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## PROFESSIONAL CORPORATIONS AND PERSONAL SERVICE BUSINESSES – WHERE ARE WE NOW?

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*The Canadian government seems to have sorted out its tax policy position on most aspects of professional corporations and personal services businesses. The government's position, which appears to be supported by concerns over the substantial increase in the use of private corporations in recent years, has been accompanied by a host of legislative changes, which have reshaped the landscape of tax planning. This presentation and paper will bring you up to speed on recent legislative changes and CRA positions respecting professional corporations and personal services businesses.*

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This session will include a discussion of the following:

- Review of relevant legislative and policy changes affecting professional corporations and personal services businesses
- The WIP Deduction – changes for 2018 and subsequent years, including the application of transitional rules and considerations of practical issues
- The impact specified partnership income and specified corporate income rules have on various common structuring alternatives for professional businesses, as well as an overview of structuring alternatives that may still be suitable
- A review of the personal service business rules:
  - what they mean for tax rates and expense deductibility, and how they affect integration
  - how to practically manage operating a PSB (and sometimes you have to)
  - exceptions to the PSB rules
  - a review of the leading cases that apply to the determination of employee versus independent contractor
  - how CRA interprets the definition of PSB