

Nov 3-17

Good Afternoon To All

In follow up to our last note Oct 4 here is a great review from RBC on where we are—the bottom line is that the Liberals have backed off on much of their proposals which is GREAT news...but there are a few changes-hurdles remaining that you need to be aware off:

#1 Income Splitting-Sprinkling

-Family Trust will be hit but overall outcome much better than the initial proposal

?suggestion is to get those salaries and dividends out of Inc. in 2017 before 2018 hits as it will be harder in 2018...BUT ask your accountant please!!!

#2 Taxation on Passive Income

-again much better but there are new restrictions re how much future passive \$ will be taxed going forward---see RBC article...you still want to pile cash into the Inc. and invest but for those with Excessive cash savings for the Inc. (e.g. like over \$1mill per year) you may want to look at other options

?suggestion is to get any idle cash sitting in cash account into an investment account before 2018 so as to create paper trail...BUT ask Accountant again please

#3 Lifetime Capital Gains

—they let this one drop which dentist should be happy about and my Inc. owners who want to sell shares!!

Again—please have a read on enclosed articles on these changes and some enclosed suggestions

Terry

PS as this is an accounting matter final word is ALWAYS with Accountant here folks!!!!!!!!!!!! I am just trying to inform you so you can ask intelligent questions!!

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