

Personal Tax Planning

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ESTATE PLANNING AND SUCCESSION PLANNING: AN INTEGRATED APPROACH

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*Estate planning for owners of family businesses must satisfy special requirements where the owner wants to provide for the continuation of the business by family members after his or her death. To meet the owner's objectives, an estate plan by itself is usually not enough. Instead, estate planning needs to be carried out within the broader framework of a succession plan. In effect, the estate-planning and succession-planning processes must be integrated, to ensure that specific components of the estate plan support, or at least do not compromise, the objectives of the succession plan. This article describes a succession-planning model, outlines the essential elements of a succession plan, and discusses ways of coordinating the estate-planning and succession-planning processes to best meet the client's needs. **Keywords:** Closely held corporations; small business; life insurance; tax planning; discretionary trusts; estate planning; retirement planning; succession; wills.*

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