2019 Tax Planning Checklist

WS | WEALTH STEWARDS

Item to Review	Description	Addressed	N/A
Changes in 2019 income or beyond	Reviewing any changes in income for 2019 or projected in the future is important to ensure we plan appropriate strategies to minimize your taxes over the long-term. A few of which are mentioned below.	☐	☐
Opening or topping up: • Registered Education Savings Plans (RESPs), and • Registered Disability Savings Plans (RDSPs)	• Make sure to make your 2019 contributions before the end of the year in order to receive the 2019 grants • RESPs – for children under 16 • RDSPs – for anyone that qualifies for the Disability Tax Credit (DTC) • DTC - click here for more information • RDSPs – click here for more information	☐	☐
Changes in family dynamics	A birth, death, marriage or separation can have an impact on many aspects of your affairs – financial and non-financial.	☐	☐
Projected future capital gains, i.e. sale of rental property	Consider future capital gains in advance, such as selling a rental property in 5 or 10 years, in order to plan for minimizing the tax liability at such time. i.e. not contributing RRSPs for a the time being and making a large contribution in the future year may be prudent	☐	☐
Upcoming corporate year-ends	Consider corporate taxes and a review of planning strategies for the fiscal year. Notably, if corporate net income will be over $500,000 a Personal Pension Plan (PPP) can lower corporate taxes and increase your retirement savings more than RRSP's. Click here for more information on PPP's.	☐	☐
Old Age Security (OAS) claw-back	If you are receiving OAS - if 2019 net income is greater than $75,000 then you will have to repay 15% of the excess over this amount, to a maximum of the total amount of OAS received. Consider ways to lower your income for 2019 to minimize OAS claw-back.	☐	☐
Transfer capital losses to higher income spouse	If one spouse has higher income (thus a higher tax bracket) than the other spouse, and the spouse with lower income has investments currently lower than the purchase cost, you can transfer the capital loss to the higher income spouse. Click here for more information on transferring capital losses.	☐	☐
Charitable donations • Many of us this time of year enjoy helping others and charitable organizations.	When you make charitable donations, it is more beneficial to donate investments which have increased in value instead of donating cash. By doing so, you do not have to pay tax on the capital gains, while you do receive a tax receipt for the fair market value of the securities.	☐	☐

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Consider time spent out of the country	If you spend more than half the year, 182 days, in another country, you may be required to file a tax return in that country.	☐	☐
U.S. citizen considerations	U.S. citizens are required to file a U.S. tax return. Not well known is that if a U.S. citizen residing in Canada sells their principal residence (not taxable in Canada) with a gain of more than $250,000, you are required to pay U.S. taxes on the gain over $250,000.	☐	☐
When to take CPP and OAS	If you are approaching 60 or 65 and have not started to receive CPP or OAS yet, consider when is best for you before you. Click here for more information on when to take CPP and OAS.	☐	☐
Converting RRSP to RRIF	If you have retired or your income is lower this year, consider when to convert your RRSP to a RRIF. It may be beneficial to do so before required at age 71 to take advantage of lower tax brackets. Click here for more information on considerations for when to convert RRSP's to a RRIF.	☐	☐