

## 2019 BRITISH COLUMBIA TAX CONFERENCE & LIVE WEBCAST

### TOPIC OUTLINE

---

## **DON'T WAKE-UP A SLEEPING GIANT: A REVIEW OF COMMONLY OVERLOOKED TAX PROVISIONS**

---

Andrea S. Donohoe, Smetheram & Company, Vancouver

Lisa Heddema, Smetheram & Company, Vancouver

---

*In tax planning and compliance, the ordinary is often overlooked. This session will highlight a potpourri of provisions that are often missed in common tax planning strategies. This session is more than just about anti-avoidance provisions. It will cover topics from the conferring of benefits on shareholders to specified partnership/corporate income to corporate tax on taxable preferred shares to the safe income determination time. The focus will be on highlighting provisions, CRA's administrative practices and other interpretive issues.*

---

This session will highlight a potpourri of tax provisions that may be missed when planning and implementing reorganizations, advising trusts, tax reporting and dealing with CRA.

Specific topics to be discussed include:

- circumstances where a deemed dividend under section 84.1 may apply
- what rights should be attached to preferred shares that are issued in a typical rollover transaction (e.g. s. 85 or 86) and why those rights are important, including a discussion of price adjustment clauses
- when to keep in mind the taxable preferred share rules
- select circumstances when an acquisition of control does (or doesn't) occur as a result of a change in circumstances such as an executed purchase and sale agreement, power of attorney, or transfer of shares to the executor of an estate
- timing issues with respect to the calculation of safe income
- specified corporate income and specified partnership income rules and how they may apply more broadly than expected
- select issues for shareholder loans and shareholder benefits, including stock dividends, corporations providing shareholders services at cost, and withholding tax on loans
- alter ego and joint partner trusts and some of their limitations
- challenges that arise for bare trusts
- what actions are required to ensure property vests indefeasibly in a spouse or trust after a taxpayer's death, and how has the term "vested indefeasibly" been interpreted
- Part IV tax on dividends to corporate beneficiaries
- bargain sales to family and loss of cost base