&D expenditures.
 - **Quebec** – R&D Wage Tax Credit enhanced with respect to clinical trial work and arm's length subcontracting.
- **General capital tax** – eliminated in all jurisdictions by July 1, 2012; eliminated in Ontario on July 1, 2010, in Manitoba and Quebec on January 1, 2011, and in Nova Scotia on July 1, 2012.
- **Ontario Corporate Minimum Tax (CMT)** – rate decreased on July 1, 2010, and thresholds increasing for taxation years ending after June 30, 2010.
- **Quebec aggressive tax planning** – disclosure required for certain aggressive tax planning transactions, generally carried out after October 14, 2009.
- **Quebec Sales Tax (QST) rate** – increasing from 7.5% to 8.5% on January 1, 2011, and to 9.5% on January 1, 2012.
- **Harmonized Sales Tax (HST)** – on July 1, 2010:
 - HST replaced the 5% federal Goods and Services Tax (GST) and provincial sales tax in British Columbia and Ontario; and
 - HST rate in Nova Scotia increased from 13% to 15%.

Financial Statement Reporting

- for financial statements, for fiscal years beginning after December 31, 2010:
 - "publicly accountable enterprises" must adopt International Financial Reporting Standards (IFRS); and
 - private enterprises must adopt either IFRS or Accounting Standards for Private Enterprises (ASPE).

Year-End Tax Planning Checklists

The following checklists provide tactics you should consider as part of your year-end tax planning. Many of these points are complex, so working with your PwC adviser is essential.

Owner-Managed Businesses

- Salary/dividend mix** – Determine the optimal mix of salary and dividends for you and other family members for 2010.
 - Consider all relevant factors, including the owner/manager's marginal tax rate, the corporation's tax rate, provincial health and/or payroll taxes, RRSP contribution room (\$124,722 of earned income in 2010 is required to maximize RRSP contribution in 2011), CPP contributions and other deductions and credits (e.g., for child care expenses and donations).
 - Be aware that the receipt of dividends (especially eligible dividends) can increase your alternative minimum tax (AMT) exposure.
 - If the individual does not need to extract cash, consider retaining income in the corporation.
 - Tax is deferred if the corporation retains income when its tax rate is less than the individual owner-manager's rate. See Table 1 on page 16.
 - In times of economic uncertainty, this will help the corporation's cash flow. It also will allow the corporation to have income and pay corporate tax that may be recovered by possible future business losses.
 - All provinces and territories –
 - Ensure that owner-manager remuneration strategies account for increases in personal taxes on eligible dividends in 2011 and 2012.
 - Except in Yukon (and Nova Scotia if Nova Scotia's 2011 fiscal year budget is balanced and taxable income exceeds \$150,000, see discussion on Nova Scotia below), consider accelerating eligible dividends to 2010 to take advantage of lower eligible dividend tax rates in 2010.
 - Yukon – Consider deferring the distribution of eligible and non-eligible dividends to take advantage of lower dividend tax rates in 2011 and later years.
 - Manitoba, Prince Edward Island – Consider accelerating non-eligible dividends to 2010 to take advantage of lower non-eligible dividend tax rates in 2010.
 - New Brunswick, Newfoundland and Labrador – Consider deferring the payment of salary and/or non-eligible dividends to 2011 and later years to benefit from decreases in personal tax rates in New Brunswick (2011 and 2012) and Newfoundland and Labrador (2011). However, New Brunswick's new government could revise scheduled personal tax decreases.
- British Columbia – If the owner-manager's taxable income is below the second lowest tax bracket (i.e., \$71,719 in 2010), consider deferring the payment of salary and/or non-eligible dividends to 2011 and later years to benefit from decreases in British Columbia's two lowest personal tax rates in 2011.
- Nova Scotia – If Nova Scotia balances its 2011 fiscal year budget, it will eliminate the top \$150,000 personal tax bracket and 21% rate and reinstate the 10% personal income tax surtax in 2011. In this case, owner-managers should be aware that personal tax rates may change in 2011 and adjust their strategy on the payment of salary and/or dividends accordingly.
- Qualifying small business corporation share status – Recognize that forgoing bonus and/or dividend payments and stockpiling passive investments could cast doubt on whether substantially all of the assets of a Canadian-controlled private corporation are used in an active business, in turn jeopardizing the ability to claim the \$750,000 lifetime capital gains exemption.
- Scientific research and experimental development (SR&ED) – Consider not forgoing bonus payments if it causes a Canadian-controlled private corporation's SR&ED investment tax credits (ITCs) to be non-refundable and subject to the lower ITC rate. (But retaining some income will allow the company to use the non-refundable ITCs.)
- Dividend tax regime** – Be aware of how the dividend tax rules will affect dividend distributions.
 - Designate dividends that qualify as eligible dividends. (Designation procedures differ for public and non-public companies, but both require designation at the same time as or before payment of the eligible dividend.)
 - Consider electing to treat all or part of any excess eligible dividend designation as a separate non-eligible dividend.
- Canadian-controlled private corporations (CCPCs)** –
 - Determine the CCPC's ability to pay eligible dividends by estimating its general rate income pool (GRIP) as at its 2010 year end.
 - Consider distributing dividends in the following order:^a
 1. Eligible dividends that trigger a refundable dividend tax on hand (RDTOH) refund.
 2. Non-eligible dividends that trigger a RDTOH refund.

a. However, depending on the jurisdiction of residence, paying non-taxable capital dividends should be inserted as the second or third preference.

3. Eligible dividends that do not trigger a RDTOH refund.
 4. Non-eligible dividends that do not trigger a RDTOH refund.
- Consider making the election that permits a CCPC to be treated as a non-CCPC for purposes of the dividend tax regime. For a newly incorporated CCPC that is expected to earn only active business income and will not benefit from the small business deduction, this would eliminate the need to calculate and monitor GRIP before paying eligible dividends.
 - A CCPC that will become a non-CCPC (i.e., planning to go public or become controlled by non-residents) should consider the effect of the federal dividend tax rules, as well as the deemed year end rules.
 - Non-CCPCs** –
 - Determine whether the non-CCPC must pay non-eligible dividends before it can pay eligible dividends, by computing its low-rate income pool (LRIP).
 - A non-CCPC that will become a CCPC should consider the effect of the federal dividend tax rules.
 - Cash flow management** – Recognize that managing your business cash flow is critical in times of economic uncertainty. To reduce working capital outflows, reduce or defer tax instalments (if lower taxable income is expected), maximize federal and provincial refundable and non-refundable tax credits (e.g., SR&ED investment tax credits and film, media and digital incentives), trigger capital losses to recover capital gains tax paid in previous years and recover any income, sales or customs tax overpayments from previous years.
 - Salaries to family members** – Pay a reasonable salary to a spouse or child who is in a lower tax bracket and provides services to your business. This also allows family members to have earned income for CPP, RRSP and child care expense purposes.
 - Remuneration accruals** – Accrue reasonable salary and bonuses before your business year end. Ensure accrued amounts are paid within 179 days after the business' year end and appropriate source deductions and payroll taxes are remitted on time.
 - Employee profit sharing plans (EPSPs) and retirement compensation arrangements (RCAs)** – Consider setting up an EPSP or RCA as an alternative to paying a bonus.
 - Employee stock options** – Be aware that for stock options disposed of after 4:00 pm EST on March 4, 2010, only the employer or employee (not both) can claim a tax deduction for cashed-out stock options, among other changes. The company can forgo the tax deduction by filing an election. See our:
 - Tax Memos* “August 27, 2010 Draft Legislation Implements 2010 Budget Proposals and Other Previously Announced Measures” and “Stock Options: 2010 Federal Budget Implications for Employers”; and
 - podcast “2010 Federal Budget: Proposed Changes to Stock Option Rules – Perspectives from Rick Schubert.”
 - Donations** – Make charitable donations and provincial political contributions (subject to certain limits) before year end. See our booklet, *Charitable Giving Guide for Donors*. Be aware that commencing 2010, corporations, trade unions and partnerships can no longer make political contributions in Nova Scotia; this parallels existing federal restrictions.
 - Final corporate tax balances** – Pay final corporate income and capital tax balances and all other corporate taxes imposed under the *Income Tax Act* within two months after year end (three months for certain CCPCs).
 - Corporate withdrawals** – Make tax-effective withdrawals of cash from your corporation (e.g., by paying tax-effective dividends or non-taxable capital dividends, returning capital, repaying shareholder loans or redeeming preferred shares).
 - Corporate income** – Consider deferring income to 2011 and later years by maximizing discretionary deductions (e.g., CCA) in 2010 to benefit from the following corporate rate reductions:
 - Small business rate – small business rates will decrease in Newfoundland and Labrador and Nova Scotia for 2011 and Manitoba on December 1, 2010, and have decreased in Ontario on July 1, 2010 and Prince Edward Island on April 1, 2010; the small business threshold will be higher in the Yukon after 2010 (see Table 6 on page 19).
 - General rate – the federal general income tax rate will decline from 18% to 16.5% in 2011 and to 15% in 2012. General rates will also decline in British Columbia, New Brunswick and Ontario (see Table 4 on page 18). However, New Brunswick's new government could revise scheduled corporate tax decreases.
 - Mandatory E-filing of corporate income tax and information returns** – To avoid penalties, e-file:
 - corporate income tax returns, commencing 2011 taxation years, if annual gross revenues exceed \$1 million; and
 - information returns, commencing 2011, if more than 50 information returns are submitted annually.
 See our *Tax Memo* “Mandatory E-filing of Corporate Income Tax and Information Returns.”

- Partnership information returns** – Be aware that for partnerships with fiscal periods ending after December 31, 2010, the Canada Revenue Agency has replaced the requirement to file a partnership information return based on the number of partners with one related to financial thresholds and partner structure. See our *Tax Memo* “Partnership Information Returns—Who Must File Starting 2011?”
- Avoidance transactions** – Be aware that draft legislation makes an “avoidance transaction” meeting certain conditions a “reportable transaction” that must be reported to the Canada Revenue Agency, generally for transactions entered into after 2010 and those that are part of a series of transactions completed after 2010. See our *Tax Memo* “New Federal Reporting Regime for Aggressive Tax Planning: Draft Legislation Released.”
- Depreciable assets** –
 - Accelerate purchases of depreciable assets. Ensure assets are available for use at year end.
 - Purchase eligible computers and systems software before February 2011. The CCA deduction is enhanced from 55% declining balance to 100% (no half-year rule).
 - Purchase eligible M&P machinery and equipment. The CCA deduction is enhanced from 30% declining balance to 50% straight-line, for purchases made before 2012.
- Reserves** – Identify and claim reserves for doubtful accounts receivable or inventory obsolescence.
- Business income reserve** – If you sold goods in 2010 and the proceeds are receivable after the end of the year, you may be able to defer tax on related profits by claiming a reserve over a maximum of three years.
- Dispositions** – Defer, until after year end, planned dispositions that will result in income.
- Accounting method** – Consider changing the corporation’s method of accounting in respect of the timing of income inclusions. This may require the Minister’s approval.
- Costs of doing business** – Compare costs of doing business in different jurisdictions.
- Intercompany charges** –
 - Ensure charges are reasonable given changes in the economy.
 - Consider adjustments to intercompany charges to reduce overall taxes paid by the related group. For example, charge reasonable mark-ups for services provided by related corporations.
- Capital gains rollover** – If you sold or will sell eligible small business corporation shares in 2010, invest the proceeds in other eligible small business corporation shares by April 30, 2011, to be eligible to defer all or part of the capital gain. (Applies to individuals only.)
- Capital gains reserve** – If you sold or will sell capital property in 2010 in exchange for debt, you may be able to defer tax on part of the capital gain by claiming a capital gains reserve over a maximum of four years.
- Foreign exchange** – Consider triggering a foreign exchange loss that is on account of capital before year end to offset capital gains in the current year or previous three.
- Retirement income** – Consider setting up an individual pension plan as a means of enhancing retirement income.
- Shareholder loans to your corporation** – Determine whether your corporation would benefit from deductible interest on shareholder loans made to the corporation, to reduce active business income to the \$500,000 threshold. This threshold is lower in some jurisdictions (see Table 6 on page 19).
- Shareholder loans from your corporation** – Repay shareholder loans from your corporation no later than one tax year after the amount is borrowed (exceptions apply).
- Protect your investment in your business assets** – Consider:
 - transferring assets (e.g., real estate and intellectual property) from an operating company to a separate company on a tax-deferred basis; and
 - arranging to secure a loan from a shareholder.
- Exemption for qualified small business corporation shares** –
 - Structure the business so that corporate shares become or remain eligible for the \$750,000 capital gains exemption.
 - Consider crystallizing the capital gains exemption and/or restructuring to multiply access to the \$750,000 capital gains exemption with other family members.
- SR&ED** – Ensure claims in respect of SR&ED expenditures or investment tax credits (ITCs) are filed by the deadline, which is 18 months after the corporation’s year end. A federal change (see also provincial changes on page 7) allows SR&ED ITC claimants that have numerous SR&ED projects in a taxation year to continue to file SR&ED Project Technical Information only for the 20 largest in dollar value, rather than for all SR&ED projects, until further notice. See *Developments* “The CRA Revises Form T661 Requirements – Back to Top Twenty Projects.”

- Alberta professional corporations** – If you are a professional in Alberta, be aware that changes that are effective March 1, 2010, essentially remove certain restrictions on ownership of non-voting shares in a professional corporation, providing opportunities to split income and capital gains with spouses and children.
- Provincial capital tax** – If your corporation is subject to provincial general capital tax (in 2010, applies only in Manitoba, Nova Scotia, Ontario and Quebec), discuss with your PwC adviser ways to reduce provincial taxable capital. In 2011, general capital tax applies only in Nova Scotia and will be phased out by July 1, 2012 (see Table 5 on page 18).
- Ontario Corporate Minimum Tax (CMT)** – For taxation years ending after June 30, 2010, revisions to the Ontario CMT thresholds may result in fewer companies being subject to CMT. If you have CMT credit carryovers, consider strategies to use these credits before they expire.
- Quebec aggressive tax planning schemes** – Be aware that Quebec draft legislation requires disclosure of certain aggressive tax planning transactions, generally carried out after October 14, 2009. See our:
 - Tax Memos* “Revised Quebec Aggressive Tax Planning Proposals” and “Quebec’s Regime for Aggressive Tax Planning: Prescribed Form Released”; and
 - podcast, “Quebec Proposals on Aggressive Tax Planning.”
- GST/HST** –
 - Ensure that GST/HST has been correctly paid on taxable supplies and that input tax credits have been claimed on eligible expenses throughout the year.
 - GST/HST electronic filing requirement – For reporting periods ending after June 30, 2010, file your company’s GST/HST returns electronically if certain criteria (e.g., annual taxable supplies on an associated basis exceed \$1.5 million) are met. See our *Tax Memo* “New GST/HST Electronic Filing Requirement (Updated September 20, 2010).”
 - Place of supply rules –For supplies made in Canada, generally on or after May 1, 2010, ensure that your business has correctly implemented the new place of supply rules regime. These rules determine the province in which a supply is deemed to be made for purposes of determining the tax rate GST/HST registrants should charge on taxable supplies made in Canada. See our *Tax Memo* “HST Place of Supply Rules Overhauled (Updated October 20, 2010).”
 - Recapture of input tax credits – Determine if your business is required to report recaptured input tax credits (RITCs), which generally applies to large businesses and financial institutions. See our *Tax Memos* “British Columbia Harmonized Sales Tax—Recapture of Input Tax Credits (RITC) (Updated September 3, 2010)” and “Ontario Harmonized Sales Tax—Recapture of Input Tax Credits (Updated September 2, 2010).”
- British Columbia, Ontario** – Perform a post-HST implementation review to ensure that:
 - the correct HST rate is collected and remitted; and
 - changes to your accounting systems and compliance and reporting procedures yield the correct collection of tax, claim for input tax credits and tax adjustments.

Be aware that transitional rules no longer apply. See our harmonization tax publications and podcast on pages 20 and 21 and at www.pwc.com/ca/harmonization.
- Quebec sales tax (QST)** – Be aware that the QST rate will increase from 7.5% to 8.5% on January 1, 2011, and to 9.5% on January 1, 2012. Consider accelerating large purchases for which input tax refunds might not be recoverable.
- Property tax** –
 - To challenge the company’s property tax bill, appeal the property value assessment, which generally is mailed early in the year. Filing deadlines vary by province, are compulsory and usually fall before the property tax bill is mailed.
 - Ontario** –
 - Be aware that all property owners received a property assessment notice in 2008 based on the property’s value as of January 1, 2008. A property owner will not receive a new assessment notice unless the assessment has changed. This notice is used to calculate property taxes for the 2009 to 2012 tax years. A company can appeal its 2008 property assessment (used for the 2011 tax bill) by March 31, 2011. On appeal, the onus is on the assessment agency to prove that the assessed value is correct.
 - A company that has a vacancy in a commercial or industrial facility in 2010 may be able to claim a tax refund by filing a request to the municipality by February 28, 2011. Filing for this rebate is the owner’s responsibility.
 - Verify your company’s property tax rate classification (i.e., industrial, commercial). Use of the correct tax rate may result in reduced property taxes.
 - Discuss with your PwC adviser ways to reduce municipal property tax.
- Financial statement reporting** – Be aware that effective for interim and annual financial statements for fiscal years beginning after December 31, 2010:
 - “publicly accountable enterprises” must adopt International Financial Reporting Standards (IFRS); and
 - private enterprises must adopt either IFRS or Accounting Standards for Private Enterprises (ASPE).

As a result, IFRS and ASPE will become Canadian GAAP. The move to IFRS from current Canadian GAAP could affect the measurement and reporting of income taxes for financial statement purposes and the calculation of Canadian taxes payable. See our *Tax Memos*:

- “The Move to IFRS: CRA Guidance”;
- “The Move to IFRS: Tax Implications”; and
- “Not Just Another Accounting Exercise: Managing Change for the Tax Function.”
- Environmental incentives** – Be aware of federal and provincial environmental incentives that can help your company go green and save money. See our *“Going Green Tables (2009/2010)”* and our podcast, “Going Green Incentives.”
- Provincial tax incentives** – Benefit from provincial tax incentives and enhancements to these incentives. For example, determine whether your company qualifies for:
 - Manufacturing and processing (M&P) tax credits** – Enhancements are:
 - Nova Scotia’s new 10% credit for eligible M&P property acquired after 2009 that costs more than \$50,000 (maximum annual credit is \$1 million); and
 - Quebec’s revised credit rates for investments made in certain regions, generally after December 10, 2009. A cumulative limit of \$75 million of eligible investments made after October 28, 2009, qualifies for this credit at rates above 5%, and/or refundability.
 - Media tax incentives** – enhanced or extended in British Columbia, Manitoba, New Brunswick, Ontario and Quebec.
- SR&ED tax credits** – available in all provinces (except Prince Edward Island) and the Yukon. Enhancements:
 - make the 20% credit in Manitoba:
 - fully refundable for eligible expenditures incurred in Manitoba after 2009 under a contract with a qualifying research institute for new technologies and biotechnologies; and
 - partially refundable for in-house R&D expenditures after 2010 (25% in 2011 and 50% after 2011); and
 - affect clinical trial work and arm’s length contracting in Quebec.
- Manitoba co-op education and apprenticeship tax credit** – commencing 2011, employers that hire high school and post-secondary Level 1 and 2 apprentices, but are not eligible for the federal Apprenticeship Job Creation Tax Credit, can claim this 10% tax credit on wages paid to an apprentice (maximum credit is \$2,000).
- Manitoba small business venture capital tax credit** – replaces the Community Enterprise Investment Tax Credit and expires December 31, 2013.
- Quebec e-business tax credit** – enhancements will enable certain corporations in the information technology sector, in activities transfer and business start-up and personnel leasing activities, to qualify for this 30% refundable tax credit with respect to salaries paid to eligible employees before January 1, 2016.
- Quebec book publishing tax credit** – changes to this credit allow reprinted books to qualify for this refundable tax credit.

Employees

- Income deferral** – Defer the receipt of certain employment income if your marginal personal tax rate will be lower in 2011 than in 2010.
- Job-related courses** – Ask your employer to pay for job-related courses directly rather than paying you additional remuneration.
- Scholarship programs** –
 - Ask your employer to set up a program that provides non-taxable scholarships for post-secondary education that may benefit your and other employees’ children. Funds allocated by your employer to a discretionary bonus pool could instead be used to fund this program.
 - Be aware that, under the CRA’s administrative policy, elementary and secondary education scholarships, bursaries and tuition fees provided by employers to their employees’ family members are taxable to the employee. See our *Tax Memo* “Taxable Employment Benefits – The CRA’s Revised Policy.”
- Employee gifts and awards** – Ask your employer to provide you with non-cash gifts and/or awards. These will not be taxable to you if you receive non-cash gifts and non-cash awards with a total value to you of \$500 or less annually. Exceptions apply. For more information, see our *Tax Memo* “Taxable Employment Benefits – The CRA’s Revised Policy.”
- Employee loans** – Ensure that any interest you intend to pay relating to employee loans for 2010 is paid on or before January 30, 2011.
- Home office** – If you work out of your home, try to arrange your employment terms so that you can deduct certain expenses related to your home office.

- Employee home purchase loans** – If you expect interest rates in 2011 to rise, take out or replace an employee home purchase loan before January 1, 2011, to take advantage of the current prescribed rate (1% for the fourth quarter of 2010 and expected to remain 1% in the first quarter of 2011).
- Stock option benefits of public companies** –
 - If you disposed of stock options after 4:00 pm EST on March 4, 2010, be aware that:
 - only the employer or employee (not both) can claim a tax deduction for cashed-out stock options. Ask your employer to elect to forgo the tax deduction so that you may claim it; and
 - you can no longer defer the benefit related to exercising these options (relief may be available for previously-filed elections).
 - Be aware that commencing 2011, the undue hardship exemption for withholdings on stock option benefits has been eliminated; withholdings are required on these benefits unless there are other reasons for exemption.

See our:

 - Tax Memos* “August 27, 2010 Draft Legislation Implements 2010 Budget Proposals and Other Previously Announced Measures” and “Stock Options: 2010 Federal Budget Implications for Employers”; and
 - podcast “2010 Federal Budget: Proposed Changes to Stock Option Rules – Perspectives from Rick Schubert.”
- Reduce income tax deductions at source** – If you will have excess tax deductions or non-refundable tax credits in 2011, request reductions in your payroll income tax withholdings early in 2011 (Federal Form T1213; Quebec Form TP-1016-V).
- Public transit pass tax credit** – Claim this federal non-refundable tax credit for the cost of public transit passes (monthly or longer) and certain weekly and electronic payment cards. Yukon has a parallel credit. Retain passes or receipts to support claims.
- Company car** – Try to reduce or eliminate your operating cost benefit and/or your standby charge benefit if you have a company car. Regarding the operating cost benefit:
 - reimburse your employer for some or all of the personal use portion of the actual operating costs; and
 - reduce your personal driving (to under 50% of total driving, if possible).

To reduce or eliminate your standby charge benefit:

- reduce the number of days the car is available to you;
- have your employer sell the automobile and repurchase it or lease it back;
- do not use the automobile for personal driving; and
- choose a less expensive vehicle.

For more information, refer to our booklet, *Car Expenses and Benefits – A Tax Guide (2010)*.

- Tracking motor vehicle use** – Keep an automobile logbook to support motor vehicle expense and taxable benefit calculations. Except for Quebec, which has more stringent rules, a logbook maintained for a sample period will be sufficient to support these calculations if:
 - you maintain a full logbook for a 12-month “base” period (starting in 2009 or later);
 - you complete a sample logbook for a continuous three-month period in each subsequent year;
 - business usage in the sample logbook is within 10% of the results for the same three-month period in the base year; and
 - business usage for the entire year as extrapolated from the subsequent sample log is within 10% of the base year result.

For a paper or electronic employee log, see our booklet, *Car Expenses and Benefits – A Tax Guide (2010)*.

- Retirement savings plans and profit-sharing plans** –

- Take advantage of higher contribution limits:

	Registered Retirement Savings Plans (RRSPs)	Money Purchase Registered Pension Plans (RPPs)	Deferred Profit-Sharing Plans (DPSPs)
2010	\$22,000	\$22,450	\$11,225
2011	\$22,450	Indexed	Indexed

- If your taxable income is below the highest tax bracket, consider maximizing your RRSP contributions each year, but delay claiming the amount as a deduction until a future year when your taxable income is in a higher tax bracket.
- Personal services business** – Discuss with your PwC adviser the merits of incorporating a personal services business. Income from a personal services business may be distributed as eligible dividends.
- GST/HST rebate** – Determine whether you can claim a GST/HST rebate to recover GST/HST included in employment expenses you have deducted (e.g., home office expenses, supplies and automobile expenses).

Investors

- Investment portfolio mix** – Because each type of investment is taxed differently, determine the optimal mix of investments in your portfolio and ensure that you are getting the best after-tax returns. Consider whether it is more beneficial to hold investments that yield eligible dividends rather than capital gains. This will depend on your marginal tax rate and province of residence.
- “Eligible” dividends** – Be aware that:
 - receipt of eligible dividends can trigger an alternative minimum tax (AMT) liability;
 - personal taxes on eligible dividends are increasing in 2011 and 2012 (except for 2011 in the Yukon, and Nova Scotia if Nova Scotia’s 2011 fiscal year budget is balanced and taxable income exceeds \$150,000); and
 - for individuals in lower tax brackets, eligible dividends received could be tax-free or reduce tax on other income.
- “Non-eligible” dividends received by residents of Manitoba or Prince Edward Island** – Consider whether increases in personal taxes on non-eligible dividends affect your preference for earning capital gains and/or interest through a holding company (see Table 3 on page 17).
- Tax-Free Savings Account (TFSA)** – If you are a Canadian resident age 18 or older, contribute to a TFSA. Contributions will not be deductible, but withdrawals and income earned in the TFSA will not be taxed. In addition:
 - if you are planning a withdrawal from your TFSA, consider doing so before the end of 2010 instead of early 2011 – amounts withdrawn are not added to your TFSA contribution room until the beginning of the following year after the withdrawal; and
 - be aware that draft legislation penalizes taxpayers who use TFSAs in tax-planning schemes (e.g., income attributable to deliberate over contributions or prohibited investments is subject to a 100% tax).
- Flow-through entities (FTEs)** – Consider the implications of federal rules that apply starting in the 2007 taxation year for FTEs (i.e., income trusts and partnerships) first publicly traded after October 31, 2006, and beginning in the 2011 taxation year, for other publicly traded FTEs.
- Stock exchange cut-off** – Consult your stockbroker to determine the last day on which a sale executed through a stock exchange will be considered a 2010 transaction for tax purposes (likely December 24 for Canadian exchanges).
- Interest deductibility** –
 - If possible, pay off non-deductible debt before deductible debt (or debt for which the interest qualifies for a non-refundable credit; i.e., interest on student loans). Borrow for investment or business purposes and use cash for personal purchases that would otherwise generate interest costs.
 - Consider rules that limit the deductibility of investment expenses for Quebec tax purposes to the investment income earned in the taxation year. This limit does not apply to expenses incurred to earn active business income or to trusts, other than personal trusts.
- Accrued capital losses** –
 - Sell securities with accrued losses before year end to offset capital gains realized in the current or previous three years. Beware of superficial loss rules, which limit the deductibility of a loss.
 - Close out option contracts with inherent capital losses in 2010, rather than 2011, to shelter taxable capital gains.
- Accrued capital gains** – Delay selling securities or other assets with accrued gains until 2011.
- Capital gains deferral** – If you sell capital property in 2010, you may be able to defer tax on part of the capital gain by having the purchaser stagger payment of the proceeds. This may allow you to claim a capital gains reserve over a maximum of four years.
- Mutual funds** –
 - Delay mutual fund purchases to January 2011 or consider selling mutual funds before year end to minimize your allocation of taxable income for 2010. Be careful if you acquire a mutual fund during the year; you may be allocated income that was earned by the fund before your purchase.
 - If you are a non-resident investor in Canadian mutual funds, determine whether you can recover any excess Canadian withholding tax paid.
- Donating securities** – Consider the tax benefits of donating publicly listed securities with an accrued capital gain. See our booklet, *Charitable Giving Guide for Donors*.
- Foreign exchange gains and losses** – Consider changes in foreign exchange rates when selling foreign securities. Depreciation in the Canadian dollar relative to U.S. currency may reduce the capital loss or add to the capital gain that will be triggered on the disposal of these securities and vice versa when the Canadian dollar appreciates relative to U.S. currency.

- Offshore investment funds** – If you invest through offshore funds, be aware that the previously announced foreign investment entity (FIE) proposals have been essentially eliminated. The enacted rules for offshore investment funds property will continue to apply, with some modifications, for taxation years ending after March 4, 2010. A taxpayer that filed under the FIE proposals for previous years can either have those years reassessed or be entitled to a deduction in the current year for the income previously included. See our *Tax Memos* “August 27, 2010 Draft Legislation Implements 2010 Budget Proposals and Other Previously Announced Measures” and “2010 Federal Budget: Focus on Fairness.”
 - Transactions involving trusts** –
 - If you were or will be involved in transfers to or from trusts, contact your PwC adviser for an evaluation of the tax implications. The transfers may trigger a taxable event.
 - If the trust has non-resident beneficiaries, contact your PwC adviser to assess the tax implications. The existence of a non-resident beneficiary may trigger Canadian and foreign taxes.
 - Be careful if making a loan to or incurring debts on behalf of a testamentary trust. This could cause the trust to lose that status.
 - If the trust’s twenty-first anniversary occurs in 2011, consider planning to avoid the deemed disposition of assets at fair market value on the twenty-first anniversary of the trust.
 - Non-resident trusts (NRTs)** – Be aware that the draft NRT rules, which generally are effective for taxation years ending after 2006, have been refined. A trust subject to the draft rules would be considered resident for Canadian income tax purposes if it has a Canadian contributor or a resident beneficiary. See our *Tax Memos* “August 27, 2010 Draft Legislation Implements 2010 Budget Proposals and Other Previously Announced Measures” and “2010 Federal Budget: Focus on Fairness.”
 - Foreign accrual property income (FAPI)** – If you or your corporation holds 10% or more of the shares of a foreign company, be aware of draft legislation released on December 18, 2009, and further modified on August 27, 2010, that may significantly change the FAPI tax regime. See our *Tax Memo* “August 27, 2010 Draft Legislation Implements 2010 Budget Proposals and Other Previously Announced Measures.”
 - Home buyers’ incentives** – If you are a first-time home buyer:
 - withdraw tax-free up to \$25,000 from your RRSP, under the Home Buyers’ Plan to acquire a home (also applies to a spousal RRSP); and
 - claim the First-Time Home Buyers’ Tax Credit (maximum credit is \$750) if you purchased a qualifying home to be used as your principal place of residence.
 - Property tax** –
 - To challenge your property tax bill, you must appeal the property value assessment, which generally is mailed early in the year. Filing deadlines vary by province, are compulsory and usually fall before the property tax bill is mailed.
 - If you reside in Ontario, be aware that all property owners received a property assessment notice in 2008 based on the property’s value as of January 1, 2008. A property owner will not receive a new assessment notice unless the assessment has changed. This notice will be used to calculate property taxes for the 2009 to 2012 tax years. To challenge your 2008 residential property assessment (used for the 2011 tax bill), you must file a “Request for Reconsideration” with the assessment agency by March 31, 2011. If you are not satisfied with the agency’s response, you can file an appeal within 90 days of the date of the response. On appeal, the onus is on the assessment agency to prove that the assessed value is correct.
 - Provincial tax incentives** – Ensure you benefit from provincial tax incentives and changes to these incentives. For example, determine whether you qualify for:
 - British Columbia mining flow-through share tax credit** – extended to December 31, 2013.
 - Nova Scotia equity tax credit** – maximum annual claim will increase to \$17,500 (from \$15,000), commencing 2010 and the program is extended to February 29, 2012.
 - Nova Scotia labour-sponsored venture capital tax credit** – extended to February 29, 2012.
-

Parents and Spouses

- Estate planning arrangements** – Review annually to ensure that these arrangements meet their objectives.
- Income splitting** –
 - If you have cash to invest and a spouse or children in a lower tax bracket, consider an income-splitting plan. Income-splitting arrangements requiring a loan to a family member should be set up before January 1, 2011, to take advantage of the current prescribed rate (1% for the fourth quarter of 2010 and expected to remain 1% in the first quarter of 2011).
 - Interest on intra-family loans must be paid on or before January 30, 2011, to avoid attribution of income.
 - Income earned by discretionary *inter vivos* family trusts must be paid or made payable to beneficiaries by December 31, 2010, to be included in the beneficiary's income.
 - If you own shares in a private corporation, discuss with your PwC adviser the use of a trust to split income with your adult children.
- Registered education savings plan (RESP)** –
 - Contribute to an RESP for your child or grandchild. For more information, refer to our *Tax Memo*, "Understanding RESPs."
 - Plan for the RESP to receive the maximum lifetime Canada Education Savings Grant of \$7,200, which depends on annual RESP contributions and the beneficiary's age.
 - If you reside in Alberta, ensure the RESP receives funds from the Alberta Centennial Education Savings Plan (lifetime maximum of \$800 per child).
 - If you reside in Quebec, ensure that the RESP receives the Quebec Education Savings Incentive, which has a lifetime maximum of \$3,600.
- Child care expenses** –
 - Pay child care expenses for 2010 by December 31, 2010, and get a receipt.
 - Remember that boarding school and camp fees qualify for the child care deduction (limits may apply), as does the cost to advertise or use a placement agency to find a child care provider.
- Universal Child Care Benefit (UCCB) and Canada Child Tax Benefit (CCTB)** –
 - If you receive these benefits, invest the funds in a separate account in trust for your children. Investment income on these funds will not be taxable to you.
 - If you are a single parent and receive the UCCB, commencing 2010, you can include the UCCB in the income of a dependant for whom an eligible dependant credit is claimed or, if the credit cannot be claimed, of a child for whom the UCCB was paid.
- Registered disability savings plan (RDSP)** – If your child qualifies for the disability tax credit and if RDSP assets or income will not disqualify your child from receiving provincial or territorial income support, you should:
 - set up an RDSP to qualify for Canada Disability Savings Bond (CDSB) payments (lifetime maximum of \$20,000 per child);
 - contribute to an RDSP to qualify for Canada Disability Savings Grant (CDSG) payments (lifetime maximum of \$70,000 per child);
 - plan to optimize the lifetime CDSG paid to an RDSP by taking into account annual CDSG limits, which depend on net family income; and
 - be aware that enhancements to RDSP rules:
 - allow a rollover of a deceased individual's RRSP proceeds to the RDSP of a financially dependent infirm child or grandchild, for deaths occurring after March 3, 2010; and
 - allow a 10-year carryforward of CDSG and CDSB entitlements, starting 2011.
- Children's fitness tax credit** – Claim this federal non-refundable tax credit on up to \$500 of fees paid per child under 16 for enrolment in a physical activity program. Different rules apply for children with disabilities. Manitoba and Yukon have parallel credits, Nova Scotia has a similar credit, and Saskatchewan provides a refundable tax credit for children aged six to 14 for cultural, recreational and sports activity fees. Recent enhancements in:
 - Ontario, commencing 2010, proposes a similar credit to the federal credit, except that Ontario's is refundable and applies to a wide range of activities including sports, arts and other cultural activities; and
 - Manitoba, commencing 2011, expand its credit to individuals aged 16 to 24.
 - Pay the expenses by December 31, 2010, and retain receipts.
- Employment leave by spouse** – If your spouse is leaving the workforce, time contributions to and withdrawals from a spousal RRSP to provide your family with extra disposable income.
- Children abroad** – Consider whether your will and estate plan need to be updated for children who no longer reside in Canada.
- Private health services plan (PHSP) premiums** – If you are self-employed, determine whether PHSP premiums you paid can be deducted from your self-employment

income. Premiums that are not deductible may be claimed as a medical expense.

- Provincial tax credits** – Ensure you benefit from provincial tax credits and changes to these credits. For example:
 - Manitoba's fertility treatment tax credit is a refundable tax credit of up to \$8,000 annually and is available on

payments made after September, 2010, for qualifying fertility treatments and prescription drugs, net of reimbursements; and

- Nova Scotia's affordable living tax credit and poverty reduction credit are refundable tax credits available starting July 1, 2010, to certain low-income taxpayers.

Students

- Education and textbook tax credits** – Claim these credits if you attend post-secondary school.
- Scholarships and other amounts** – Exclude from your income the full scholarship, fellowship or bursary for attending an elementary or secondary educational program or for a program that entitles you to the education tax credit. (Quebec does not tax scholarships or other prizes eligible for the federal exemption.) Be aware that new rules that affect post-secondary scholarships, fellowships and bursaries, commencing 2010:
 - make a post-secondary program that consists principally of research eligible for the education tax credit and the scholarship exemption only if it leads to a college or CEGEP diploma, or a bachelor, masters, doctoral or equivalent degree;
 - provide that an amount will be eligible for the scholarship exemption only if it can reasonably be considered to be received for the duration of the study period related to the scholarship, bursary or fellowship; and
 - limit the scholarship exemption for part-time educational programs to the amount of the tuition paid for the program plus the cost of program-related materials (exceptions apply).
- Unused and unclaimed tax credits** –
 - If you are unable to use your education, tuition or textbook tax credits, you may transfer them to your spouse, parent or grandparent (subject to limitations).
 - Remember that the carry-forward period is generally:
 - indefinite for unclaimed education, tuition and textbook credits; and
 - five years for unclaimed student loan interest.
- Lifelong Learning Plan (LPP)** – Make a tax-free withdrawal from your RRSP to finance the full-time training or education (part-time for students who meet one of the disability conditions) for yourself, your spouse or your common-law partner. You may withdraw up to \$10,000 in a calendar year and up to \$20,000 in total.
- Moving expenses** – If you moved to attend school or moved from school to work or home, your moving expenses may be deductible.
- Foreign university** – If you attended a foreign university:
 - your tuition fees may be eligible for a tuition credit in Canada; and
 - you may be able to claim the education and textbook tax credits.
- Graduates** – If you graduate from an eligible post-secondary program and live and work in:
 - Manitoba** – claim an income tax rebate on up to 60% of tuition fees over a minimum of six years (maximum lifetime rebate of \$25,000). Be aware that students who have not graduated can claim an advance on this rebate on tuition fees paid after August 31, 2010 (maximum lifetime advance of \$5,000 reduces the maximum lifetime rebate).
 - New Brunswick** – claim a 50% tax rebate on tuition fees (maximum lifetime rebate of \$20,000).
 - Nova Scotia** – claim:
 - an income tax rebate over six years of up to \$15,000 (university) or up to \$7,500 (college diploma or certificate), if you graduated after 2008; and
 - a tax credit of up to \$2,000 within three years of graduation if you graduated in 2006, 2007 or 2008.
 - a remote resource region in Quebec** – claim a tax credit of up to \$8,000 over three years if you work in your field of specialization.
 - Saskatchewan** – claim a refundable tax credit that will rebate up to \$20,000 of tuition fees over seven years.

Seniors

- Inter vivos trust** – If you are over the age of 64 and live in a province with a high probate fee, consider establishing an *inter vivos* trust as part of your estate plan.
- Old Age Security (OAS)** –
 - If you no longer receive OAS benefits because your income is too high, consider ways to average or reduce your income so that you can continue to receive this government pension.
 - Consider whether the allocation of pension income from a spouse or receipt of “eligible” dividends (subject to a 44% gross-up) will trigger an OAS clawback. Instead of receiving eligible dividends, consider receiving capital gains. Only 50% of the gain is included in income for OAS purposes.
- Canada Pension Plan (CPP)/Quebec (QPP)** – If you receive CPP or QPP payments, consider splitting that income with your spouse by requesting to share the CPP or QPP payments.
- Your RRSP** – If you turn 71 in 2010, you must wind up your RRSP by the end of the year. This means that you can:
 - contribute to your RRSP only until December 31, 2010;
 - contribute (before the normal March 1, 2011 deadline) to your spouse’s RRSP until the end of the year your spouse reaches age 71, if you have unused RRSP contribution room or earned income in the previous year;
 - defer taxes on all or a portion of the amount in your RRSP by transferring the funds to a registered retirement income fund or a life income fund; and
- make a contribution for 2011 by December 31, 2010, and pay any applicable penalty.
- Pension income** –
 - If you receive pension income (e.g., from a registered pension plan, registered retirement savings plan or registered retirement income fund), consider allocating up to half of this income to your spouse or common-law partner.
 - Have \$2,000 of pension income if you are age 65 or older so that you can claim the maximum pension credit.
- Life income funds (LIFs)** – If you own a LIF, be aware that:
 - in most jurisdictions the options for you to make withdrawals from a LIF have increased (e.g., if you face financial hardship, are age 55 or older, or have been a non-resident of Canada for 24 months); and
 - in Alberta, Manitoba, New Brunswick and Ontario, special unlocking rules give you access to a portion of your LIF in certain circumstances.
- Your RRIF** – If your RRIF investments declined in value and you think that the investments will rebound, consider an “in-kind” withdrawal (e.g., transfer to another investment account at your financial institution) to satisfy the RRIF’s minimum withdrawal requirements. Income tax must still be paid on the fair value of the withdrawal.

Individuals and Businesses with International Connections

- Foreign reporting requirements** – Review your foreign holdings to determine if you have a reporting obligation. Individuals, corporations, trusts and partnerships that own specified foreign property with a total cost exceeding \$100,000 at any time in the year are required to file form T1135. Taxpayers resident in Canada that own shares of a non-resident corporation that is a foreign affiliate must file an information return (Form T1134). Other forms may also be required.
- Non-resident trusts (NRTs) and offshore investment funds** – Be aware of proposed modifications to the NRT and offshore investment fund rules. See our *Tax Memos* “August 27, 2010 Draft Legislation Implements 2010 Budget Proposals and Other Previously Announced Measures” and “2010 Federal Budget: Focus on Fairness.”
- Sale of property by non-residents** – Be aware that, commencing March 5, 2010, taxable Canadian property will exclude shares of corporations, and certain other interests, that do not derive their value (over a 60-month look-back period) principally from real or immovable property situated in Canada, Canadian resource property or timber resource property. As a result, if you are a non-resident and dispose of such property after March 4, 2010, you or your business will no longer be taxable nor subject to the Canadian clearance certificate requirements.
- Electronic commerce** – Ensure that your electronic presence in a foreign jurisdiction does not trigger an unexpected foreign tax bill.

- Accounts receivables and other debts owing from non-residents** – Ensure amounts outstanding more than one year bear interest at reasonable rates. Exceptions apply.
- Thin capitalization** – If your corporation has debt owing to a foreign lender that is a significant shareholder or related to a significant shareholder, consider whether the thin capitalization rules limit the deduction of interest on the debt. The rules limit the permitted debt/equity ratio to 2:1.
- Transfer pricing** – If your corporation has transactions with a related party in a foreign country, ensure your transfer-pricing documentation meets the requirements imposed by the Canadian transfer-pricing rules and by the rules of the foreign country. Non-compliance can result in penalties.
- Tax Information Exchange Agreement (TIEA)** – Be aware that Canada intends to negotiate and sign TIEAs with non-treaty countries and has implemented tax measures to encourage non-treaty countries to enter into TIEAs. Canada has signed TIEAs with nine jurisdictions and has commenced negotiations with sixteen others; however, no TIEAs have entered into force as of the date of publication. For determining when the TIEA applies, the entry into force of a TIEA is important, not the date that it is signed. See our *Tax Memo*, “Canada Signs Four New Tax Information Exchange Agreements (TIEAs).”
- Payments to non-residents** – Be aware that you may be required to withhold 15% of certain payments made to a non-resident that relate to fees, commissions or other amounts in respect of services (excluding remuneration) rendered in Canada. See our *beyond Borders* “Non-Residents Providing On-Site Installation and Training Services in Canada” (March 2010) and podcast “Iain Morris Discusses the Tax Issues Facing Non-residents who Provide On-site Installation and Training Services in Canada.”
- Sales taxes/value added tax and customs duty** –
 - If your company has activities (e.g., selling, importing or exporting goods or supplying services) in foreign countries, determine whether it is required to register for sales tax/value added tax (VAT) or pay custom duties or other levies.
 - Ensure that documentation of your foreign transactions meets local requirements. Check whether the structure of your transactions is optimal for sales tax/VAT and customs purposes.
 - If you have dealings with foreign businesses in Canada, ensure that you meet federal and provincial sales tax obligations.
 - If you are a non-resident of Canada that makes a taxable supply in Canada and “carries on a business” in Canada, you may be required to register for GST/HST. Once registered, you must collect and remit the tax as well as file periodic GST/HST returns.

Individuals and Businesses with U.S. Connections

(This document was not intended or written to be used, and it cannot be used, for the purpose of avoiding U.S. federal, state or local tax penalties that may be imposed on the taxpayer.)

- Deferred compensation** – If you are a U.S. citizen or green card holder and participate in a deferred compensation plan (e.g., supplementary executive retirement plan, retirement compensation arrangement, deferred share unit plan, stock appreciation right, severance arrangement) or are entitled to receive deferred compensation, discuss with your PwC adviser how U.S. rules that regulate the deferral of income, plan funding and plan distribution may affect you.
- U.S. estate tax** – If you are not a U.S. citizen or resident, determine whether your property holdings include shares in U.S. corporations (including stock options to acquire such shares), U.S. real estate, debt obligations issued by U.S. residents, interests in U.S. partnerships, or any personal property that is located in the U.S. If so, determine your possible exposure to U.S. estate tax and how to minimize it. Be aware that the estate tax was repealed entirely in 2010; without further legislative action, it will be re-established in 2011, using the 2001 rate regime. However, new legislation may be enacted in 2010 that will extend 2009 rates and exemptions or introduce new rates and exemptions for 2010 and subsequent years.
- Canadian RRSPs, RRIFFs, RPPs and DPSPs** – If you are a U.S. citizen, green card holder or U.S. resident alien in 2010, and are the beneficiary of a Canadian registered retirement savings plan, registered retirement income fund, registered pension plan and/or deferred profit sharing plan, determine:
 - what information you need to provide to the Internal Revenue Service (IRS);
 - the format for reporting this information; and
 - the reporting deadlines.
- U.S. retirement plans** – If you are a Canadian resident who has investments in U.S. 401(k) or IRA plans, discuss with a PwC adviser if you can transfer them on a tax-deferred basis to an RRSP.

- U.S. social security benefits** – If you are a Canadian resident who has received U.S. social security benefits since before 1996 (or you are a spouse or common-law partner who is eligible to receive survivor benefits), for benefits received after 2009, you have to include only 50% of the benefits in your income.
- Canadian RESPs** – If you are a U.S. citizen, green card holder or U.S. resident alien in 2010, consult with your PwC adviser if you have an RESP or before contributing to an RESP.
- Canadian Tax-Free Savings Accounts (TFSA)** – If you are or became a U.S. citizen, green card holder or U.S. resident alien in 2010, contact your PwC adviser about your TFSA or before setting up a TFSA. It appears that investment income earned in a TFSA will be taxable for U.S. purposes in the year it is earned.
- U.S. source income** – If you received income in 2010 from U.S. sources that may be subject to U.S. federal and/or state tax (e.g., employment and self-employment income earned in the U.S., income and losses from participation in U.S. limited partnerships, and rent from U.S. real estate, including short-term rentals of vacation homes):
 - determine whether the income should be reported on a U.S. non-resident return; and
 - if U.S. tax was deducted at source on the income during 2010, determine whether:
 - the tax withheld was appropriate;
 - you should file a U.S. non-resident return to obtain a full or partial refund; and
 - the U.S. tax can be claimed as a credit on your Canadian tax return.
- U.S. taxpayers with Canadian shareholdings or investments** – If you are a U.S. citizen, green card holder or resident, or plan to become a U.S. resident, and own shares of a Canadian private corporation or units of a Canadian partnership, determine if you have additional U.S. income tax reporting requirements or exposure to U.S. income tax or double taxation, and how to minimize it. Penalties that are normally assessed based on the IRS's discretion may automatically apply to certain late-filed information returns on foreign investments and foreign financial accounts reporting. New rules require U.S. persons who are shareholders of passive foreign investment companies (PFICs) to file an annual information return in 2011.
- U.S. family members** – If you have a U.S. citizen or U.S. resident family member who is a direct shareholder in your company or a beneficiary under a family trust, determine any exposure to double taxation and how to minimize it.
- U.S. federal income tax return/treaty-based tax return** – Determine whether you are conducting activities in the United States that require you to file U.S. federal income tax returns or U.S. treaty-based tax information disclosure returns.
- U.S. real estate** – If you sold U.S. real estate (including shares of a U.S. company having 50% or more of its value attributable to U.S. real estate) in 2010, or may sell U.S. real estate, determine your U.S. income tax reporting requirements and exposure to U.S. real property withholding tax (and how to minimize it) and U.S. federal and state income taxes.
- U.S. exit tax** – If you plan to relinquish your U.S. citizenship or green card, ask your PwC adviser how you are affected by U.S. rules that impose a U.S. exit or “mark-to-market” tax on certain types of properties.
- Proposed U.S. personal tax rate changes** – Be aware that U.S. personal tax rates (for the top two income tax brackets) on long-term capital gains and other income may increase in 2011. As a result, consider the combined Canadian and U.S. tax impact of accelerating income to 2010.
- State and municipal taxes** – Ensure you are complying with all state and municipal laws and taxes. Even if a Canadian business is exempt from U.S. federal income tax under the Canada-U.S. tax treaty, it may be subject to state income, franchise, sales and use, property and other taxes. Contact your PwC adviser for help with multi-state taxation and filing requirements.
- U.S. international tax reform** – Key international tax changes enacted by the U.S. government:
 - limit the ability for U.S. taxpayers to claim foreign tax credits in certain situations;
 - terminate the special 80/20 rules for interest and dividends received from persons meeting the 80% foreign business requirements;
 - introduce penalties for U.S. investors that fail to report their investments in passive foreign investment companies (PFICs); and
 - codify the economic substance doctrine.

These changes may significantly affect how U.S. and Canadian multinationals structure the holding and financing of their U.S. and foreign operations. Contact your PwC adviser to discuss these and other tax developments that could have a bearing on your U.S. cross-border business activities.

Integration Tables

All calculations are for a twelve-month taxation year ended December 31, 2010.

Table 1

Active Business Income (\$)

(based on a December 31, 2010 year end and \$10,000 of active business income)

This table shows:¹

- the income tax deferral if active business income is earned and retained in a corporation as opposed to being paid out of the corporation as salary to the shareholder; and
- the tax saving (cost) if instead of being paid out of the corporation as salary, the after-tax corporate income is paid out as a dividend to the shareholder in the same year.

	Eligible for Small Business Deduction		No Small Business Deduction		
	Deferral	Saving	Deferral	Saving/ (Cost)	
Alberta	2,500	117	1,100	(43)	
British Columbia	3,020	104	1,520	(14)	
Manitoba	3,560	195	1,752	(5)	
New Brunswick	2,730	140	1,380	8	
Newfoundland and Labrador	General	2,851	219	1,251	(299) or (162) ²
	M&P		2,151	396 or 551 ²	
Northwest Territories	3,005	485	1,555	158	
Nova Scotia	3,400	358	1,600	(616)	
Nunavut	2,750	289	1,250	(405)	
Ontario	General	3,143	407	1,644	(190)
	M&P		1,844	(43)	
Prince Edward Island	3,510	31	1,337	(376)	
Quebec	3,133	188	2,043	(108)	
Saskatchewan	General	2,850	245	1,400	(115)
	M&P		1,600	42	
Yukon	General	2,740	148	940	(319)
	M&P	2,890	253	2,190	696

- This table assumes the individual is taxed at the top marginal income tax rate. Levies other than federal and provincial income tax, the employer portion of provincial health tax and the employee portion of Northwest Territories and Nunavut payroll taxes are not considered (e.g., Canada Pension Plan contributions). Different results may arise in special circumstances (e.g., for credit unions).
- For Newfoundland and Labrador, (\$299) and \$396 apply if the dividend is paid before July 1, 2010, and (\$162) and \$551 apply if it is paid after June 30, 2010.

Table 2

Investment Income (\$)

(based on a December 31, 2010 year end and \$10,000 of investment income)

This table shows:¹

- the income tax deferral (prepayment) if investment income is earned and retained in a corporation as opposed to being earned directly by an individual; and
- the tax (cost) if the after-tax corporate income is paid out as a dividend to the shareholder in the same year.

	Portfolio Dividends		Capital Gains		Interest	
	Deferral/ (Prepayment)	(Cost)	Deferral/ (Prepayment)	(Cost)	Deferral/ (Prepayment)	(Cost)
Alberta	(1,745)	Nil	(283)	(58)	(567)	(117)
British Columbia	(1,188)	Nil	(73)	(88)	(147)	(177)
Manitoba	(824)	Nil	(13)	(208)	(27)	(417)
New Brunswick	(1,387)	Nil	(143)	(43)	(286)	(86)
Newfoundland and Labrador	(1,054) or (1,256) ²	Nil	(263)	(183)	(527)	(367)
Northwest Territories	(1,352)	Nil	(155)	(8)	(312)	(17)
Nova Scotia	25	Nil	(33)	(148)	(67)	(297)
Nunavut	(969)	Nil	(308)	(133)	(617)	(267)
Ontario	(676)	Nil	(63)	(33)	(125)	(64)
Prince Edward Island	(738)	Nil	(164)	(417)	(330)	(836)
Quebec	(265)	Nil	83	(38)	165	(76)
Saskatchewan	(1,169)	Nil	(133)	(33)	(267)	(67)
Yukon	(1,453)	Nil	(363)	(250)	(727)	(499)

- This table assumes that:
 - the individual is taxed at the top marginal income tax rate;
 - the portfolio dividends are designated as "eligible" dividends;
 - the capital gains deductions for qualifying small business corporation shares or qualified farming or fishing property are not available; and
 - the taxable dividend paid is sufficient to generate a full refund of refundable tax.
- For Newfoundland and Labrador, (\$1,054) applies if the dividend is paid before July 1, 2010, and (\$1,256) applies if it is paid after June 30, 2010.

Income Tax Rates

For more on personal and corporate tax rates, please refer to the PwC publication *Tax Facts and Figures: Canada 2010*. The percentages shown reflect the combined federal and provincial/territorial rates for a twelve-month taxation year ended December 31.

Table 3
Top Combined Federal and Provincial/Territorial Marginal Personal Income Tax Rates (%)

	2010		2011		2010		2011		2010		2011	
	Interest & ordinary income		Capital gains		Canadian dividends (eligible)		Canadian dividends (non-eligible)					
Federal only	29.00		14.50		15.88	17.72	19.58					
Alberta	39.00		19.50		15.88	17.72	27.71					
British Columbia	43.70		21.85		21.45	23.91	33.71					
Manitoba	46.40		23.20		25.09	26.74	38.21	39.15				
New Brunswick	43.30	41.70	21.65	20.85	19.46	19.77	30.83	28.83				
Newfoundland and Labrador	43.40	42.30	21.70	21.15	22.79 or 20.77 ¹	20.96	31.33	29.96				
Northwest Territories	43.05		21.53		19.81	21.31	29.65					
Nova Scotia²	50.00		25.00		33.58	35.64	36.21					
Nunavut	40.05		20.25		23.64	25.72	28.96					
Ontario	46.41		23.20		26.57	28.19	32.57					
Prince Edward Island	47.37		23.69		25.95	28.36	39.66	41.17				
Quebec	48.22		24.11		30.68	31.85	36.35					
Saskatchewan	44.00		22.00		21.64	23.36	30.83					
Yukon	42.40		21.20		18.80	14.28 to 17.72 ³	30.49	30.41				
Non-Resident	42.92 ⁴		21.46		23.50 ⁴	26.22 ⁴	28.98 ⁴					

In 2010, top rates apply to income above \$127,021 (\$150,000 in Nova Scotia).

1. For Newfoundland and Labrador, 22.79% applies if the dividend is paid before July 1, 2010, and 20.77% applies if it is paid after June 30, 2010.
2. If Nova Scotia balances its 2011 fiscal year budget, the top combined marginal income tax rates for 2011 will be 48.25% for interest and ordinary income, 24.13% for capital gains, 32% for eligible dividends, and 33.06% for non-eligible dividends.
3. For the Yukon, the rate that applies depends on the level of the taxpayer's other income, with 17.72% applying if the taxpayer has no other income.
4. Non-resident rates for interest and dividends only apply in certain circumstances. Generally, interest (other than most interest paid to arm's length non-residents) and dividends paid to non-residents are subject to Part XIII withholding tax.

Table 4
Combined Federal and Provincial/Territorial Corporate Income Tax Rates (%)¹
 (based on a December 31 year end)

Application to Canadian-Controlled Private Corporations (CCPCs)	2010		2011	
	General	M&P	General	M&P
Federal only	18.00		16.50	
Alberta	28.00		26.50	
British Columbia	28.50		26.50	
Manitoba	30.00		28.50	
New Brunswick	29.50		27.00	
Newfoundland and Labrador	32.00	23.00	30.50	21.50
Northwest Territories	29.50		28.00	
Nova Scotia	34.00		32.50	
Nunavut	30.00		28.50	
Ontario	30.99	28.99	28.25	26.50
Prince Edward Island	34.00		32.5	
Quebec	29.90		28.40	
Saskatchewan	30.00	28.00	28.50	26.50
Yukon	33.00	20.50	31.50	19.00

For CCPCs, this table does not apply to:

- the first \$500,000² of active business income; and
- investment income.

See Table 6 for more CCPC rates and thresholds.

1. Different rates may apply in special circumstances (e.g., for credit unions).
2. The threshold is lower in some jurisdictions as shown in Table 6.

Table 5
General Capital Tax Rates¹
 (based on a December 31 year end)

		2010		2011	
		Rate (%)	Exemption ²	Rate (%)	Exemption ²
Manitoba ³	On first \$20 million of taxable capital	0.1	\$10 million	Nil	N/A
	On taxable capital between \$20 million and \$21 million	2.3	Nil		
	On taxable capital >\$21 million	0.3			
Nova Scotia	If taxable capital < \$10 million	0.25	\$5 million	0.15	\$5 million
	If taxable capital ≥ \$10 million	0.125	Nil	0.075	Nil
Ontario ³		0.074	\$15 million	Nil	N/A
Quebec ³		0.12	Up to \$1 million	Nil	N/A

1. Only jurisdictions with a capital tax are noted.
2. Associated or related corporations may be required to share the exemption.
3. Before 2010, capital tax was eliminated in Manitoba for certain M&P companies, and reduced or eliminated in Ontario for certain M&P or resource companies and in Quebec for certain M&P companies.

Table 6
Combined Federal and Provincial/Territorial Corporate Income Tax Rates and Thresholds for CCPCs¹ (based on a December 31 year end)

	2010 (%)		Investment Income ³	2011 (%)		Investment Income ³	Threshold for 2010 and 2011 year ends	
	Active Business Income	Active Business Income		Active Business Income	Active Business Income		Amount	Effective
	to \$400,000 ²	\$400,000 to \$500,000 ²		to \$400,000 ²	\$400,000 to \$500,000 ²			
Federal	11.00		34.67	11.00		34.67	\$500,000	Any time
Alberta	14.00		44.67	14.00		44.67	\$460,000	April 1, 2008
							\$500,000	April 1, 2009
British Columbia	13.50		45.17	13.50		44.67	\$400,000	January 1, 2005
							\$500,000	January 1, 2010
Manitoba	11.92	23.00	46.67	11.00	23.00	46.67	\$400,000	Any time
New Brunswick	16.00		46.16	16.00		45.16	Same as federal (see above)	
Newfoundland and Labrador	16.00		48.67	15.00		48.67		
Northwest Territories	15.00		46.17	15.00		46.17		
Nova Scotia	16.00	27.00	50.67	15.50	27.00	50.67		\$400,000
Nunavut	15.00		46.67	15.00		46.67	Same as federal (see above)	
Ontario	16.00 ¹		47.66	15.50		46.41	Lower: \$500,000	January 1, 2007
							Upper: \$1,500,000 ¹	
							\$500,000	July 1, 2010
Prince Edward Island	12.27		50.67	12.00		50.67	Same as federal (see above)	
Quebec	19.00		46.57	19.00		46.57	\$400,000	January 1, 2006
							\$500,000	March 20, 2009
Saskatchewan	15.50		46.67	15.50		46.67	\$500,000	Any time
Yukon	Non-M&P	15.00	26.00	49.67	15.00	49.67	\$400,000	January 1, 2007
	M&P	13.50		n/a	13.50		\$500,000	January 1, 2011

1. See Table 4 for rates that apply on active business income of a CCPC above \$500,000 (above \$1,500,000 in Ontario before July 1, 2010). Before July 1, 2010, Ontario clawed back the benefit of its small business deduction when taxable income fell between \$500,000 and \$1,500,000. Rates that applied after taking the clawback into account are shown in the table below.

		2010
		\$500,000 to \$1,500,000
Ontario	Non-M&P	33.10%
	M&P	30.60%

2. If taxable capital employed in Canada in the preceding year of associated CCPCs exceeds \$10 million, the federal small business rate will be higher and all provincial and territorial rates will be higher, except Ontario's, which had a clawback that increases its small business rate, as described in footnote 1. Ontario's clawback was eliminated on July 1, 2010.
3. Rates on investment income are 16.67% (18.17% in 2011) higher than the general rates in Table 4 because:
- CCPC investment income does not benefit from the 10.0% (11.5% in 2011) federal general rate reduction; and
 - the rates on investment income include a 6-2/3% tax that is refundable when the CCPC pays taxable dividends.

Generally, 26-2/3% of a CCPC's aggregate investment income is added to its refundable dividend tax on hand (RDTOH). This amount is refundable at a rate of \$1 for every \$3 of taxable dividends paid by the CCPC.

Keep Informed By Reading Other Publications

PwC tax publications on our website, www.pwc.com/ca/publications, provide more detail on numerous topics. Here are some examples:

Topics of broad interest

- *Tax Facts and Figures: Canada 2010*
- *Car Expenses and Benefits – A Tax Guide (2010)*; 2011 edition coming soon
- *Understanding RESPs* (November 27, 2008)

International tax

- *Taxpayer Wins Appeal in Transfer Pricing Case (GlaxoSmithKline) – “Business Reality” Prevails* (July 29, 2010)
- *Canada Signs Four New Tax Information Exchange Agreements (TIEAs)* (June 22, 2010)
- *beyond Borders “Non-Residents Providing On-Site Installation and Training Services in Canada”* (March 2010)
- *Guarantee Fees: Tax Court of Canada Rules in Favour of GE Capital Canada Inc.* (December 10, 2009)

Scientific research and experimental development

- *Federal investment tax credits for R&D and property: 1998 – 2010* (July 15, 2010)
- *2010 Provincial and territorial R&D tax credits* (July 15, 2010)
- *SR&ED Claims: Importance of Business Context* (October 20, 2010)
- *Latest Version of Form T661 and Guide* (June 30, 2010)
- *Supporting Documentation – Guidance* (May 18, 2010)
- *Scientific Research and Experimental Development (SR&ED) Program Update* (April 1, 2010)
- *The CRA Revises Form T661 Requirements – Back to Top Twenty Projects* (February 5, 2010)
- *Enhanced CRA SR&ED Administration* (January 15, 2010)
- *Accrual Financing of SR&ED Credits: A Cash-Flow Opportunity for Exporters* (December 4, 2009)
- *Scientific Research and Experimental Development (SR&ED) – Administrative Second Review* (November 6, 2009)
- For *SR&ED Tax Clips*, see www.pwc.com/ca/en/sred/tax-clips/index.jhtml.

Sales tax harmonization

- *HST Place of Supply Rules Overhauled (Updated October 20, 2010)* (October 20, 2010)
- *Sales Tax Harmonization in British Columbia and Ontario – Manufacturing* (September 7, 2010)
- *British Columbia Harmonized Sales Tax – Recapture of Input Tax Credits (RITC) (Updated September 3, 2010)* (September 3, 2010)
- *Ontario Harmonized Sales Tax – Recapture of Input Tax Credits (Updated September 2, 2010)* (September 2, 2010)
- *HST Transitional Rules for Ontario and British Columbia Released (Updated August 5, 2010)* (August 5, 2010)
- *Sales Tax Harmonization in British Columbia and Ontario – A Guide for Non-Residents* (August 4, 2010)
- For harmonization tax publications and podcast, see www.pwc.com/ca/harmonization.

Entertainment and media

- *The Big Table of Film and Video Incentives in Canada (2010)* (August 30, 2010)
- *The Big Table of Digital Media and Animation Incentives in Canada (2010)* (August 30, 2010)
- For *Entertainment and Media Tax Clips*, see www.pwc.com/ca/entertainment-media-publications.

Wealth and Tax Matters for individuals and private companies

- Summer 2010 edition
- Winter 2010 edition

Anti-avoidance rules

- *New Federal Reporting Regime for Aggressive Tax Planning: Draft Legislation Released* (September 21, 2010)
- *Quebec’s Regime for Aggressive Tax Planning: Prescribed Form Released* (June 3, 2010)
- *Revised Quebec Aggressive Tax Planning Proposals* (October 22, 2009)

CRA Releases

- *Partnership Information Returns – Who Must File Starting 2011?* (September 22, 2010)
- *CRA Access to Documents* (June 4, 2010)
- *Taxable Employment Benefits – The CRA's Revised Policy* (November 30, 2010)

International Financial Reporting Standards (IFRS)

- *The Move to IFRS: CRA Guidance* (June 7, 2010)
- *Not Just Another Accounting Exercise: Managing Change for the Tax Function* (July 17, 2009)
- *The Move to IFRS: Tax Implications* (April 17, 2008)

Other specialty topics

- *Going Green Tables (2009/2010) – Select Federal and Provincial Incentives*
- *Major GST/HST Changes for Pension Plans* (October 22, 2010)
- *“Risk Assessment” – The CRA's New Audit Approach* (October 20, 2010)
- *August 27, 2010 Draft Legislation Implements 2010 Budget Proposals and Other Previously Announced Measures* (September 22, 2010)
- *New GST/HST Electronic Filing Requirement (Updated September 20, 2010)* (September 20, 2010)
- *Stock Options: 2010 Federal Budget Implications for Employers* (March 10, 2010)
- *Mandatory E-filing of Corporate Income Tax and Information Returns* (March 8, 2010)
- *Charitable Giving Guide for Donors (2008 Edition)*

Budget summaries (federal and provincial)

- *2010 Federal Budget Highlights* (March 4, 2010)
- *2010 Federal Budget: Focus on Fairness* (March 4, 2010)
- *2010 British Columbia Budget: Tax Highlights* (March 3, 2010)
- *2010 Manitoba Budget: Tax Highlights* (March 24, 2010)
- *2010 Ontario Budget: Not Much New* (March 25, 2010)
- *2010 Quebec Budget – Highlights* (March 30, 2010)
- *2010 Quebec Budget* (March 30, 2010)

Podcasts

PwC podcasts on our website, www.pwc.com/ca/taxtracks, include:

- *Understanding and Benefitting from PwC's Corporate Tax Recovery Process – A Discussion with Dean Landry* (September 14, 2010)
- *Iain Morris Discusses the Tax Issues Facing Non-residents who Provide On-site Installation and Training Services in Canada* (August 4, 2010)
- *Wally Conway's Broad-ranging Insider's View of What Businesses and Individuals Should Expect in Tax* (July 16, 2010)
- *Understanding and Benefitting from a Canadian Sales Tax Recovery Review – Perspectives from Paresh Shah* (May 17, 2010)
- *John Gotts on Tax Function Effectiveness: The Importance of Data Management is the Tax Function* (May 4, 2010)
- *Managing Commercial Property Taxes as an Owner or Tenant – Insights from Robert Cushing* (April 20, 2010)
- *2010 Federal Budget: Proposed Changes to Stock Option Rules – Perspectives from Rick Schubert* (March 16, 2010)
- *Navigating Taxes at the US State and Local Level – An Interview with Nadia Manin* (February 2, 2010)
- *Managing through the CRA Audit and Assessment Process: Insights from Rick Biscaro* (January 28, 2010)
- *Transfer Pricing Advance Pricing Arrangements (APAs) – Straight Talk with Martin Skretkowicz* (January 19, 2010)
- *Pricing Intercompany Guarantee Fees: the GE Capital Case – An Analysis by PwC's Jeff Rogers* (January 12, 2010)
- *Understanding the CRA: Advance Rulings and the GAAR Committee with former CRA director Rick Biscaro* (December 15, 2009)
- *Going Green Incentives* (June 30, 2009)
- *Quebec Proposals on Aggressive Tax Planning* (March 26, 2009)

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