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## PERSONAL TAX PLANNING

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### MARRIAGE BREAKDOWN: A PRACTICAL REVIEW OF INCOME TAX CONSIDERATIONS

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A tax adviser often will, and in the author's view always should, actively participate in structuring a settlement in respect of the breakdown of a marriage or common-law relationship. The process of legally ending a marriage can give rise to a wide range of income tax considerations related to, among other things, (1) support payments, (2) property division, and (3) tax liability risks. The author provides a practical review of these topics and selected considerations that arise under the Income Tax Act.

**KEYWORDS:** DIVORCE ■ TAX LIABILITY ■ MATRIMONIAL PROPERTY ■ SPOUSE ■ SUPPORT ■ TRUSTS

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