

LEARN YOUR WAY

Virtual Registrar

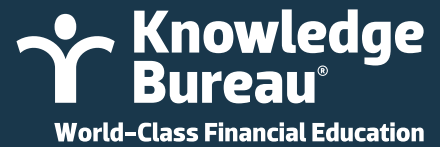


Take the **NEXT STEP**
with a **World-Class**
Financial Education

DFA-Tax Services Specialist Program

- Choose your courses
- Register virtually
- Get personal help

DFA - TAX SERVICES SPECIALIST™ DESIGNATION PROGRAM



ESPECIALLY FOR:

- Tax and Estate Advisors
- Tax Filing Office Staff (new & returning) Wealth Managers
- Insurance Advisors
- Financial Planners
- Bookkeeping & Payroll Services
- Trust Offices and Trustees

FACULTY OF PERSONAL TAXATION

Filing Income Tax for Individuals

File personal tax returns as a certified professional or deepen existing skills. Offer high-value advice on the best after-tax outcomes for multiple generations in client families.

WHY BECOME A DISTINGUISHED FINANCIAL ADVISOR?

Expand on the role of a traditional tax preparer. Offer holistic tax filing and planning services to help families reduce taxes and supplement low income by taking advantage of all available tax credits. Take a bold step: earn your **DFA-Tax Services Specialist™ Designation**.

STUDY ONLINE - EVERYTHING IS INCLUDED:

- > Personal course selection consultation and virtual campus orientation
- > Lesson plans and study plans
- > Personal instructor support by email
- > Comprehensive Knowledge Journal
- > EverGreen Explanatory Notes - Online Research Library
- > Practical case studies using well-known professional software
- > Calculators and tools you can use immediately
- > Testing and certification
- > CE/CPD accreditation by various professional bodies

Fully updated for the 2019 tax filing season and March 19, 2020 Federal Budget!

"I am working on my second degree with the Knowledge Bureau, and I strongly recommend their courses for anyone in the financial services field. They have without a doubt, the most practical and effective approach to helping advisors serve their clients."

Chris Valentine,
DFA-Tax Services Specialist™ and
MFA™-Retirement and Succession
Services Specialist, RWM™

Let's Connect :

Phone: 1-866-953-4769 | Email: registrar@knowledgebureau.com | www.knowledgebureau.com

LEVEL I COURSES - CORE PROFESSIONAL SKILLS

Build your core professional skills by taking the three courses below.

A highly skilled tax practitioner is a professional who understands CRA's EFILE, NETFILE and File My Return, but brings so much more to the client relationship: the precise application of all the tax preferences the client is entitled to because a thorough client interview was conducted.

1

Professional Income Tax Course - Entry Level

This course introduces a proven process for consistently accurate T1 tax preparation services with a professional client interview and document management system, as well as a thorough understanding of tax preparation for the five anchor profiles upon which every personal tax return is based—credit filing, employees, families and children, investors, and seniors.

Knowledge Journal Topics:

- Intro to Income Taxation in Canada
- Using Software to Prepare the Return
- Filing the Return
- Low Income and Credit Filers
- Reporting Employment Income
- Claiming Employment Deductions
- Families and Children
- Reporting Investment Income
- Pensioners
- New for 2020 and Beyond

Bonus: you'll also learn more about the pandemic response provisions.

2

Professional Income Tax Course - Advanced Level

Fully updated to the latest federal Budgets, this comprehensive course delves deeply into the deductions, tax credits, and tax calculations on the personal tax return, with an emphasis on capital gains and losses, and registered and non-registered investment income sources. It overviews common and advanced client profiles, while sending students to the dynamic commentary in EverGreen Explanatory Notes.

Knowledge Journal Topics:

- Update and Review
- Family Filing
- Employees - Part 1
- Employees - Part 2
- Retirement
- Investors
- Asset Management
- Life Events
- Business Starts and Stops
- Death and Estate Planning

3

Filing Proprietorship Returns

This course for professional advisors uses CRA's prescribed forms: Statement of Business or Professional Activities, Capital Cost Allowance statements, worksheets for reporting home office, automobiles, other assets, inventory control, and cost of goods sold.

Knowledge Journal Topics:

- Taxation of Income from a Proprietorship
- Reporting Requirements: GST/HST
- Claiming Business Expenses
- Transactions Involving Business Assets
- Home-based Businesses
- Hiring Human Resources
- Inventory-Based Businesses
- Disposing of and Replacing a Business
- Farming and Fishing Enterprises
- Professionals and Partnerships

"I am proud to say that I have achieved the Designation, and most of my staff are well on their way to either a diploma or a designation."

- Wayne Blackmere, DFA - Tax Services Specialist™

Let's Connect :

Phone: 1-866-953-4769 | Email: registrar@knowledgebureau.com | www.knowledgebureau.com

LEVEL II COURSES - MASTERY AND SPECIALIZATION

Complete your designation with specialized skills and deep professional knowledge by taking the three courses below:

Be a trusted contributor to a multi-stakeholder approach in family wealth management. Offer high value advice on the best after-tax outcomes for multiple generations in a taxpayer's family.

4

Filing Returns at Death

This course deals comprehensively with the taxation of individuals at death and the new relationship with the CRA when taxpayers die. Gain a thorough understanding of how income and capital accumulations are taxed on final returns and learn strategies to minimize taxes.

Knowledge Journal Topics:

- Death and Taxes
- Returns in the Year of Death
- Reporting Income
- Capital Assets
- Registered Accounts
- Claiming Deductions
- Non-Refundable Credits
- Refundable Credits
- The Estate
- Avoiding Probate Fees

5

Filing T3 Returns

This course introduces the types of trusts that may be created in Canada and how each of them is taxed. Students will learn how to prepare T3 returns as part of the case study exercises in the course. The students will also learn how to optimize taxes payable on income earned by at trust. The Trust Tax Estimator tool, provided with this course, will help you to minimize taxes on trust income.

Knowledge Journal Topics:

- Introduction to Organizational Structures
- Consolidated and Combined Financial Statements
- Foreign Currency Transactions
- Purchase of a Business
- Sales of a Business
- The Sale of Assets
- The Sale of Shares
- Business Succession
- Tax Planning in Succession
- The Role of a Value Centered Accounting Function

6

Canada - US Cross Border Taxation

Advisors who take this course and who work with affluent boomers will be prepared to discuss cross border taxation with a piece of comprehensive general knowledge, as well as recognize and advise on how certain actions on both sides of the border affect a person's tax situation.

Knowledge Journal Topics:

- Residency
- Immigration and Emigration
- Snowbirds
- Owning Property as a Non-Resident
- Canada-US Tax Convention (1980)
- US Citizenship
- Canada and US Investments
- US Estate and Gift Tax
- Renouncing US Citizens

Study online in the safety and convenience of your own home or office.
Your study plan is flexible and self-paced. Assume 30 hours for each course.
Take up to 3 months to complete one.

Let's Connect :

Phone: 1-866-953-4769 | Email: registrar@knowledgebureau.com | www.knowledgebureau.com

TAKE A RISK-FREE TRIAL
knowledgebureau.com

DFA - TAX SERVICES SPECIALIST™ DESIGNATION PROGRAM

TAKE THE FIRST STEPS TO DESIGNATION NOW...

This designation program is one of 7 from Knowledge Bureau.
Ask us about group rates for your whole team of 2 or more.

We would like to create a lasting learning relationship with you and your team, for all your professional development and continuing education requirements.

Count on Us For:

- Practical training you can use right away with your team and clients
- Unparalleled personalized attention to ensure your success in the program
- Flexible learning format to fit even the busiest schedules – conveniently online and available 24/7
- Tax deductible tuition fees which qualify for the Tuition Fee Credit on your tax return
- All course materials, custom-designed software tools, research library, quizzes, testing and personal support are included in the single fee
- Continuing education credits from most professional bodies and regulators



About Knowledge Bureau:

Founded by tax expert, award-winning financial educator and best-selling author, Evelyn Jacks in 2003, Knowledge Bureau™ is a widely respected financial education institute and publisher based in Canada. Our world-class education solutions are innovative, informative, and in-depth, with a multi-disciplinary approach to professional development in the tax, accounting, bookkeeping and financial services.

Join Thousands Who Have Earned New Credentials

- Over 750,000 Online course module registrations
- Over 20,000 Technical training certificates issued
- Over 16,500 Knowledge Bureau Report (KBR) subscribers
- Over 10,000 Active students in certificate and designation programs
- Over 12,000 CE Summits & Distinguished Advisor Conference attendees

“Our team of educational consultants and instructors make all the difference. We are always by your side as you study in the convenience of home or office. We want you to make the best educational decisions for your time and money and we are here to help.”

- Evelyn Jacks, President of Knowledge Bureau

“Everything so far has had value to it. These studies have added to my knowledge and skills and I have put this knowledge to use immediately for our clients or I gained new skills which has given me the opportunity to expand our services.”

- William Samplonius, DFA-Bookkeeping Services Specialist, ON

Let's Connect :

Phone: 1-866-953-4769 | Email: registrar@knowledgebureau.com | www.knowledgebureau.com



The RWM™, MFA™, MFA-P™, DFA-Tax Services Specialist™ and DFA-Bookkeeping Services Specialist™ designations are registered certification marks of Knowledge Bureau™

FEATURE SHEET

PROGRAM:	<input type="checkbox"/> ONLINE <input type="checkbox"/> CE SUMMITS – <input type="checkbox"/> Jan. <input type="checkbox"/> Spring <input type="checkbox"/> Fall <input type="checkbox"/> DAC <input type="checkbox"/> BBR <input type="checkbox"/> OTHER:
DESIGNATION	DFA Tax Services Specialist™
COURSE NAME	Professional Income Tax Course – Entry Level
AUTHOR/INSTRUCTOR	Walter Harder
PUBLISHING DATE	April 15
KEYWORDS (3):	Income tax course
TIMELINES, RIGHTS & BIBLIOGRAPHY:	Required: We respect copyright laws. Please be advised you must have rights to any images, cite any references used in publication components upon completion and provide timelines for completion

WHAT'S INCLUDED
<ul style="list-style-type: none"> • Personal course selection consultation • Virtual campus orientation • Lesson and study plans • Personal instructor email support • Comprehensive Knowledge Journal • EverGreen Online Research Library • Knowledge Bureau calculators • Testing and certification • CE/CPD accreditation
OVERVIEW (2-3 lines describe what this program is about and why it's important)
<p>Perfect for individuals who want to achieve the credentials needed to file income tax returns professionally out of their home or office or start a new career working for income tax preparation, accounting or financial services firms. This is the right income tax course for training new staff in growing tax accounting offices. Graduates are thoroughly trained on the latest personal income tax changes using professional tax software in a case study approach. Research skills are honed, too, in the comprehensive online research library known as <i>EverGreen Explanatory Notes</i>. Plus, you can create “what if” scenarios using the sophisticated tax estimator tools from Knowledge Bureau in between software updates.</p>
APPROACH (Who is this for and why – add brief facts, stats, trends):
<p>Income tax preparation is always timely; an essential service for families to obtain tax refunds, refundable tax credits and make tax-efficient investment decisions. In this comprehensive, yet</p>

easy-to-learn professional income tax course, learn using true-to-life case studies and student versions of professional income tax filing software. Learn how to use income tax provisions to the best benefit of each individual and the household as a whole, filing their income tax returns accurately and with confidence.

WHY IS THIS CONTENT ESPECIALLY TIMELY AND/OR IMPORTANT (3 Key Points):

This personal income tax course introduces a proven process for providing consistently accurate T1 tax filing services. The process starts with a professional client interview and documentation management system, as well as a thorough understanding of tax filing for the five anchor profiles upon which every personal tax return is based:

- Low-income and credit filing
- Employees
- Families and children
- Investors
- Seniors

Bonus: you will learn more about the pandemic response provisions:

1. Tax filing/payment relief – 2019 returns
2. New tax brackets and rates (federal and provincial)
3. Overview of indexed 2020 non-refundable tax credits
4. Low-income and credit filing (GSTC)
5. Employees (EI programs, CERB, new need for T2200 for 2020)
6. Families and children (CCB)
7. Investors (keep track of capital losses; RRSP/RPP maximums for 2020)
8. Seniors (CPP benefits, OAS clawbacks, RRIF changes)
9. Write off for electronic subscriptions
10. New qualifying charitable organizations

WHAT YOU WILL LEARN? Provide at least 3 key benefits or take-aways

This course introduces a proven process for consistently accurate T1 tax preparation services with a professional client interview and document management system, as well as a thorough understanding of tax preparation for the five anchor profiles upon which every personal tax return is based—credit filing, employees, families and children, investors, and seniors.

You will be exposed to a broad range of personal income tax topics in common scenarios, each featuring short answer and true-to-life case studies which overview the basic elements of the tax return and the details behind claiming income, deductions and tax credits on most lines of the personal tax return.

You'll be able to competently prepare basic personal tax returns.

SCOPE OF THE CONTENT: (10 key points)

Part 1 | Professional Tax Preparation
Chapter 1 | Introduction to Income Taxation in Canada
Chapter 2 | Using Software to Prepare the Return
Chapter 3 | Filing the Return
Part 2 | Common Tax Profiles
Chapter 4 | Low Income and Credit Filers
Chapter 5 | Reporting Employment Income
Chapter 6 | Claiming Employment Deductions
Chapter 7 | Families and Children
Chapter 8 | Reporting Investment Income
Chapter 9 | Pensioners
Chapter 10 | New for 2020 and Beyond

TOOLS AND SOFTWARE:

- EverGreen Explanatory Notes
- ProFile
- DRTax
- TaxCycle T1
- The Knowledge Bureau's Income Tax Estimator

MARKING GUIDE

Quizzes	25%
Case Studies	50%
Final Exam	25%
Passing Grade	60%
Honours Achievement	90%

All students who pass the course will receive a certificate. Students who receive a mark of 90% or better will receive a gold honours bar on their certificates.

AUTHOR BYLINE a brief description of who the author(s) is for website ID purposes. Larger biography to be attached separately.

Walter Harder has achieved his Master Instructor Certification with Knowledge Bureau by participating in a number of required milestones, including attainment of his DFA-Tax Services Specialist designation, preparing analysis, software development and writing for Knowledge

Bureau, online course beta testing, student and instructor support and mentorship, course creation and updating, student teaching, lecturing, participating in content development and lecturing at marquis events at the Distinguished Advisor Workshops and Conference and for corporate clients of Knowledge Bureau.

He has also worked as a lead researcher and personal tax content contributor to Evergreen Explanatory Notes. Walter is President of Walter Harder and Associates, specializing in tax research, and business building tool development. In addition to preparing T1 returns for clients, Walter provides tax web tools development for Knowledge Bureau and is the co-author of several of Knowledge Bureau's certificate courses.

MARKETING

“An open book approach is great for learning. It helped me to go back and review the materials over again so that I could get the right answers on the quiz but it also provided a good understanding of all the material. I think this course has been very helpful and will enable me to start my first year of T1s with my company in a much more effective way.”

Bryce Walton, Alberta

TABLE OF CONTENTS: Instruction in the Knowledge Journal features:

Chapter 1: **Introduction to Income Taxation in Canada**

Introduction: Who is Taxed?; Residency; Canadian-Source Income; What is Taxed and What is Not; Exempt Income; Employment Income; Income from Property; Capital Gains; Self-Employment; Other Income; Adventures and Concerns in the Nature of Trade; Compliance: How the System Works; Filing Requirements: Self-Assessment; Information Slips; Self-Reporting; Documentation; Filing Structure: Total Income; Net Income and Clawbacks; Taxable Income; Non-refundable Credits; Calculation of Tax; Refundable Credits

Chapter 2: **Using Software to Prepare the Return**

Taxpayer Identification; Source Documents; Data Entry – T-slips and Income; Claiming Deductions; Maximizing Credits; Checking for Accuracy; Audit- Proofing

Chapter 3: **Filing the Return**

EFILE; Registering for Electronic Filing; T183 – Authorization to EFILE; T1013 – Representing the Client; Filing the Return; Acknowledgement and Error Correction; Paper Filing; When Paper Filing is Allowed; What to Print; Assembly of CRA Copy; Client Signatures; Client Copy; Revising Returns; Penalties

Chapter 4: Low Income and Credit Filers

GST/HST Credit; Canada Child Benefit; Working Income Tax Benefit; Refundable Medical Expense Supplement

Chapter 5: Reporting Employment Income

T4 Slips; Other Employment Income; Employment or Self-employment?; Canada Pension Plan Contributions; Employment Insurance Premiums; Tax Withholding; Taxable Benefits; Non-Refundable Credits

Chapter 6: Claiming Employment Deductions

Employment Expenses; RPPs and RRSPs; Child Care Expenses; Moving Expenses; Truckers and Others; Severance and Unemployment

Chapter 7: Families and Children

Spouses; Children; Students; Medical Expenses; The Sick and Disabled; Charitable Donations; Relationship Breakdown

Chapter 8: Reporting Investment Income

Interest; Dividends; Capital Gains; Attribution Rules; Personal Residences; Rental Property; Investment Expenses

Chapter 9: Pensioners

OAS Reform; Additional CPP Contributions; Private Pensions; Pension Income Splitting; Non-refundable Credits for Pensioners; Home Accessibility Tax Credit

Chapter 10: New for 2020 and Beyond

Get ready to help your clients plan for the 2020 tax year with critical information to make financial plans before year end. You will learn about the newly revamped Federal Personal Amounts, new RRIF provisions for seniors, and an overview of the COVID-19 Emergency Response Measures which have impacted refundable tax credits like the CCB and GSTC, EI benefits and supplementary relieving measures including the taxable CERB (Canada Emergency Response Benefit), and the postponed 2019 tax filing and payment remittance postponements.

FOR OFFICE USE:

1. Product Manager: Add to Author Agreement for contract sign-off.
2. Provide copy to Director of Operations for inclusion on website pre-marketing
3. Provide copy to Publishing manager for file set-up.

CHAPTER 1

INTRODUCTION TO INCOME TAXATION IN CANADA

LESSON PLAN:

Chapter	Introduction to Income Taxation in Canada
Reading Time	45 minutes
Practical Time	30 minutes
Review Exercises	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- Who is taxed
 - Residency
 - Canadian-source Income
- What is taxed and what is not
 - Exempt Income
 - Employment Income
 - Income from Property
 - Capital Gains
 - Self-Employment
 - Other Income
 - Adventures and Concerns in the Nature of Trade
- Compliance: How the system works
 - Filing Requirements: Self-Assessment
 - Information Slips
 - Self-Reporting; Documentation
- Filing Structure:
 - Total Income
 - Net Income and Clawbacks
 - Taxable Income
 - Non-refundable Credits
 - Calculation of Tax
 - Refundable Credits
- Taxpayer Profiles
 - Families
 - Employed
 - Self Employed
 - Investors
 - Seniors

NEW SKILLS TO BE MASTERED:

In this chapter, you will gain or reinforce a basic understanding of how taxation works in Canada, who and what is taxed to the basic areas on the tax return: Total Income, Net Income, and Taxable Income. You will also become familiar with what income, deductions, and credits are used by taxpayers in the most common income tax filing profiles.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What determines if an individual must pay income taxes to the Canada Revenue Agency?
- For a resident in Canada, what income must be reported to CRA?
- What types of income are exempt from taxation in Canada?
- What are the classifications of income that are taxable?
- Which types of income are taxed at preferential rates?
- Who must file a tax return?
- What types of income are reported to CRA independently?
- What is Total Income?
- What is Net Income?
- What is Taxable Income?

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the "Try This" questions
- Do the "Try This" questions using the Income Tax Estimator tool.
- Five case studies using the Income Tax Estimator tool.
- Multiple-choice quiz

RESOURCES:

The Knowledge Journal;

EverGreen Explanatory Notes:

- Individual Residency
- Exempt Income
- Income from Property
- Adventures or Concerns in the Nature of Trade

CHAPTER 2

USING SOFTWARE TO PREPARE THE RETURN

LESSON PLAN:

Chapter	Using Software to Prepare the Return
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- Taxpayer Identification
- Source Documents
- Data Entry – T-slips and Income
- Claiming Deductions
- Maximizing Credits
- Checking for Accuracy
- Audit-Proofing

NEW SKILLS TO BE MASTERED:

In this chapter, you will learn of some of the differences between manual preparation procedures and using software to prepare tax returns.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What information must be provided to identify the taxpayer?
- What information must be provided to identify the taxpayer's spouse?
- What are the most common source documents for income?
- How is income reported when an information slip is unavailable?
- What are the most common deductions available to employees?
- What are the most common deductions available to investors?
- What are the common source documents for deductions?
- Who should claim the family's medical expenses?
- What are the common source documents for credits?
- What is "audit-proofing"?

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the "Try This" questions
- Multiple-choice quiz

RESOURCES:

The Knowledge Journal;

EverGreen Explanatory Notes

- Audit
- Foreign Asset Reporting

CHAPTER 3

FILING THE RETURN

LESSON PLAN:

Chapter	Filing the Return
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- EFILE
 - Registering for Electronic Filing
 - T183 – *Information Return for Electronic Filing of an Individual's Income Tax and Benefit Return*
 - Taxpayer Authorization Form
 - Filing the Return
 - Acknowledgement and Error Correction
- Paper Filing
 - When paper filing is allowed
 - What to print
 - Assembly of CRA copy
 - Client signatures
- Client copy
- Revising Returns
- Penalties

NEW SKILLS TO BE MASTERED:

In this chapter, you will learn how to become an electronic filer. You'll learn what returns must be filed on paper and how to assemble the paper returns for mailing to CRA. As well, you'll learn about setting up your own files and what to give to the client. Finally, you'll learn how to revise a return once an error is found, and you'll become aware of the penalties associated with not following the rules for filing returns.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- Who must register for Electronic Filing?
- How is the Electronic Filer identified on the tax return?
- What forms must be signed before filing a return electronically?
- What form must be filed in order for the tax consultant to represent a client?
- What must you do if a return is rejected for EFILE?
- Under what circumstances may you file a return on paper?
- What must be sent to the CRA when you file a paper return?
- What paperwork must be given to the client?

- What do you do when the client provided additional information after the return has been filed?
- What are the penalties for filing a return on paper that could have been filed electronically?

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in EverGreen Explanatory Notes and answer the “Try This” questions
- Multiple-choice quiz

RESOURCES:

The Knowledge Journal;

EverGreen Explanatory Notes

- *Filing Methods*
- *Filing Deadlines and Reporting Periods*
- *Administration - Overview*
- *Adjustments of Errors and Omissions*
- *Late Filing Penalties*
- *Gross Negligence*
- *Offences and Penalties*
- *Onus of Proof*
- *Tax Evasion*
- *Taxpayer Relief Provisions*
- *Record Retention*
- *T183*

CHAPTER 4

LOW INCOME AND CREDIT FILERS

LESSON PLAN:

Chapter	Low Income and Credit Filers
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	45 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you will learn about the following credits commonly claimed by low income and credit filers:

- GST/HST Credit
- Canada Child Benefit
- Canada Workers Benefit
- Refundable Medical Expense Supplement
- Climate Action Incentive (AB, SK, MB, ON)

•

• NEW SKILLS TO BE MASTERED:

After completing this chapter, including the quiz and case studies, you will be able to prepare returns for most low-income and credit filers.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- Why should taxpayers with no income file a tax return?
- What is the benefit year, and what income is used to determine benefits for that period?
- What are the eligibility requirements for the GSTC?
- What income is used to determine benefit amounts?
- When a family situation changes, how and when are benefits adjusted?
- When a taxpayer moves from one province to another, what provincial credits may they apply for?
- What are the qualifications for the Canada Workers Benefit?
- Who is eligible to claim the Refundable Medical Expense Supplement?
- Who is eligible to claim the Climate Action Incentive?

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in EverGreen Explanatory Notes and answer the "Try This" questions
- Case studies
- Multiple-choice quiz

RESOURCES:

The Knowledge Journal;

EverGreen Explanatory Notes

- *Spouse or Common-law Partner Amount*
- *Goods and Services Tax Credit (GSTC)*
- *Canada Child Benefits (CCB)*
- *Canada Workers Benefit*
- *Refundable Medical Expense Supplement*
- *Basic Personal Amount*
- *Amount for Eligible Dependents*
- *Canada Caregiver Amount*
- *Climate Action Incentive*

Forms:

- *RC66 – Canada Child Benefits Application*
- *Schedule 6 – Canada Workers Benefit*
- *Schedule 14 – Climate Action Incentive*

CHAPTER 5

REPORTING EMPLOYMENT INCOME

LESSON PLAN:

Chapter	Reporting Employment Income
Reading Time	45 minutes
Practical Time	30 minutes
Review Exercise	45 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you will learn about reporting income from employment, including these topics:

- T4 slips
- Other Employment Income
- Employment or Self-employment?
- Canada Pension Plan contributions
- Employment Insurance Premiums
- Tax Withholding
- Taxable Benefits
- Non-refundable credits

NEW SKILLS TO BE MASTERED:

After completing this chapter, including the quiz and case studies, you will be able to prepare returns for most employees with no employment expenses.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What do you do if the client is missing a T4 slip?
- What amounts not shown on a T4 slip are considered to be employment income?
- What criteria determine if a taxpayer is an employee or a contractor?
- How can an employee reduce income tax withholding at source?
- What are some common taxable benefits?
- How are contributions to the Canada Pension Plan claimed on the tax return?
- What non-refundable credits are available to employees as a result of their employment?
- How is the Canada Employment Credit calculated?
- What are the consequences of claiming the volunteer firefighters' or search and rescue volunteers' amount?
- How can an employee increase take-home pay with child care expenses?
- Who should claim charitable donations shown on the employee's T4 slip?

LEARNING ACTIVITIES:

- Read the Knowledge Journal

- Read the assigned topics in EverGreen Explanatory Notes and answer the "Try This" questions
- Case studies
- Multiple-choice quiz

RESOURCES:

The Knowledge Journal;

EverGreen Explanatory Notes

- *Employment Income and Deductions – Overview*
- *Employment Income and Deductions*
- *Other Employment Income on Line 10400*
- *Taxable Benefits*
- *"Employees' Contribution" in Canada Pension Plan*
- *"Premium" in Employment Insurance*
- *Canada Employment Credit*
- *Amount for Volunteer Firefighters*
- *Amount for Search and Rescue Volunteers*

Forms:

- *T4 – Statement of Remuneration Paid*
- *TD1 – Personal Tax Credit Return*
- *T1213 Request to Reduce Tax Deductions at Source*

CHAPTER 6

CLAIMING EMPLOYMENT DEDUCTIONS

LESSON PLAN:

Chapter	Claiming Employment Deductions
Reading Time	60 minutes
Practical Time	60 minutes
Review Exercise	45 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you will learn about reporting income from employment including:

- Employment Expenses
- RPPs and RRSPs
- Child Care Expenses
- Moving Expenses
- Truckers and Others
- Severance and Unemployment

NEW SKILLS TO BE MASTERED:

After completing this chapter including the quiz and case studies, you will be able to prepare returns for most employees who are claiming employment expenses.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

1. How does an eligible employee claim employment expenses? What options are available to commission-based employees for claiming employment expenses?
2. How do employees recoup the GST/HST paid on employment expenses?
3. What are the limits for making contributions to registered pension plans and RRSPs?
4. If a couple may claim child care expenses, which spouse must make the claim?
5. Under what conditions can moving expenses be claimed?
6. How do truck drivers claim the costs of their meals and lodging?
7. What special rules apply to claims by employed artists?
8. What are the tax consequences of receiving a retiring allowance?
9. Which EI recipients are required to repay EI benefits and how much must they repay?
10. What is the difference between a passenger vehicle and a motor vehicle?

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions
- Case studies
- Multiple-choice quiz

RESOURCES:

The Knowledge Journal;

EverGreen Explanatory Notes

- *Employment Expenses*
- *GST Rebates*
- *Tools*
- *Auto Allowances*
- *Registered Pension Plan (RPP)*
- *Registered Retirement Savings Plan (RRSP)*
- *Pooled Registered Pension Plan (PRPP)*
- *Child Care Expenses*
- *Moving Expenses*
- *Board and Lodging Expenses of Long-Distance Drivers*
- *Northern Residents Deduction*
- *Eligible Education School Supply Tax Credit*
- *Severance Packages*
- *Retiring Allowances*
- *Employment Insurance*

Forms:

- T777 – *Statement of Employment Expenses*
- T778 – *Child Care Expenses Deduction*
- T1-M – *Moving Expenses Deduction*
- TL2 – *Claim for Board and Lodging Expenses*
- T2222 – *Northern Residents Deductions*
- T4E – *Statement of Employment Insurance and Other Expenses*

CHAPTER 7

FAMILIES AND CHILDREN

LESSON PLAN:

Chapter	Families and Children
Reading Time	60 minutes
Practical Time	60 minutes
Review Exercise	45 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you will learn about preparing returns for families, including the following topics:

- Spouses
- Children
- Students
- Medical Expenses
- The Sick and Disabled
- Charitable Donations
- Relationship Breakdown

NEW SKILLS TO BE MASTERED:

After completing this chapter, including the quiz and case studies, you will be able to prepare returns for most family situations.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What claims can be made for a spouse or common-law partner?
- What claims can be made for the taxpayer's children?
- How does the tax system deal with the costs of education?
- What amounts can be claimed for medical expenses, and who should make the claim?
- What is the Canada Caregiver Credit?
- What amounts can be claimed for other dependants?
- What tax breaks are available for the disabled and their caregivers?
- How can claims for charitable donations be optimized?
- What claims can be made in the year of marital change?
- What are the income tax consequences of assets transferred as a result of a breakdown of a conjugal relationship?

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the "Try This" questions
- Case studies

- Multiple-choice quiz

RESOURCES:

EverGreen Explanatory Notes

- *Non-refundable Credits - Overview*
- *Amounts Transferred from Spouse or Common-law Partner*
- *Canada Caregiver Credit*
- *Adoption Expense Tax Credit*
- *Tuition Education and Textbook Amounts*
- *Medical Expenses*
- *Disability Amount*
- *Disability Supports Deduction*
- *Charitable Donations*
- *Marriage Breakdown*
- *Spousal Support*

Forms:

- T2202 – *Tuition Education and Textbook Amounts Certificate*
- T2201 – *Disability Tax Credit Certificate*

CHAPTER 8

REPORTING INVESTMENT INCOME

LESSON PLAN:

Chapter	Reporting Investment Income
Reading Time	60 minutes
Practical Time	60 minutes
Review Exercise	45 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn how to report investment income, including:

- Attribution Rules
- Interest
- Dividends
- Capital Gains
- Personal Residences
- Rental Property

You'll also learn how to claim investment expenses.

NEW SKILLS TO BE MASTERED:

After completing this chapter, including the quiz and case studies, you will be able to prepare returns that include various types of investment income.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- When is interest income reported?
- How is income earned in a joint account reported?
- How are dividends from taxable Canadian corporations taxed?
- How are capital gains taxed?
- What are identical properties, and what special rules apply to them?
- What are the exceptions to the attribution rules?
- How is the gain on a taxpayer's principal residence taxed?
- What happens when a family owns more than one principal residence?
- How is income from a rental property taxed?
- What expenses can be claimed for the costs of earning investment income?

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the "Try This" questions

- Case studies
- Multiple-choice quiz

RESOURCES:

EverGreen Explanatory Notes

- *Attribution*
- *Interest*
- *Dividends from Canadian Corporations*
- *Capital Gains and Losses – Overview*
- *Income Splitting*
- *Mutual Fund Transactions*
- *Principal Residence*
- *Rent*
- *Carrying Charges*

Forms:

- *Worksheet for the Return*
- *Schedule 3 – Capital Gains (or Losses)*
- *T2091- Designation of a Property as a Principal Residence*
- *T776 – Statement of Real Estate Rentals*

CHAPTER 9

PENSIONERS

LESSON PLAN:

Chapter	Pensioners
Reading Time	60 minutes
Practical Time	60 minutes
Review Exercise	45 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn about income tax situations for pensioners, including:

- Old Age Security
- Canada Pension Plan income
- Private Pensions
- Pension Income Splitting
- Non-refundable Credits for Pensioners

NEW SKILLS TO BE MASTERED:

After completing this chapter, including the quiz and case studies, you will be able to prepare returns that include pension income, including optimization using pension income splitting.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What changes have been made recently regarding Old Age Security?
- At what income level must OAS be repaid?
- Who is eligible to receive the Guaranteed Income Supplement?
- What are the benefits of beginning to receive CPP before or after age 65?
- How can CPP pensions be split between spouses?
- How are CPP death benefits taxed?
- How are foreign pensions taxed when received by a Canadian resident?
- How can pension income splitting benefit senior couples?
- Over what income range is the Age Amount clawed back?
- What is "eligible pension income"?

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions
- Case studies
- Multiple-choice quiz

RESOURCES:

EverGreen Explanatory Notes

- *Old Age Security*
- *Guaranteed Income Supplement*
- *Canada Pension Plan*
- *Registered Pension Plan (RPP)*
- *Foreign Pension Income*
- *Pension Income Splitting*
- *Age Amount*
- *Pension Income Amount*
- *Home Accessibility Tax Credit*

Forms:

- T4A(OAS) – *Statement of Old Age Security*
- T4A(P) – *Statement of Canada Pension Plan Benefits*
- T4A – *Statement of Pension, Retirement, Annuity, and Other Income*
- T1032 – *Joint Election to Split Pension Income*
- *Worksheet for the Return (T1 Worksheet)*

CHAPTER 10

NEW FOR 2020 AND BEYOND

LESSON PLAN:

Chapter	New for 2020 and Beyond
Reading Time	60 minutes
Practical Time	60 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

What's new for 2020 and what is planned for future years, including:

- Tax filing/payment relief – 2019 returns
- New tax brackets and rates (federal and provincial)
- Overview of indexed 2020 non-refundable tax credits
- Low-income and credit filing
- Employees
- Families and children
- Investors
- Seniors
- Write off for electronic subscriptions
- New qualifying charitable organizations

NEW SKILLS TO BE MASTERED:

After completing this chapter, including the quiz and case study, you will be aware of what's new for 2020 and future years, including changes that are specific to the COVID-19 pandemic.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- How does indexing affect tax brackets and rates?
- Which personal amounts are not indexed?
- What has changed about the basic personal amount starting in 2020?
- How will the extra GSTC payment affect a taxpayer's return s in 2020?
- How will the extra CCB payment affect a taxpayer's return in 2020?
- How will payments under the Canada Emergency Response Benefits affect a taxpayer's return in 2020?
- What is the Canada Training Credit, and how can it be used?
- How much can be claimed for eligible digital prescriptions for 2020?

- What new class of qualifying charitable organizations were added for 2020?
-

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions
- Multiple-choice quiz
-

RESOURCES:

EverGreen Explanatory Notes

2019-2020 Tax Facts



World-Class Financial Education

FEATURE SHEET

PROGRAM:	<input type="checkbox"/> ONLINE <input type="checkbox"/> CE SUMMITS – <input type="checkbox"/> Jan. <input type="checkbox"/> Spring <input type="checkbox"/> Fall <input type="checkbox"/> DAC <input type="checkbox"/> BBR <input type="checkbox"/> OTHER:
DESIGNATION	DFA Tax Services Specialist™
COURSE NAME	Professional Income Tax Course - Advanced Level
AUTHOR/INSTRUCTOR	Walter Harder
PUBLISHING DATE	
KEYWORDS (3):	
TIMELINES, RIGHTS & BIBLIOGRAPHY:	Required: We respect copyright laws. Please be advised you must have rights to any images, cite any references used in publication components upon completion and provide timelines for completion

WHAT'S INCLUDED
<ul style="list-style-type: none"> • Personal course selection consultation • Virtual campus orientation • Lesson and study plans • Personal instructor email support • Comprehensive Knowledge Journal • EverGreen Online Research Library • Knowledge Bureau calculators • Testing and certification • CE/CPD accreditation
OVERVIEW (2-3 lines describe what this program is about and why it's important)
<p>Fully updated to the latest budget, as well as new income types for 2020 including CERB, CESB, and CRB. This comprehensive course delves deeply into the deductions, tax credits, and tax calculations on the personal tax return, with an emphasis on capital gains and losses, and registered and non-registered investment income sources. It overviews common and advanced client profiles, while sending students to the dynamic commentary in EverGreen Explanatory Notes.</p> <p>As the title implies, it challenges more experienced practitioners and returning staff to busy tax practices.</p>
APPROACH (Who is this for and why – add brief facts, stats, trends):

Professional tax practitioners are those who have excellent investigative skills and refined research skills. You will become successful at both and also be equipped with leading-edge tools to do so.

This comprehensive self-study course features case studies that require research exercises using EverGreen Explanatory Notes focusing in on the details behind employment deductions, investment income reporting, capital acquisitions and dispositions, including real property and real-life applications and variations.

WHY IS THIS CONTENT ESPECIALLY TIMELY AND/OR IMPORTANT (3 Key Points):

We recommend that the Knowledge Bureau's Professional Income Tax Course - Entry Level course be completed before enrolling in Professional Income Tax Course - Advanced Level or, at minimum, the student have prior experience with personal tax preparation. Students who rely on experience may be required to do additional research on topics they are not familiar with.

Students may use their own tax preparation software to complete the course. For those without tax preparation software, student versions of Intuit's ProFile Premier, Dr Tax's DT Max software and TaxCycle are provided with the course. Case studies on preparing returns will be done using income tax preparation software, while scenarios involving future returns will be completed using the Income Tax Estimator from the Knowledge Bureau Net Tools

WHAT YOU WILL LEARN? Provide at least 3 key benefits or take-aways

You will be exposed to a broad range of personal income tax topics in common and advanced scenarios, each featuring short answer and true-to-life case studies which provide an overview of the basic elements of the tax return and the details behind claiming income, deductions and tax credits on most lines of the personal tax return.

You'll be able to competently prepare most personal tax returns.

SCOPE OF THE CONTENT: (10 key points)

- Chapter 1 | Update and Review
- Chapter 2 | Family Filing
- Chapter 3 | Employment Income, Benefits and Deductions
- Chapter 4 | Unique Employment Profiles – Commission Sales, etc.
- Chapter 5 | Retirement
- Chapter 6 | Investors
- Chapter 7 | Asset Management
- Chapter 8 | Life Events
- Chapter 9 | Business Starts and Stops
- Chapter 10 | Death and Estate Planning

TOOLS AND SOFTWARE:

Students will review their theoretical competencies and will also be required to know the details of three Appendices:

- T-Slip Guide
- Line by Line Tax Forms Review
- Line by Line Tax Update

Additional Knowledge Net Tools include:

- The Tax Return Estimator
- The CPP Income Calculator

MARKING GUIDE

Quizzes	50%
Case Studies	25%
Final Exam	25%

Passing Grade	60%
Honours Achievement	90%

All students who pass the course will receive a certificate. Students who receive a mark of 90% or better will receive a gold honours bar on their certificates.

AUTHOR BYLINE a brief description of who the author(s) is for website ID purposes. Larger biography to be attached separately.

Walter Harder has achieved his Master Instructor Certification with Knowledge Bureau by participating in a number of required milestones. The first is the completion of a designation with Knowledge Bureau. He has worked as a researcher and personal tax content contributor to EverGreen Explanatory Notes and Knowledge Bureau Report and instructor for the Distinguished Advisor Workshops.

MARKETING

“I loved the course setup. I could work at my own pace and I could print off the assignments. This course, unlike CGA courses, did not treat me like a child by expecting an assignment each week. This course just gave me a deadline for completion and allowed me to work as quickly or as slowly as I deemed necessary.”

Robert J. S., Manitoba

FOR OFFICE USE:

1. Product Manager: Add to Author Agreement for contract sign-off.
2. Provide copy to Director of Operations for inclusion on website pre-marketing
3. Provide copy to Publishing manager for file set-up.

CHAPTER 1

UPDATE AND REVIEW

LESSON PLAN:

Chapter 1	Update and Review
Reading Time	60 minutes
Practical Time	15 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this introductory chapter, it is your goal to refresh your knowledge of tax changes introduced for 2019 and beyond in recent budgets and other government announcements, and to learn how to use *EverGreen Explanatory Notes*, your tax research library. The assignments require that you demonstrate a sound knowledge of basic tax preparation skills for employees and investors and understand how to interpret the results for clients by communicating the amount of net and taxable income and the effective and marginal tax rates the client is subject to in a variety of situations including provincial tax differences and income source differences.

After completing the material in this chapter, you will be able to dialogue with clients to answer these questions competently:

- What are the basic elements of the tax return?
- Who must file a return?
- What is the significance of residency?
- What are the significant tax changes this year and for subsequent years?
- What's different about filing for tax year 2019, and what new income sources will be common in 2020?
- Total income: what sources are subject to tax?
- What is the definition and significance of net income?
- What is the definition and significance of taxable income?
- What are the significant non-refundable tax credits?
- What's new in federal/provincial tax calculations?

NEW SKILLS TO BE MASTERED:

After completing this chapter, you should be familiar with using a forms-based rather than a document-based approach.

LEARNING ACTIVITIES:

Reference Materials: The course material will consist mainly of reading assignments in *EverGreen Explanatory Notes*. Details for using *EverGreen* are available on the Net Tools page in your virtual classroom.

In most of your research assignments, you'll be given the topic title that you are to read. The Research and Practical Assignments page for each chapter includes direct links to these reading assignments. To find this reading material yourself, use the search function and type in the title you're looking for in the search box in the left frame and be sure that "Personal Topics" and "Topic Titles" are checked. In the right pane, your search results will be shown. If you've typed the article name properly in the search box, that article should be the top of the list of available topics. Often when searching, a shorter search string is better than a longer one. For example, if you're looking for the topic "Spouse or Common-Law Partner Amount" in *EverGreen*. You could type in "Spouse or Common-Law Partner Amount," but just "Spouse" would do. If you typed "Spouse or Common Law Partner Amount," you would not find the topic because of the spelling of "Common-Law." If you don't know the name of the topic, you can search the "Topic Contents" instead of "Topic Titles" or use the Index tab to browse for the topic of interest.

To test your understanding of the reading assignment, "Try This" questions will be posed. Answer these questions and check your answers against the suggested answers provided online. Your solutions will not be marked, and therefore your results will not be reflected in your course grade.

Tax Software: In the first chapter, you will be asked to prepare tax scenarios for 2020 using the *Income Tax Estimator* tool from the Knowledge Bureau Toolkit. Subsequently, you will also be assigned case studies to prepare 2019 tax returns. These require the use of tax preparation software. You may use the software supplied with this course, or you may use your own income tax software. Professional tax preparation software is recommended. Instructions for downloading the student software are also available on the Net Tools page in your virtual classroom, along with a student access code where applicable. Some activations may take a few days for the software provider to respond so it's best not to wait until you need the software to ask for it. If you don't have your own professional tax software, select and download a student version from the Net Tools page now. You cannot use the student version to file returns with CRA, either on paper or over the internet.

As an advanced student, you are expected to understand how to enter data using your chosen software product and to be able to figure out how to use forms you may be unfamiliar with on the basis of the tax rules provided in this course and the assigned readings. For this reason, instructions on the use of any particular tax software program will not be provided. Please contact your tax software provider if you have difficulty using the software. Most software providers have online instructional videos to show you how to enter data in their software. Solution files will be provided in the form of PDF files of the government forms required to file the return or returns required by the case study. Note that rounding of calculations can lead to errors. In such cases, do not round until you reach the final answer, and then round to dollars and cents.

Assignments: Your assignments (chapter quizzes) will consist of multiple-choice questions, which will test your reading comprehension, as well as two required case studies. In addition, optional case studies are available. You may use these case studies as additional practice in preparing tax returns; however, your marks on the optional case studies will not be included in your final grade for the course.

Your final grade is calculated as follows:

- 25% on your chapter quizzes,
- 50% on your required case studies and
- 25% on your final exam.

A 60% pass mark is required. Rewrites may be arranged through our office if necessary. Successful candidates will earn a certificate of achievement after each course. Students who earn 90% or more in the course will receive a Gold Honours bar on their certificate.

RESOURCES:

Appendices:

Appendix 2: *T-Slip Guide*

Appendix 3: *Line-by-Line Tax Form Review*

EverGreen Explanatory Notes Topics:

Budget 2019 – Personal Tax Changes

Climate Action Incentive

Individual Residency

Factual Residency

Dual Residency

Part-Year Residency

Departure From Canada

Non-Residency

Business Residency

Exempt Income

Filing Deadlines and Reporting Periods

Basic Personal Amount

Bankruptcy

Death of a Taxpayer

Canada Workers Benefit

Tax Brackets

Tax Rates

Adjustments of Errors and Omissions

CHAPTER 2

FAMILY FILING

LESSON PLAN:

Chapter 2	Family Filing
Reading Time	90 minutes
Practical Time	15 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

You will be able to dialogue with clients to answer these questions competently:

- How can income be split within the family?
- What deductions are available for the care of dependent children?
- How much can be claimed for a dependent spouse, dependent children and other dependants?
- What credits can be transferred between family members?
- What refundable credits are available, and under what circumstances?
- Who can claim the Goods and Services Tax Credit, and how does one apply?
- What are the rules regarding the Canada Child Benefits?

NEW SKILLS TO BE MASTERED:

In this chapter, it is your goal to understand the requirements for filing a personal income tax return in Canada and ways to maximize credits within a family and minimize the taxes paid by each individual. The assignments require that you demonstrate a sound knowledge of marginal tax rates and non-refundable credits and understand how to interpret the results for clients by communicating strategies for maximizing refundable and non-refundable tax credits.

LEARNING ACTIVITIES:

- Self-study: read this Knowledge Journal and reading assignments in *EverGreen*
- Answer the *Try This* questions and check your answers online
- Prepare case studies: mandatory and optional
- Answer multiple-choice questions

RESOURCES:

In your software, these new forms

- Schedule 2: *Federal Amounts Transferred From Your Spouse or Common-Law Partner*
- Schedule 6: *Canada Workers Benefit*
- Form T776: *Child Care Expenses Deduction for YEAR*

In *EverGreen*, your research library

- *Income Splitting*
- *Child Care Expenses*
- *Basic Personal Amount*
- *Amount for Spouse or Common-Law Partner*
- *Amounts Transferred from Spouse or Common-Law Partner*
- *Age Amount*
- *Amount for Eligible Dependents*
- *Adoption Expense Tax Credit*
- *Canada Caregiver Credit*
- *Home Accessibility Tax Credit*
- *Refundable Tax Credits*
- *Goods and Services Tax Credit (GSTC)*
- *Canada Child Benefits (CCB)*, including your provincial benefits
- *Canada Workers Benefit*

CHAPTER 3

EMPLOYMENT INCOME, BENEFITS AND DEDUCTIONS

LESSON PLAN:

Chapter 4	Employment Income, Benefits and Deductions
Reading Time	90 minutes
Practical Time	15 minutes
Review Exercise	60 minutes

KEY ISSUES: WHAT YOU WILL LEARN:

You will be able to dialogue with clients to answer these questions competently:

- What factors determine whether income from an activity is employment income or self-employment income?
- Which benefits provided by the employer are taxable and which are tax-free?
- What options are available to employees for saving for retirement?
- What is the maximum claim for RRSP contributions?
- What expenses can be claimed for moving to a new location, and what are the restrictions?
- What are the limitations of the Canada Employment Amount?
- Is it best to claim the amount for volunteer firefighters/search and rescue volunteer amount or exclude the honorarium?
- What are the income tax consequences of accepting a severance package?
- Under what circumstances must a taxpayer repay Employment Insurance amounts received, and how can the repayment be minimized?
- Who qualifies for the Canada Workers Benefit?
- What are the income tax consequences of employee stock options?
- How will receipt of funds from the Canada Emergency Response Benefit affect the 2020 tax return?
- What are the income tax consequences of receiving the Canada Recovery Benefit?

NEW SKILLS TO BE MASTERED:

In this chapter, it is your goal to understand the various aspects of employment income and deductions. The assignments require that you demonstrate a sound knowledge of reporting income from employment or Employment Insurance and maximizing claims for deductions available to employees.

RESOURCES TO BE USED:

In *EverGreen*, your research library:

- "Employed or Self-Employed?" and "Employee/Self-Employed Status Tests" in the topic *Business Income and Deductions – Overview*
- *Other Employment Income on Line 104*
- *Taxable Benefits*
- *Tax-Free Benefits*
- *Canada Pension Plan*
- *Employment Insurance*
- *Tax Assisted Pensions*
- *Registered Pension Plan (RPP)*
- *Defined Contribution RPPs*
- *Pension Adjustment (PA)*
- *Pension Adjustment Reversal (PAR)*
- *Past Service Pension Adjustment (PSPA)*
- *Deferred Profit Sharing Plans*
- *Registered Retirement Savings Plan (RRSP)*
- *Earned Income*
- *Pooled Registered Pension Plan (PRPP)*
- *Spousal RRSP Moving Expenses*
- *Canada Employment Credit*
- *Amount for Volunteer Firefighters*
- *Amount for Search and Rescue Volunteers*
- *Severance Packages*
- *Retiring Allowances*
- *Canada Workers Benefit*
- *Workers' Compensation Payments*
- *Employee Stock Options*
- *Security Options Deductions*
- *Canada Emergency Response Benefit (CERB)*

LEARNING ACTIVITIES

- Self-study: read this Knowledge Journal and reading assignments in *EverGreen*
- Answer the *Try This* questions and check your answers online
- Prepare case studies: mandatory and optional
- Answer multiple-choice questions

CHAPTER 4

UNIQUE EMPLOYMENT PROFILES - COMMISSION SALES, ETC.

LESSON PLAN:

Chapter 4	Unique Employment Profiles – Commission Sales, etc.
Reading Time	90 minutes
Practical Time	15 minutes
Review Exercise	60 minutes

KEY ISSUES: WHAT YOU WILL LEARN:

You will be able to dialogue with clients to answer these questions competently:

- What are the income tax consequences of low-interest or no-interest loans from the employer?
- What deductions can be claimed against employment income?
- What special rules apply to tradespersons and apprentice vehicle mechanics?
- What employees are eligible to claim the clergy residence deduction?
- What are the requirements for claiming the Northern Residents Deduction?
- What extra expenses may be claimed by commission salespersons?
- How can an employee recover the GST/HST paid on employment expenses?
- How do the rules for Canadian Forces personnel work?
- What forms are required for teachers to claim a tax credit for supplies they purchased?

NEW SKILLS TO BE MASTERED:

In this chapter, it is your goal to understand the various aspects of employment income and deductions. The assignments require that you demonstrate a sound knowledge of maximizing claims for deductions available to employees.

RESOURCES TO BE USED:

In *EverGreen*, your research library:

- *Employer-Provided Loans*
- *Prescribed Interest Rates*
- *Employment Expenses*
- *Accounting and Legal Fees*
- *Auto Expenses*
- *Auto Log Requirement*
- *Home Office Expenses*
- *Meals*
- *Parking Costs*
- *Tools*
- *Travel Expenses*
- *Clergy Residence Allowance*
- *Northern Residents Deduction*
- *Commission Salespeople*
- *Board and Lodging Expenses of Long Distance Drivers*
- *GST Rebates*
- *Exemption for Canadian Forces Personnel and Police*
- *Eligible Educator School Supply Tax Credit*

LEARNING ACTIVITIES

- Self-study: read this Knowledge Journal and reading assignments in *EverGreen*
- Answer the *Try This* questions and check your answers online
- Prepare case studies: mandatory and optional
- Answer multiple-choice questions

TOPICS FOR DISCUSSION

- Is the taxpayer aware that Form T2200 may be available to them?

CHAPTER 5

RETIREMENT

LESSON PLAN:

Chapter 5	Retirement
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN: You will be able to dialogue with clients to answer these questions competently:

- How is pension income taxed?
- What types of pension income are "eligible" for the pension income amount and pension income splitting?
- What portion of pension income may be split with the recipient's spouse?
- Why do some taxpayers have to repay their Old Age Security?
- What are the planned changes to the Canada Pension Plan, and when will they be implemented?
- Who is eligible for the GIS, and how do they get it?
- How can CPP be split with a spouse?
- Are foreign pensions taxable in Canada?
- How are foreign taxes that have been withheld recovered?
- How can instalment payments be minimized?
- What expenses qualify to be claimed under the Home Accessibility Tax Credit?

NEW SKILLS TO BE MASTERED: In this chapter, it is your goal to understand the various aspects of the taxation of retirement income. The assignments require that you demonstrate a sound knowledge of reporting pension income, splitting pension income between spouses, and claiming amounts applicable to retirees.

LEARNING ACTIVITIES:

- Self-study: read this Knowledge Journal and reading assignments in *EverGreen*
- Answer the *Try This* questions and check your answers in your virtual classroom online
- Prepare case studies: mandatory and optional
- Answer multiple-choice questions

RESOURCES TO BE USED:

In *EverGreen*, your research library:

- *Old Age Security*
- *Guaranteed Income Supplement*
- *Canada Pension Plan*
- *Registered Pension Plan Benefits*
- *Pension Income Amount*
- "Withdrawals" and "Transfers Between RRSPs and Other Registered Plans" in the topic *Registered Retirement Savings Plan (RRSP)*
- *Pension Income Splitting*
- *Foreign Income and Foreign Taxes Paid*
- *Foreign Pension Income*
- *Foreign Tax Credit*
- *Quarterly Instalment Payments*
- *Home Accessibility Tax Credit*

CHAPTER 6

INVESTORS

LESSON PLAN:

Chapter 6	Investors
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN: You will be able to dialogue with clients to answer these questions competently:

- What are the attribution rules?
- How is compound interest reported?
- How are eligible dividends taxed?
- How are small business dividends taxed?
- How are foreign dividends taxed?
- What are the benefits of a TFSA?
- What are the benefits of an RESP?
- What happens when a taxpayer is subject to minimum tax?
- What are the limitations on claiming limited partnership losses?
- What special rules apply to flow-through shares?
- What must be done to report foreign assets?

NEW SKILLS TO BE MASTERED: In this chapter, it is your goal to understand the various aspects of income from investments, including some registered investments. The assignments require that you demonstrate a sound knowledge of reporting investment income and claiming losses from investments.

LEARNING ACTIVITIES

- Self-study: read this Knowledge Journal and reading assignments in *EverGreen*
- Answer the *Try This* questions and check your answers online
- Prepare case studies: mandatory and optional
- Answer multiple-choice questions

RESOURCES TO BE USED:

In *EverGreen*, your research library:

- *Income from Property*
- *Attribution*
- *Interest*
- *Compound Interest Reporting*
- *Joint accounts*
- *Strip Bonds*
- *Treasury Bills*
- *Annuities*
- *Indexed Debt Obligations*
- *Dividends from Canadian Corporations*
- *Stock Dividends*
- *Dividend Tax Credit*
- *Split Income*
- *Tax-Free Savings Account (TFSA)*
- “Over contributions,” “Excess Contributions,” “Withdrawals,” and “Transfers Between RRSPs and Other Registered Plans” in *Registered Retirement Savings Plan (RRSP)*
- “Direct Transfers” in *Deferred Profit Sharing Plans*
- *Registered Education Savings Plans (RESP)*
- *Canada Education Savings Grant (CESG)*
- *Canada Learning Bond*
- *Accumulated Income payments*
- *Carrying Charges*
- *Minimum Tax*
- *Limited Partnership Income and Losses*
- *Exploration and Development Expenses*
- *Flow-Through Shares*
- *Foreign Asset Reporting*

CHAPTER 7

ASSET MANAGEMENT

LESSON PLAN:

Chapter 7	Asset Management
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

You will be able to dialogue with clients to answer these questions competently:

- How are capital gains and losses calculated?
- When can a capital gains reserve be claimed, and how much?
- What happens when assets are transferred between related individuals?
- How is the principal residence exemption calculated?
- What new rules apply to principal residence dispositions after 2015?
- What is a superficial loss?
- What happens when capital losses in the year exceed capital gains?
- How do you claim the capital gains deduction?
- What is the capital gains election, and why is it important?
- What expenses can be claimed when reporting income from rental properties?
- What are the limits for claiming CCA on a rental property?

NEW SKILLS TO BE MASTERED: In this chapter, it is your goal to understand the various aspects of capital gains and losses as well as income from rentals. The assignments require that you demonstrate a sound knowledge of reporting capital gains and losses and the reporting of rental income.

LEARNING ACTIVITIES:

- Self-study: read this Knowledge Journal and reading assignments in *EverGreen*
- Answer the *Try This* questions and check your answers in your virtual classroom online
- Prepare case studies: mandatory and optional
- Answer multiple-choice questions

RESOURCES TO BE USED:

In *EverGreen*, your research library:

- *Capital Gains and Losses – Overview*
- *Adjusted Cost Base (ACB)*
- *Outlays and Expenses*

- *Deemed Dispositions*
- *Reserve For Proceeds Not Due*
- *Personal-Use Property*
- *Non-Arms Length Transactions*
- *Principal Residence*
- *Real Estate*
- *Capital Loss*
- *Loss Carry Overs*
- *Superficial Losses*
- *Capital Loss Adjustment*
- *Business Investment Losses*
- *Capital Gains Deduction*
- *Capital Gains Election*
- *Rent*
- *Capital Cost Allowance (CCA)*

CHAPTER 8

LIFE EVENTS

LESSON PLAN:

Chapter 8	Life Events
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN: You will be able to dialogue with clients to answer these questions competently:

- What are the requirements for the claiming of tuition?
- How much can be withdrawn from the LLP in one year?
- How much can be withdrawn under the home buyer's plan?
- What happens if amounts under the HBP are not repaid as required?
- What happens when a taxpayer is behind in support, and both spousal and child support are payable?
- How much may be claimed for medical expenses?
- Who qualifies for the refundable medical expenses supplement?
- What are the qualifications for claiming the disability amount?
- How do the attribution rules apply to assets transferred as a result of the breakdown of a conjugal relationship?

NEW SKILLS TO BE MASTERED: In this chapter, it is your goal to understand the income tax consequences of each of the following life events: going to school, marriage, buying a home, separation and divorce, disability and ill health. The assignments require that you demonstrate a sound knowledge of filing tax returns for families undergoing such life events.

LEARNING ACTIVITIES:

- Self-study: read this Knowledge Journal and reading assignments in *EverGreen*
- Answer the *Try This* questions and check your answers in your virtual classroom online
- Prepare case studies: mandatory and optional
- Answer multiple-choice questions

RESOURCES TO BE USED:

In *EverGreen*, your research library:

- *Tuition Education and Textbook Amounts*
- *Interest on Student Loans*
- *Lifelong Learning Plan (LLP)*
- *Canada Emergency Student Benefit (CESB)*

- *Spouse or Common-law Partner Amount*
- *Adoption Expense Tax Credit*
- *Home Buyers Plan (HBP)*
- *First-Time Home Buyers Tax Credit*
- *Marriage Breakdown*
- *Spousal Support*
- *Child Support*
- *Support Payments*
- *Medical Expenses*
- *Refundable Medical Expense Supplement*
- *Disability Amount*
- *Disability Supports Deduction*

CHAPTER 9

BUSINESS STARTS AND STOPS

LESSON PLAN:

Chapter 9	Business Starts and Stops
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN: You will be able to dialogue with clients to answer these questions competently:

- How is income from a proprietorship taxed?
- How is income from a partnership taxed?
- How is income from a corporation taxed?
- How do the owners/shareholders of a corporation receive income from the corporation?
- What happens when a proprietorship is converted to a corporation?
- What happens when a proprietorship is sold?
- What happens when a proprietorship is closed?
- How is the ACB of a partnership interest calculated?
- What happens when a corporation is sold?
- What happens when a lender forecloses on a business property?

NEW SKILLS TO BE MASTERED: In this chapter, it is your goal to understand how income from a business is taxed when the business is operated as a proprietorship. In particular, you should understand the tax implications of starting up a new business and closing an existing business. The assignments require that you demonstrate a sound knowledge of filing tax returns for proprietorships as start-ups, as ongoing businesses and in the year the business is closed.

LEARNING ACTIVITIES

- Self-study: read this Knowledge Journal and reading assignments in *EverGreen*
- Answer the *Try This* questions and check your answers in your virtual classroom online
- Prepare case studies: mandatory and optional
- Answer multiple-choice questions

RESOURCES TO BE USED:

In *EverGreen*, your research library:

- *Business Income and Deductions - Overview*
- *Unincorporated Small Business*

- *Partnerships*
- *Owner- Manager Remuneration*
- *S. 85 Rollovers*
- *Capital Gains Deduction*
- *Qualified Small Business Corporation Shares*
- *Mortgage Foreclosures*
- *Forgiveness of Debt*
- *Debt Forgiveness Rules*

CHAPTER 10

DEATH AND ESTATE PLANNING

LESSON PLAN:

Chapter 10	Death and Estate Planning
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN: You will be able to dialogue with clients to answer these questions competently:

- What is the deadline for the final return?
- What optional returns are possible in the year of death?
- What amounts are included in income on the final return?
- What amounts are received tax-free at death?
- Who must report the CPP death benefit?
- What is the ACB of assets transferred to the taxpayer's spouse at death?
- What is the ACB of assets transferred to other family members at death?
- Under what circumstances can the taxes due at death be paid by instalments?
- What happens to RRSP/RRIF assets at death?
- What is the significance of the clearance certificate?

NEW SKILLS TO BE MASTERED: In this chapter, it is your goal to understand the income tax consequences of the death of a taxpayer, including what optional returns can be filed, what income is included on the final return and how transfers of capital assets are treated at death. The assignments require that you demonstrate a sound knowledge of filing final returns.

LEARNING ACTIVITIES:

- Self-study: read this Knowledge Journal and reading assignments in *EverGreen*
- Answer the *Try This* questions and check your answers in your virtual classroom online
- Prepare case studies: mandatory and optional
- Answer multiple-choice questions

RESOURCES TO BE USED:

In *EverGreen*, your research library:

- *Death of a Taxpayer*

FEATURE SHEET

PROGRAM:	<input type="checkbox"/> ONLINE <input type="checkbox"/> CE SUMMITS – <input type="checkbox"/> Jan. <input type="checkbox"/> Spring <input type="checkbox"/> Fall <input type="checkbox"/> DAC <input type="checkbox"/> BBR <input type="checkbox"/> OTHER:
DESIGNATION	DFA Tax Services Specialist™
COURSE NAME	Tax Accounting for Proprietorships
AUTHOR/INSTRUCTOR	Evelyn Jacks / Walter Harder; updates by Paula Baker
PUBLISHING DATE	
KEYWORDS (3):	
TIMELINES, RIGHTS & BIBLIOGRAPHY:	Required: We respect copyright laws. Please be advised you must have rights to any images, cite any references used in publication components upon completion and provide timelines for completion

WHAT'S INCLUDED
<ul style="list-style-type: none"> • Personal course selection consultation • Virtual campus orientation • Lesson and study plans • Personal instructor email support • Comprehensive Knowledge Journal • EverGreen Online Research Library • Knowledge Bureau calculators • Testing and certification • CE/CPD accreditation
OVERVIEW (2-3 lines describe what this program is about and why it's important)
<p>This course is designed to teach professional advisors tax preparation for proprietorships, using CRA's prescribed forms—Statement of Business or Professional Activities, Capital Cost Allowance statements, worksheets for reporting home office, automobiles, other assets, inventory control, and cost of goods sold.</p> <p>Students may use their own tax preparation software to complete the course. For those without tax preparation software, student versions of Intuit's ProFile Software Suite, DR Tax's DT Max, and TaxCycle Suite are provided with the course.</p>
APPROACH (Who is this for and why – add brief facts, stats, trends):
Unincorporated small business returns are increasingly in demand as aging demographic moves

from full-time employment to self-employment as a way to leverage time and money. This course provides experience with a broad range of business profiles including sole proprietors, partnerships, farmers, fishers and professionals.

WHY IS THIS CONTENT ESPECIALLY TIMELY AND/OR IMPORTANT (3 Key Points):

This course is designed to teach professional advisors tax preparation for proprietorships, using CRA's prescribed forms: Statement of Business or Professional Activities, Capital Cost Allowance statements, worksheets for reporting home office, automobiles, other assets, inventory control, and cost of goods sold. Students may use their own tax preparation software to complete the course. For those without tax preparation software, student versions of Intuit's ProFile Software Suite, Dr Tax's DT Max, and TaxCycle Suite are provided with the course.

WHAT YOU WILL LEARN? Provide at least 3 key benefits or take-aways

You will learn how to complete an income statement for the self-employed, partnerships, farmers, fishermen, and professionals, using the most recent tax laws, and budget proposals so that taxpayers arrange affairs within the framework of the law to pay the least taxes possible.

You'll become competent in preparing and filing GST Returns and T4 Summary Returns and slips. Case studies featuring a variety of unincorporated business enterprises will enable a thorough understanding of the tax preparation and planning options available to the unincorporated small business owner, including income splitting with family members, and the building of both revenues and equity for future tax advantages.

SCOPE OF THE CONTENT: (10 key points)

- Chapter 1 | Taxation of Income from a Proprietorship
- Chapter 2 | Reporting Requirements: GST/HST
- Chapter 3 | Claiming Business Expenses
- Chapter 4 | Transactions Involving Business Assets
- Chapter 5 | Home-based Businesses
- Chapter 6 | Hiring Human Resources
- Chapter 7 | Inventory-Based Businesses
- Chapter 8 | Disposing of and Replacing a Business
- Chapter 9 | Farming and Fishing Enterprises
- Chapter 10 | Professionals and Partnerships

TOOLS AND SOFTWARE:

- The Income Tax Estimator

MARKING GUIDE

Quizzes	25%
Case Studies	50%
Final Exam	25%

Passing Grade	60%
Honours Achievement	90%

All students who pass the course will receive a certificate. Students who receive a mark of 90% or better will receive a gold honours bar on their certificates.

AUTHOR BYLINE a brief description of who the author(s) is for website ID purposes. Larger biography to be attached separately.

Evelyn Jacks is Canada's most respected educator in tax and financial literacy and one of Canada's most prolific financial authors. She has penned 55 books for consumers on tax and wealth management, many of them best-sellers, including her most recent, *Essential Tax Facts, How to Make the Right Tax Moves and Be Audit-Proof Too, Family Tax Essentials, How to Build a Wealth Purpose with a Tax Strategy*. She has twice been named one of the Top 25 Women of Influence in Canada.

Walter Harder has achieved his Master Instructor Certification with Knowledge Bureau by participating in a number of required milestones. The first is the completion of a designation with Knowledge Bureau. He has worked as a researcher and personal tax content contributor to EverGreen Explanatory Notes and Knowledge Bureau Report and instructor for the Distinguished Advisor Workshops.

MARKETING

"This course includes a tremendous amount of useful information for tax preparers and bookkeepers who wish to gain a better understanding of what they are doing and become more accurate. My objective was to learn how to prepare tax returns for small proprietorships, in order to expand my practice. In addition, I do bookkeeping for small businesses and was keen on gaining a better understanding of tax requirements, so that I could be a better bookkeeper. I have acquired a wealth of knowledge and feel a lot more confident about the services I am offering to my clients."

Sylvie G., YT

FOR OFFICE USE:

1. Product Manager: Add to Author Agreement for contract sign-off.
2. Provide copy to Director of Operations for inclusion on website pre-marketing
3. Provide copy to Publishing manager for file set-up.

CHAPTER 1

TAXATION OF INCOME FROM A PROPRIETORSHIP

LESSON PLAN:

Chapter 1	Taxation of Income from a Proprietorship
Reading Time	1 hour
Practical Time	1 hour
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- How Business Income is Taxed in Canada
- Starting a Business
- Tax Forms Required
- Compliance: Reporting Business Revenues & Expenses
- Inventories
- Tax Deductible Expenditures
- Non-Deductible Expenditures
- Restricted Expenses
- Mixed-Use Expenses
- Capital Expenditures
- Reasonable Expectation of Profit
- Sale of Business

NEW SKILLS TO BE MASTERED:

- Identify and print the applicable forms and schedules for tax preparation for proprietorships from your software:
 - T2125
 - CCA Schedule
- Prepare a basic tax return for a single proprietor to integrate the business statements into the T1 return.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

1. How is business income defined for income tax purposes?
2. When is a business considered to have started for tax purposes?
3. What tax forms are required to report income and expenses?
4. How is business income taxed?
5. When are expenses deductible?
6. What are non-deductible expenses?
7. What are examples of restricted expenses?
8. What are examples of mixed-use expenses?
9. How are capital expenditures accounted for on the tax return?
10. What does the term “reasonable expectation of profit” mean and why is it important?

LEARNING ACTIVITIES:

- Read the Knowledge Journal.
- Do the Practical Exercises as assigned.
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions.
- Two case studies.
- Multiple-choice quiz.

RESOURCES:

Reference Materials: The course material will consist mainly of reading assignments in the enclosed text for the course and *EverGreen Explanatory Notes*. Details for using EverGreen are available online. To test your understanding of the reading assignment, *Try This* questions will be posted online. Answer these questions and check your answers against the suggested answers provided online. Your solutions will not be marked and therefore your results will not be reflected in your course grade.

EverGreen Topics in this chapter: (once you have signed in to your course go to Tools that Work and click on the following links)

- *Business Income and Deductions – Overview*
- *Active Business Income*
- *Canada Pension Plan*
- *Employment Insurance*
- *Quarterly Instalment Payments*
- *Unincorporated Small Business*
- *Proprietorship*
- *Professional Income*
- *Partnership*
- *Adventures or Concerns in the Nature of Trade*
- *Reasonable Expectation of Profit*
- *Capital Gains Deduction*

Tax Software: You will be assigned Case Studies that require the use of tax preparation software. You may use your own income tax software or if you don't have your own professional tax preparation software, you can use one of the student versions of professional tax preparation software provided with this course. Instructions for downloading the software are available on the Net Tools page in your virtual classroom online along with a student access code. You cannot use the student version to file returns with CRA, either on paper or over the internet. Instructions on use of any particular tax software will not be provided. Please contact your tax software provider if you have difficulty using the software. Solution files will be provided in the form of PDF files of the government forms required to file the return or returns required by the case study.

CHAPTER 2

REPORTING REQUIREMENTS: GST/HST

LESSON PLAN

Chapter 2	Reporting Requirements: GST/HST
Reading Time	1 hour
Practical Time	30 minutes
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- How the requirement to collect GST/HST impacts a proprietorship
- How to interpret your responsibilities surrounding the following:
 - Registration and compliance requirements
 - Taxable Supplies and GST/HST Remittances
 - Recovery of Input Tax Credits.

NEW SKILLS TO BE MASTERED:

Understanding GST/HST in relation to a Proprietorship.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

After completing this chapter, you should be able to answer these questions. Please pull out this lesson plan and have the questions handy to record your responses:

1. Who must collect the GST/HST in Canada?
2. When is voluntary GST/HST registration desirable?
3. What is a taxable supply and when does it have GST/HST consequences?
4. What is an input tax credit and how do you claim it?
5. How can a non-registrant recover GST/HST paid?

LEARNING ACTIVITIES:

- Read the Knowledge Journal.
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions.
- Two case studies.
- Multiple-choice quiz.

RESOURCES:

EverGreen GST/HST Tax Reference Library Topics:

- *Input Tax Credits - Overview*
- *General Rules for ITCs*
- *Individuals - Special ITC Rules*
- *Personal Use Assets - Special ITC Rules.*

CHAPTER 3

CLAIMING BUSINESS EXPENSES

LESSON PLAN

Chapter 3	Claiming Business Expenses
Reading Time	1 hour
Practical Time	1.5 hours
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

This chapter will focus on limitations in the *Income Tax Act* surrounding the deductibility of business expenditures and gives particular attention to the nuances around claiming car expenses, expenses which may have capital components, prepaid and deferred expenses.

NEW SKILLS TO BE MASTERED:

Aside from understanding the theory above, after completing this chapter, you will be proficient at claiming on the business statements: auto expenses, reserves, deferred and prepaid expenses as well as a series of additional expenditures common to many proprietorships.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

6. What are operating expenses?
7. What is the difference between operating and capital expenditures?
8. What is the onus of proof?
9. When are club membership dues deductible?
10. What meal and entertainment costs are fully deductible?
11. When are auto expenses not deductible?
12. When an auto is used partly for business and partly for another purpose, how is the deductible portion of expenses determined?
13. When are legal and accounting fees deductible?
14. What fines and penalties incurred in business are not deductible?
15. How are soft costs treated on the tax return?
16. How are reserves recorded on the business statements?
17. How are deferred and prepaid expenses handled?

LEARNING ACTIVITIES:

- Read the Knowledge Journal.
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions.
- Four case studies.
- Multiple-choice quiz.

RESOURCES:

EverGreen Personal Tax Reference Library topics:

- *Onus of Proof*
- *Auto Log Requirement*

CHAPTER 4

TRANSACTIONS INVOLVING BUSINESS ASSETS

LESSON PLAN

Chapter 4	Transactions Involving Business Assets
Reading Time	1 hour
Practical Time	1 hour
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

The acquisition, disposition and maintenance of assets are key ingredients in tax preparation and planning for business owners. In this chapter, you will research the theory behind reporting of these events and how to prepare the Capital Cost Allowance (CCA) schedules required for proper tax reporting of a variety of income-producing assets. New in 2018 is the introduction of the Accelerated Investment Incentive program for CCA rates.

NEW SKILLS TO BE MASTERED:

Aside from understanding the theory described above after completing this chapter you will be proficient at claiming capital cost allowance on business statements. See the case studies that follow your reading assignments and check your answer keys for step-by-step instructions on form completion.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

18. How are capital assets reported on the tax return on acquisition?
19. What are the changes regarding the half-year rule?
20. What is accelerated CCA?
21. What are the exceptions to the half-year rule?
22. What are common CCA rates and classes?
23. What assets qualify for special treatment for CCA purposes?
24. What are the special rules for autos in Class 10.1?
25. What are the special rules surrounding intangible properties?
26. How are dispositions treated within the pool of assets in a class?
27. What are recapture and terminal loss?
28. How are dispositions that exceed cost base treated?
29. What happens when an asset is placed in the wrong CCA class and is later reclassified?

LEARNING ACTIVITIES:

- Read the Knowledge Journal.
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions.
- Two case studies.
- Multiple-choice quiz.

TOPICS FOR DISCUSSION:

Depreciable Assets and Capital Cost Allowances and Classifications

RESOURCES:

EverGreen Personal Tax Reference Library topics:

- *CCA Overview*
- *Capital Asset Classifications*
- *Capital Cost*
- *Available for Use Rules*
- *Half Year Rule*
- *Undepreciated Capital Cost (UCC)*
- *Recapture*
- *Terminal Loss*
- *Personal Use Allocation*
- *Class 10.1 Rules in “Auto Expenses”*
- *Computer Software*
- *Affiliated Parties*
- *Eligible Capital Property*
- *Rent*

CHAPTER 5

HOME - BASED BUSINESSES

LESSON PLAN

Chapter 5	Home-Based Businesses
Reading Time	1 hour
Practical Time	1 hour
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

The home-based business is one of the most common of self-employed enterprises, fraught with audit potential because of the mixed use of home, car and other deductible items. The home-based entrepreneur, therefore, must be especially careful about allocating the personal use of inventory and other property used in the business and account for this on the tax return.

NEW SKILLS TO BE MASTERED:

After completing this chapter, you will be able to prepare a return for a home-based business and properly allocate home and business expenses.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

30. Under what two circumstances are the costs of operating a home-based office space deductible?
31. How is the deductible portion of home-based office expenses calculated?
32. How is the principal residence status of home-based businesses preserved?
33. How is personal use allocated for office space or auto expenses?
34. How are losses resulting from the expenses of home offices reported?
35. How are losses from proprietorships reported in the current and carry over year?

LEARNING ACTIVITIES:

- Read the Knowledge Journal
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions
- Two case studies
- Multiple-choice quiz.

RESOURCES:

EverGreen Personal Tax Reference Library topics:

- *Business Deductions - Personal Outlays*
- *Active Business Income*
- *Loss Carry Overs*
- *Principal Residence*
- *Personal Use Allocation*
- *Tax Evasion*
- *Tax Planning*

CHAPTER 6

HIRING HUMAN RESOURCES

LESSON PLAN

Chapter 6	Hiring Human Resources
Reading Time	1 hour
Practical Time	1 hour
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

As a proprietorship grows the business owner often finds that additional assistance is required in order for the business to continue to grow. This need may be satisfied by taking on a partner, paying an independent contractor to perform the work or hiring an employee. Each of these options has its own set of income tax implications.

In particular, the hiring of employees involves the additional responsibility to withhold from the employee and submit to CRA income tax, Canada Pension Plan (CPP) contributions and Employment Insurance (EI) premiums. The employer must also file a T4 Summary return and prepare T4 Supplementary slips for the employee. Hiring involves not only the expense of the employee's salary but also payment of the employer's portion of CPP contributions and EI premiums.

NEW SKILLS TO BE MASTERED:

After completing this chapter, you will be proficient at helping family businesses pay tax deductible remuneration to family members and properly report those expenses on the return of a proprietor. In addition, you will have direct knowledge of the calculation of non-cash remuneration in the form of taxable and tax-free benefits.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

36. What is the difference between an employed and self-employed person?
37. What are the four basic factors for determining employment status?
38. How are payments made to contractors treated for income tax and sales tax purposes?
39. How is remuneration paid to partners treated for income tax purposes?
40. How are drawings treated for income tax purposes?
41. What amounts must be withheld from payments to employees?
42. What special rules apply to employing family members?
43. What are the limits for deducting private health care premiums?
44. What forms are used to reduce income tax withholdings from employees?

45. What taxable benefits are subject to GST/HST, CPP contributions and EI?

LEARNING ACTIVITIES:

- Read the Knowledge Journal.
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions.
- Two case studies.
- Multiple-choice quiz.

RESOURCES:

EverGreen topics:

- *Canada Pension Plan*
- *Quarterly Instalment Payments*
- *Small Supplier Definition*
- *Compliance Fact Sheet*
- *Registered Retirement Savings Plan (RRSP)*
- *Tax-Free Benefits*
- *Taxable Benefits.*

CRA Publication in *EverGreen*:

- RC4110 *Employed or Self-Employed*
- T4001 *Employers' Guide - Payroll Deductions and Remittances*
- T4130 *Employers' Guide Taxable Benefits and Allowances*
- RC4120 *Employers' Guide - Filing the T4 Slip and Summary*
- T4040 *RRSPs and Other Registered Plans for Retirement.*

CHAPTER 7

INVENTORY-BASED BUSINESSES

LESSON PLAN

Chapter 7	Inventory-Based Businesses
Reading Time	1.5 hours
Practical Time	1 hour
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

The inventory-based business provides some unique challenges for tax practitioners. The accrual method of accounting requires that inventory values be taken into account in determining business income, and related accounting procedures must be observed.

NEW SKILLS TO BE MASTERED:

After completing this chapter, you will be proficient at preparing tax returns for small inventory-based businesses.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

46. How is Cost of Goods Sold computed on the tax return?
47. What methods of inventory valuation are acceptable to CRA?
48. How is personal consumption accounted for?
49. How do the returns of direct sellers differ from others?

LEARNING ACTIVITIES:

- Read the Knowledge Journal.
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions.
- Two case studies.
- Multiple-choice quiz.

TOPICS FOR DISCUSSION:

- Inventory Valuation and Cost of Goods Sold.

RESOURCES:

EverGreen topics:

- *Inventory*
- *Direct Sellers – Special Methods.*

CHAPTER 8

DISPOSING OF AND REPLACING A BUSINESS

LESSON PLAN

Chapter 8	Disposing of and Replacing a Business
Reading Time	1.5 hours
Practical Time	1 hour
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

When a business ceases or if a business is later replaced, there are certain compliance rules to be followed. In particular, the tax practitioner must know how to report the disposition of assets, including change of use from business to personal, to prepare calculations relating to recapture and terminal losses on the CCA schedules, and to address any capital gains issues on Schedule 3. In addition, capital and non-capital losses must be addressed properly.

NEW SKILLS TO BE MASTERED:

After completing this module, you will be able to prepare the tax return when a business is disposed of, including:

- Determining the proceeds of disposition when a business is closed
- Recapture and terminal losses on depreciable assets
- Capital gains or losses on non-depreciable assets
- Capital gains or losses on the disposition of shares of an incorporated business.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

50. How is fair market value determined and used when a business ceases?
51. How does one close the CCA schedule on sale or cessation of business?
52. How does one report recapture and terminal loss on the business statement?
53. How and when does one report capital gains and losses and carry them back or forward?
54. How does one report non-capital or business investment losses and carry them back or forward?
55. How is the replacement of business property with a new property treated in the case of both voluntary and involuntary dispositions?
56. How is the capital gains deduction for small business corporations calculated?
57. How are foreclosure and debt forgiveness handled on the return?
58. How is interest deductibility treated on the return?

59. What are special rules that affiliated parties, in particular, family members, must be mindful of?
60. How does the reasonable expectation of profit test affect business cessation?

LEARNING ACTIVITIES:

- Read the Knowledge Journal.
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions.
- Two case studies.
- Multiple-choice quiz.

RESOURCES:

EverGreen topics:

- *Inter-family investment loans*
- *Real Estate*
- *Capital Gains Overview*
- *Loss Carry Overs*
- *Non-Capital Losses*
- *Business Investment Losses*
- *Replacement Property*
- *Qualified Small Business Corporation Shares*
- *Forgiveness of Debt*
- *Mortgage Foreclosures*
- *Affiliated Parties*
- *Reasonable Expectation of Profit*

CRA Interpretation Bulletins:

- IT 491 *Former Business Property*

CHAPTER 9

FARMING AND FISHING ENTERPRISES

LESSON PLAN

Chapter 9	Farming and Fishing Enterprises
Reading Time	1 hour
Practical Time	1 hour
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

Special tax provisions are available to proprietors who carry on a farming or fishing business in Canada. These are the subject of this chapter. You will learn about the key differences in filing returns for farmers and fishing enterprises, their tax instalment remittance requirements, the management of farming losses and their GST reporting requirements.

NEW SKILLS TO BE MASTERED:

Aside from understanding the theory above, after completing this chapter you should be able to identify and print the applicable forms and schedules for tax preparation for farmers and fishing enterprises from your tax software, including:

- T2042 *Statement of Farming Activities*
- T1163 *Statement A – AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Individuals*
- T1164 *Statement B - AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Additional Farming Operations*
- T1175 *FARMING – Calculation of Capital Cost Allowance (CCA) and Business-use-of-home Expenses*
- T1273 *STATEMENT A - Harmonized AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Individual*
- T1274 *STATEMENT B - Harmonized AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Additional Farming Operations*
- T2034 *Election to Establish Inventory Unit Prices for Animals*
- T2203 *Multiple Jurisdictions.*

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

1. Why is establishing a taxpayer's chief source of income so important in preparing tax returns for a farmer?
2. How are personal activities differentiated from commercial activities and why is this important in preparing tax returns for farmers?

3. What are the types of operational losses that can be calculated for the purposes of preparing the farm return and the significance of each?
4. What are the methods of accounting the farmer can use for tax purposes and how are inventories and cheque payments treated under each method?
5. How do instalment payments differ for farmers from other taxpayers?
6. What are the AgriInvest and AgriStability programs and how do they affect tax filing for a farmer?
7. What are the special tax rules surrounding woodlots and feedlots?
8. How does CCA apply to farm quotas?
9. What is a Mandatory Inventory Adjustment and how does it affect farming income or losses?
10. When a farm property is sold, how does one account for the principal residence exemption?
11. What is Form T2203 Multiple Jurisdictions used for?
12. What is a “catch” for the purposes of filing a fishing return?

LEARNING ACTIVITIES:

- Read the Knowledge Journal.
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions.
- Two case studies.
- Multiple-choice quiz.

RESOURCES:

EverGreen topics:

- *Farming*
- *Reasonable Expectation of Profit*
- *Onus of Proof*
- *Quarterly Instalment Payments*
- *Commercial Activity -Real Property*
- *Capital Gains Deduction*
- *Business Deductions – Farmers Fishers and Professionals*
- *Fishing*

CRA Interpretation Bulletins:

- IT 79 *Buildings or Other Structures*
- IT 128 *Depreciable Property*
- IT 147 *CCA – Accelerated Write-off of Manufacturing and Processing Machinery and Equipment*
- IT 195 *Rental Property – CCA restrictions*
- IT 220 *CCA – Proceeds of Disposition of Depreciable Property*
- IT 232 *Losses - Their Deductibility in the Loss Year or in Other Years*
- IT 267 *CCA – Vessels*
- IT 285 *CCA General Comments*
- IT 322 *Farm Losses*
- IT 373 *Woodlots*
- IT 443 *Leasing Property – CCA restrictions*
- IT 464 *Leasehold Interests*
- IT 477 *Patents, Franchises, Concessions and Licenses*
- IT 481 *Timber Resource Property and Timber Limits*
- IT 484 *Business Investment Losses*
- IT 521 *Motor Vehicle Expenses Claimed by Self-employed Individuals*

- CRA Forms:
 - T1A *Request for Loss Carryback*
 - T2042 *Statement of Farming Activities*
 - T1163 *Statement A – AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Individuals*
 - T1164 *Statement B - AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Additional Farming Operations*
 - T1273 *STATEMENT A - Harmonized AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Individuals*
 - T1274 *STATEMENT B - Harmonized AgriStability and AgriInvest Programs Information and Statement of Farming Activities for Additional Farming Operations*
 - T1175 *FARMING – Calculation of Capital Cost Allowance (CCA) and Business-use-of-home Expenses*
 - T2034 *Election to Establish Inventory Unit Prices for Animals*
 - T2203 *Multiple Jurisdictions.*
 - T2121 *Statement of Fishing Activities*

CHAPTER 10

PROFESSIONALS AND PARTNERSHIPS

LESSON PLAN

Chapter 10	Professional and Partnerships
Reading Time	1 hour
Practical Time	1 hour
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

Special tax provisions apply to those who operate unincorporated professional businesses and partnerships. These rules will be discussed in this chapter.

NEW SKILLS TO BE MASTERED:

Aside from understanding the theory above, after completing this chapter, you should be able to identify and print the applicable forms and schedules for tax preparation for professionals who may be self-employed or in a partnership, as well as account for the special provisions surrounding unique expenditures of this profile.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

13. What is a partnership?
14. What is a joint venture?
15. What are the GST/HST consequences when property is transferred to a partnership by an individual or from a partnership to an individual?
16. How are salaries paid to partners and drawings from a partnership by a partner treated on the T1 return if the partner is an individual?
17. What types of receipts are not reported by the partnership but must be reported by the individual partner?
18. How are additional expenses incurred by partners outside the partnership treated on the tax return?
19. What is the GST/HST Rebate and how is it used on the T1 return?
20. What is Work in Progress of a professional and how is it calculated on the tax return?
21. How are retainers accounted for on the return?
22. How are professional libraries and costs of attending conventions handled?
23. What special rules do professionals have to keep in mind in claiming home office expenses?

24. What is the adjusted cost base of a partnership interest and how is it increased and decreased?

LEARNING ACTIVITIES:

- Read the Knowledge Journal.
- Read the assigned topics in *EverGreen Explanatory Notes* and answer the “Try This” questions.
- Two case studies.
- Multiple-choice quiz.

RESOURCES:

EverGreen topics:

- *Partnership Expenses Incurred by a Partner – ITCs*
- *Home Based Business*

CRA Interpretation Bulletins/Folios:

- Folio S4-F16-C1 *What is a partnership?*
- IT 242 *Retired Partners*
- IT 278 *Death of a Partner or of a Retired Partner*

CRA Forms:

- T5013 Slip, *Statement of Partnership Income*
- T4068 *Guide for the Partnership Information Return*
- T2059 *Election on Disposition of Property by a Taxpayer to a Canadian Partnership*
- T2065 *Determination of Adjusted Cost Base of a Partnership Interest*

FEATURE SHEET

PROGRAM:	<input type="checkbox"/> ONLINE <input type="checkbox"/> CE SUMMITS – <input type="checkbox"/> Jan. <input type="checkbox"/> Spring <input type="checkbox"/> Fall <input type="checkbox"/> DAC <input type="checkbox"/> BBR <input type="checkbox"/> OTHER:
DESIGNATION	DFA Tax Services Specialist
COURSE NAME	Tax Accounting on Death of a Taxpayer
AUTHOR/INSTRUCTOR	Walter Harder
PUBLISHING DATE	
KEYWORDS (3):	
TIMELINES, RIGHTS & BIBLIOGRAPHY:	Required: We respect copyright laws. Please be advised you must have rights to any images, cite any references used in publication components upon completion and provide timelines for completion

WHAT'S INCLUDED
<ul style="list-style-type: none"> • Personal course selection consultation • Virtual campus orientation • Lesson and study plans • Personal instructor email support • Comprehensive Knowledge Journal • EverGreen Online Research Library • Knowledge Bureau calculators • Testing and certification • CE/CPD accreditation
OVERVIEW (2-3 lines describe what this program is about and why it's important)
<p>This course deals comprehensively with the taxation of individuals at death. Gain a thorough understanding of how income, as well as capital accumulations, are taxed on final returns and learn strategies to minimize taxes.</p> <p>You will learn how to manage the new relationship with CRA when taxpayers die, as well as how each type of income is reported, options regarding elective returns, and opportunities to defer taxes. They'll learn how to claim all deductions and credits that are allowed on each return for the deceased and the surviving spouse, too.</p> <p>It is an important professional service in demand in an aging demographic.</p>
APPROACH (Who is this for and why – add brief facts, stats, trends):

Through this course, you will understand death as a financial event and be able to discuss its ramifications with clients. You'll identify and discuss creative tax strategies that take advantage of the opportunities presented by death, both in terms of personal and business finances. You'll have the ability to prepare all possible T1 returns in the year of death and identify opportunities for probate avoidance, as applicable in high probate jurisdictions.

WHY IS THIS CONTENT ESPECIALLY TIMELY AND/OR IMPORTANT (3 Key Points):

Death is never timely yet it comes to at least one percent of the population each year. Advisors need to be able to help their clients minimize the income tax consequences before the event occurs. An advisor also requires technical expertise in filing the final return(s) of a deceased in order to ensure proper tax planning is arranged at the time of death and for the ongoing planning activities of the survivors.

WHAT YOU WILL LEARN? Provide at least 3 key benefits or take-aways

This course deals comprehensively with the taxation of individuals at death. You will gain a thorough understanding of how income and capital accumulations are taxed when the taxpayer dies, as well as strategies to minimize those taxes. You will start by learning which government cheques may be retained and which must be returned. Learn how each type of income is taxed, on what returns the income is reported, and strategies to defer taxes where possible. Learn how to claim all deductions and credits that are allowed on each return, as well as how to minimize probate fees on assets transferred to beneficiaries. True-to-life case studies involve preparation of tax returns for deceased taxpayers and their surviving spouses. All known tax changes, including those that will come into effect in future are discussed in the Journal.

You will start with learning what government cheques may be retained and which must be returned. You'll learn how each type of income is taxed, on what returns the income is reported, and strategies to defer taxes where possible. As well, you will come to understand how to claim all deductions and credits that are allowed on each return, as well as how to minimize probate fees on assets transferred to beneficiaries. True-to-life case studies involve preparation of tax returns for deceased taxpayers and their surviving spouses.

SCOPE OF THE CONTENT: (10 key points)

- Chapter 1 | Death and Taxes
- Chapter 2 | Returns in the Year of Death
- Chapter 3 | Reporting Income
- Chapter 4 | Capital Assets
- Chapter 5 | Registered Accounts
- Chapter 6 | Claiming Deductions
- Chapter 7 | Non-Refundable Credits
- Chapter 8 | Refundable Credits

Chapter 9 | The Estate
Chapter 10 | Avoiding Probate Fees

TOOLS AND SOFTWARE:

- TaxCycle
- Intuit Profile
- DTMax
- Trust Tax Estimator
- *EverGreen Explanatory Notes*

MARKING GUIDE

Quizzes	25%
Case Studies	50%
Final Exam	25%

Passing Grade	60%
Honours Achievement	90%

All students who pass the course will receive a certificate. Students who receive a mark of 90% or better will receive a gold honours bar on their certificates.

AUTHOR BYLINE a brief description of who the author(s) is for website ID purposes. Larger biography to be attached separately.

Walter Harder has achieved his Master Instructor Certification with Knowledge Bureau by participating in a number of required milestones. The first is the completion of a designation with Knowledge Bureau. He has worked as a researcher and personal tax content contributor to EverGreen Explanatory Notes and Knowledge Bureau Report and instructor for the Distinguished Advisor Workshops.

MARKETING

"I feel better equipped to deal with questions involving the death of a taxpayer as a result of doing the course. Notwithstanding the fact that I have been doing final returns for about ten years, the course gave me some new insights and perspectives. My experience has been exclusively "closed fact" situations, i.e., a taxpayer dies and his executor brings in his papers to do up a final return and if necessary an estate return. There are a few things that can be done to minimize taxes owing and the course points these out (for example, doing multiple returns might be an option in some cases) but the real value of the course is in setting out some strategies to deal with death before the event occurs."

Martin H., ON

FOR OFFICE USE:

1. Product Manager: Add to Author Agreement for contract sign-off.
2. Provide copy to Director of Operations for inclusion on website pre-marketing
3. Provide copy to Publishing manager for file set-up.

CHAPTER 1

DEATH AND TAXES

LESSON PLAN:

Chapter	Death and Taxes
Reading Time	30 minutes
Practical Time	None
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

As you already know, taxpayers with taxable income need to file a tax return each year. Approximately 1% of these taxpayers die each year. This first chapter provides an overview of the issues and required steps relating to the preparation of returns for the deceased taxpayer. In addition, students will learn about what to do with government cheques received after death.

NEW SKILLS TO BE MASTERED:

This chapter provides an overview of the concepts relating to the filing of tax returns for deceased taxpayers. Measurable skills will be developed in subsequent chapters.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What are the financial tasks to be performed when a person dies?
- What government amounts received after death must be returned?
- What happens to income on which taxes were deferred prior to death?
- What happens to RRSP assets in the year of death?
- How is income taxed that accrues both prior to death and after death?
- What deductions can be claimed on the final return?
- What refundable credits can be claimed on the final return?
- How does the deceased taxpayer's income in the year of death affect tax credits such as the GST/HST Credit and CCB received by survivors?
- What estate taxes are payable by Canadian residents?
- What assets are subject to probate fees?

LEARNING ACTIVITIES:

- Read this Knowledge Journal
- Log on to the Virtual Campus, open your course, and answer short answer questions for this chapter.

RESOURCES:

The Knowledge Journal

Government Publications in *EverGreen Explanatory Notes*:

- RC4111 *What to Do Following A Death*

Online Service Canada's websites:

<https://www.canada.ca/en/services/benefits/publicpensions/cpp/cancel-cpp.html>

CHAPTER 2

RETURNS IN THE YEAR OF DEATH

LESSON PLAN:

Chapter	Returns in the Year of Death
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- Responsibilities of the Executor regarding unfiled returns.
- What returns may be filed in the year of death.
- The due date for filing returns when a taxpayer dies.
- What options are available to pay any balance due.
- Why a Clearance Certificate should be obtained.

NEW SKILLS TO BE MASTERED:

- Preparation of a basic final return using professional tax software.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What is the executor required to do if there are unfiled prior year returns outstanding when the taxpayer dies?
- How is the final return different from a normal return?
- What is the due date for the final tax return?
- What optional returns could be filed?
- When are the optional returns due?
- What is a “Right or Thing?”
- Which returns may be filed electronically and which must be filed on paper?
- What happens if the taxpayer dies early in the year and the executor wants to file the final return before the forms for that year are available?
- If there is a balance due on the final return, when must it be paid?
- What is a Clearance Certificate and why is one needed?
- What forms of income splitting are available in the year of death?

LEARNING ACTIVITIES:

- Read this Knowledge Journal

- Research using *EverGreen Explanatory Notes*
- Answer the *Try This* questions and check your answers in your virtual classroom
- Be prepared to answer reading guide questions at the end of the chapter
- Log on to the Virtual Campus, open your course and answer short answer questions and complete the Case Studies for this chapter.

RESOURCES:

The Knowledge Journal

EverGreen Explanatory Notes:

- Death of a Taxpayer
 - Prior Year Returns
 - Final Return
 - Optional Returns
 - Filing Deadlines
 - Election to Pay Amount Due by Instalments

CHAPTER 3

REPORTING INCOME

LESSON PLAN:

Chapter	Reporting Income
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- How to report income earned and paid prior to death.
- How to pension income split between spouses in the year of death.
- How to report income earned prior to death but not paid until after death.
- How to report income earned after death.
- How to report death benefits.
- How capital losses are dealt with in the year of death.
- How loss carryforwards are treated in the year of death.
- What happens when the deceased was claiming a capital gains reserve in the year prior to death?

NEW SKILLS TO BE MASTERED:

- Preparation of final returns for taxpayers without registered or capital assets.
- Preparation of optional return for Rights or Things.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- How is employment income earned in the pay period prior to death but paid after death reported?
- How are accumulated sick leave benefits reported?
- How is vacation pay reported if it is paid after the taxpayer has died?
- How is a death benefit from an employer taxed?
- How is a CPP death benefit taxed?
- How are dividends declared prior to death but paid after death taxed?
- How are loss carryforwards treated in the year of death?
- What happens to a capital gains reserve claimed in the year prior to death?
- How is pension income splitting accomplished when the taxpayer was married and received pension income in the year of death?
- Can pension income received by the survivor after the death of a spouse be split with the deceased spouse?

LEARNING ACTIVITIES:

- Read this Knowledge Journal
- Research using *EverGreen Explanatory Notes*
- Answer the *Try This* questions and check your answers in your virtual classroom
- Be prepared to answer reading guide questions at the end of the chapter
- Log on to the Virtual Campus, open your course and answer short answer questions and complete the Case Studies for this chapter.

RESOURCES:

The Knowledge Journal

EverGreen Explanatory Notes:

- Rights or Things
- Investment and Other Periodic Income

CRA Forms in *EverGreen Explanatory Notes*

- T1A *Request for Loss Carryback*
- T2069 *Election in Respect of Amounts Not Deductible as Reserves for the Year of Death*

CHAPTER 4

CAPITAL ASSETS

LESSON PLAN:

Chapter	Capital Assets
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- What happens when the deceased owned capital assets at the time of death?
- What happens when the deceased owns a principal residence at the time of death?
- The income tax consequences when capital assets pass to the deceased spouse.
- How accrued losses can be utilized at death.
- How taxes on accrued gains can be minimized at death.
- The income tax consequences when a family farm or fishing business is transferred to a family member.

NEW SKILLS TO BE MASTERED:

- Preparation of final returns for taxpayers who have capital assets at death, including returns for single taxpayers and those with surviving spouses where assets are transferred to the survivor.
- Preparation of final returns for farmers and fishers where the family business is transferred to a family member at death.
- Preparation of the necessary forms to complete to comply with the reporting requirements for the sale or deemed disposition of a principal residence.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What happens when the taxpayer owned a principal residence at the time of death?
- What happens when a taxpayer owned other capital assets at the time of death?
- What is the ACB of a capital asset transferred to a surviving spouse at death?
- How can accrued losses be utilized at death?
- What happens when depreciable assets are owned at death?
- What is the ACB of farmland transferred to a family member?
- What is the ACB of depreciable farm assets when transferred to a family member at death?

LEARNING ACTIVITIES:

- Read this Knowledge Journal
- Research using *EverGreen Explanatory Notes*

- Answer the *Try These questions* and check your answers in your virtual classroom
- Be prepared to answer reading guide questions at the end of the chapter
- Log on to the Virtual Campus, open your course and answer short answer questions and complete the Case Studies for this chapter.

RESOURCES:

The Knowledge Journal

EverGreen Explanatory Notes:

- Principal Residence
- Death of a Taxpayer
 - Capital Assets
 - Reserves in the Year of Death
 - Capital Losses
- Deemed Dispositions
 - Upon the Death of a Taxpayer
 - Disposition of a Principal Residence upon death
 - Disposition of Farming or Fishing Property upon death
- Farming – Transfers at Death
- Fishing – Transfers at Death

CHAPTER 5

REGISTERED ACCOUNTS

LESSON PLAN:

Chapter	Registered Accounts
Reading Time	30 minutes
Practical Time	60 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- What happens when the deceased had RRSPs or RRIFs at the time of death?
- What options are available to spouses of a deceased spouse if they are an annuitant under an RRSP, RRIF or RPP?
- What options are available if the deceased had an outstanding balance under the Home Buyers' Plan or Lifelong Learning Plan at the time of death?
- What happens when a member of a Registered Pension Plan dies?
- What happens when the deceased is a contributor to an RESP or beneficiary of an RDSP?

NEW SKILLS TO BE MASTERED:

- Preparation of returns for taxpayers who have registered funds when they die.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What happens to TFSA assets when the TFSA holder dies?
- What happens when a Registered Pension Plan beneficiary dies?
- What happens when a withdrawal is made from a spousal RRSP in the year the contributing spouse dies?
- What happens at death when a taxpayer has RRSP or RRIF assets at the time of death and there is a designated beneficiary?
- What happens at death when a taxpayer has RRSP or RRIF assets at the time of death and there is no designated beneficiary?
- What elections are available to a surviving spouse regarding balances in the deceased taxpayer's RRSP?
- To what types of plans can RRSP balances at death be rolled over?
- What options are available to a surviving spouse regarding outstanding balances under the Home Buyers' Plan?
- What happens when an RESP contributor dies?
- What happens when an RDSP beneficiary dies?

LEARNING ACTIVITIES:

- Read this Knowledge Journal
- Research using *EverGreen Explanatory Notes*
- Answer the *Try This* questions and check your answers in your virtual classroom
- Be prepared to answer reading guide questions at the end of the chapter
- Log on to the Virtual Campus, open your course and answer short answer questions and complete the Case Studies for this chapter.

RESOURCES:

The Knowledge Journal

EverGreen Explanatory Notes:

- Registered Retirement Savings Plan (RRSP) – Death of a Taxpayer
- Death of a Taxpayer – RRSPs and Other Pensions
- Home Buyers Plan (HBP) – Death of a Participant
- Lifelong Learning Plan (LLP) – Death of a Participant

CHAPTER 6

CLAIMING DEDUCTIONS

LESSON PLAN:

Chapter	Claiming Deductions
Reading Time	30 minutes
Practical Time	60 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- Which costs related to the funeral can be deducted?
- What deduction can be claimed on the final and optional returns in the year of death?
- What RRSP contributions can be made in the year of death?
- What RPP contributions can be made in the year of death?
- How outstanding securities options are treated in the year of death.
- How outstanding employee home relocation loans are treated in the year of death.

NEW SKILLS TO BE MASTERED:

- Preparation of returns for taxpayers who have deductions in the year of death.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What costs related to the funeral can be deducted?
- What is an eligible funeral arrangement and what are the tax consequences of one?
- What deductions are allowed on the final return?
- What deductions are allowed on optional returns?
- What RRSP contributions can be claimed in the year of death?
- What RRSP contributions can be made after death and claimed on the final return?
- What RPP contributions can be made in the year of death?
- How are outstanding securities options treated in the year of death?

LEARNING ACTIVITIES:

- Read this Knowledge Journal
- Research using *EverGreen Explanatory Notes*
- Answer the *Try This* questions and check your answers in your virtual classroom
- Be prepared to answer reading guide questions at the end of the chapter
- Log on to the Virtual Campus, open your course and answer short answer questions and complete the Case Studies for this chapter.

RESOURCES:

The Knowledge Journal

EverGreen Explanatory Notes:

- Eligible Funeral Arrangements
- Death of a Taxpayer - Deductions

CHAPTER 7

NON-REFUNDABLE CREDITS

LESSON PLAN:

Chapter	Non-Refundable Credits
Reading Time	30 minutes
Practical Time	60 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- How to maximize personal amounts by filing optional returns.
- How to transfer unused amounts in the year of death.
- How to claim medical expenses in the year of death.
- What special rules apply to charitable donations in the year of death?
- How charitable bequests affect the deceased's tax return?

NEW SKILLS TO BE MASTERED:

- Preparation of returns for deceased taxpayers and their spouses which include spousal transfers, claims for a spouse, medical expenses and charitable donations.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- On which of the possible returns in the year of death can the spousal amount be claimed?
- If claiming a spouse or eligible dependant, how much of the dependant's net income is used to determine the amount of the claim?
- In the year of death, which spouse may claim amounts transferred from a spouse?
- Can amounts be transferred to the final return from dependants other than the spouse?
- What medical expenses can be claimed in the year of death?
- What time frames apply to medical expenses in the year of death?
- What is the limit for deducting charitable donations in the year of death?
- What happens when donations exceed the limit?

LEARNING ACTIVITIES:

- Read this Knowledge Journal
- Research using *EverGreen Explanatory Notes*
- Answer the *Try This* questions and check your answers on the Knowledge Net
- Be prepared to answer reading guide questions at the end of the chapter
- Log on to the Virtual Campus, open your course and answer short answer questions and complete the Case Studies for this chapter.

RESOURCES:

The Knowledge Journal

EverGreen Explanatory Notes:

- Death of a Taxpayer – Personal Amounts

CHAPTER 8

REFUNDABLE CREDITS

LESSON PLAN:

Chapter	Refundable Credits
Reading Time	30 minutes
Practical Time	60 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- How minimum tax affects the taxpayer's final return.
- How to claim the Working Income Tax Benefit (Canada Workers Benefit) in the year of death.
- How to claim overpayments of CPP and EI in the year of death.
- How to claim the refundable medical expense supplement in the year of death.
- How to claim the employee and partner GST/HST rebate in the year of death.
- Who can claim the GST Credit in the year that one spouse dies.
- What provincial credits can be claimed by a deceased taxpayer.

NEW SKILLS TO BE MASTERED:

- Preparation of returns for couples with refundable tax credits.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- If the taxpayer has a minimum tax carry-forward amount in the year of death, what happens to the unapplied balance?
- Can the Canada Workers Benefit(formerly the Working income Tax Benefit) be claimed in the year of death?
- Can the refundable medical expense supplement be claimed in the year of death?
- Can the employee and partner GST/HST rebate be claimed in the year of death?
- Who must claim the provincial tax credits when one spouse dies?

LEARNING ACTIVITIES:

- Read this Knowledge Journal.
- Research using *EverGreen Explanatory Notes*.
- Answer the *Try This* questions and check your answers in your virtual classroom.
- Be prepared to answer reading guide questions at the end of the chapter.

- Log on to the Virtual Campus, open your course and answer short answer questions and complete the Case Studies for this chapter.

RESOURCES:

The Knowledge Journal

EverGreen Explanatory Notes:

- Death of a Taxpayer – Minimum Tax and Other Special Credits and Refundable Credits

CHAPTER 9

THE ESTATE

LESSON PLAN:

Chapter	The Estate
Reading Time	30 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- You will learn how estate taxation differs from taxation of an individual taxpayer.
- You will learn what options are available to the personal representative of an estate to reduce and defer taxes on income earned after death.

NEW SKILLS TO BE MASTERED:

- Understanding how an estate is taxed.
- Understanding strategies for making the most efficient tax plan following a person's death,
- Balancing the opportunities based on the circumstances of the deceased and the beneficiaries of the estate.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What rate of tax is applicable to income taxed in a trust?
- What personal amounts are available to a trust?
- What is the taxation year of a testamentary trust?
- When are instalments required to be paid by a testamentary trust?
- What form is used to report income earned by a testamentary trust?
- How is income flowed through to a beneficiary taxed?
- How is capital bequeathed to a beneficiary taxed?
- How many trusts may be created in one will?
- How can the choice of the trust year-end allow for deferral of taxes?
- What is a Clearance Certificate?

LEARNING ACTIVITIES:

- Read this Knowledge Journal
- Research using *EverGreen Explanatory Notes*
- Answer the *Try This* questions and check your answers in your virtual classroom
- Be prepared to answer reading guide questions at the end of the chapter

- Log on to the Virtual Campus, open your course and answer short answer questions for this chapter.

RESOURCES:

The Knowledge Journal

EverGreen Explanatory Notes:

- Death of a Taxpayer – Clearance Certificates

Knowledge Bureau Calculator:

- Trust Tax Estimator

CHAPTER 10

AVOIDING PROBATE FEES

LESSON PLAN:

Chapter	Avoiding Probate Fees
Reading Time	30 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- You will learn what probate fees are, and some planning strategies to avoid probate fees in high-probate jurisdictions.

NEW SKILLS TO BE MASTERED:

- Understanding the assets and amount for probate fees, with an ability to create strategies to minimize or avoid probate fees.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What are probate fees?
- How are probate fees calculated?
- What options are available to avoid probate fees?
- What strategies will be most beneficial?
- What are some drawbacks to some of the strategies?

LEARNING ACTIVITIES:

- Read this Knowledge Journal
- Research using *EverGreen Explanatory Notes*
- Answer the *Try This* questions and check your answers in your virtual classroom
- Be prepared to answer reading guide questions at the end of the chapter
- Log on to the Virtual Campus, open your course and answer short answer questions for this chapter.

RESOURCES:

The Knowledge Journal

EverGreen Explanatory Notes:

- Probate Fees

COURSE OVERVIEW

DESIGNATION: DFA-Tax Services Specialist™

NAME OF COURSE: Professional Income Tax Course - Filing T3 Trust Returns

AUTHORS: Walter Harder

PROGRAM: Tax Services Specialist

APPROACH:

With all the changes in the mechanics of how trusts function, including the introduction of Graduated Rate Estate (GRE), this course will provide you with professional skills necessary to include this service in your practice.

CONTENT DESCRIPTION AND KEY CONCEPTS:

This course introduces the types of trust that may be created in Canada and how each of them is taxed. Students will learn how to prepare T3 returns as part of the case study exercises in the course. Case studies include the preparation of trust returns, slips, and slip summaries for trusts with year-ends in 2019. Pending changes for 2021 are also discussed.

The students will also learn how to optimize taxes payable on income earned by at trust by choosing to pay the taxes through the trust or allocating income to beneficiaries and having them pay the taxes on those allocations. The Trust Tax Estimator tool, provided with this course, will help you to minimize taxes on trust income. This tool will allow you to determine whether the trust or beneficiary will pay more taxes on allocated income so that tax can be paid by the trust before allocation if the beneficiary would have to pay more tax than the trust.

CERTIFIED SKILLSETS:

Upon completion of this course, students will be familiar with the taxation of various trusts and be able to prepare T3 trust returns and prepare T3 slips for beneficiaries.

TABLE OF CONTENTS:

Chapter 1: Introduction to Trusts

What is a Trust? Obligations of the Trustee/Executor; Trust Tax Basics; Testamentary Trusts; Graduated Rate Estates; Inter Vivos Trusts; Specific Types of Trusts

Chapter 2: The T3 Return

Filing Requirements; Taxation Year; Deadlines; Structure of the Return; Other Related Forms

Chapter 3: Identification

Introduction; Residency; Name of Trust; Contact Information; Account Number; Province; Business Income Earned In; Type of Trusts; Trust Year; Foreign Asset Reporting

Chapter 4: Income of the Trust

Introduction; CPP Death Benefit; Investment Income; Pensions; Proprietorship, Farming, and Fishing Income; Other Income; Attribution

Chapter 5: Deductions

Investment Expenses; Trustee Fees; Other deductions; Taxable Benefits to Beneficiaries; Allocated Dividends; Net Income; Deductions from Net Income

Chapter 6: Dealing with Losses

Capital Losses; Business Investment Losses; Non-capital Losses; Loss carryovers

Chapter 7: Allocation of Trust Income

Preferred beneficiary election; Allocating Income on Schedule 9; T3 slips and Summary

Chapter 8: Calculation of Tax and Credits

Federal Tax; Provincial Tax

Chapter 9: Filing

Filing Information Slips; Filing the T3 Return; Adjusting T3 Returns; Late Filing Consequences

Chapter 10: Special Trusts

Charitable Remainder Trusts; Alter Ego Trusts; Spouse Trusts

Practice Management Thesis

Exam

Total 30 Hours

Methodology:

FINAL GRADE CALCULATIONS FOR THIS COURSE:

Your final grade is calculated as follows:	25%	Quiz Marks
	50%	Case Study Marks
	25%	Final Exam Mark

A mark of 60% is required to pass the course. All students who pass the course will receive a certificate. Students who receive a mark of 90% or better will receive a gold Honours bar on their certificate.

CHAPTER 1

INTRODUCTION TO TRUSTS

LESSON PLAN:

Chapter	Introduction to Trusts
Reading Time	30 minutes
Practical Time	15 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

You will gain an understanding of:

- what a trust is
- the most common types of trusts
- how trusts are taxed
- the distinctive characteristics of a graduated rate estate

NEW SKILLS TO BE MASTERED:

An awareness of what a trust is and how it is taxed in Canada

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- What is a trust?
- What/who is a settlor?
- What are the obligations of a trustee?
- What is a beneficiary?
- How is income earned by a trust taxed?
- What return is filed by a trust?
- What is a graduated rate estate?
- How is the year-end of a trust determined?
- What is a testamentary trust?
- What is an inter vivos trust?

RESOURCES:

Knowledge Journal

EverGreen Explanatory Notes

- *Taxation of Trusts*

Knowledge Bureau Calculator:

- Trust Tax Estimator

CHAPTER 2

THE T3 RETURN

LESSON PLAN:

Chapter	The T3 Return
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn when a trust return is required, and when it is not. You'll also learn about the deadlines for filing that return and the penalties for not filing by the due date. In addition, you'll learn about fiscal years of a trust and how to choose a year-end for a graduated rate estate. Finally, we'll review the sections of the T3 return.

NEW SKILLS TO BE MASTERED:

1. **To determine whether a trust return will be required.**
2. **To be able to choose the most appropriate year-end for a graduated rate estate.**
3. **To determine the filing due date for the trust return based on the fiscal year.**

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- Under what circumstances is a trust return required?
- Under what circumstances would a trust not be required to file a return?
- What is changing about filing requirements starting in 2021?
- What is the fiscal year of a trust?
- When does the first fiscal year of a graduated estate end?
- What is the due date of the trust return?
- What is the penalty for filing a trust return late?
- What is the penalty for not including the social insurance number of a beneficiary on the T3 slip?

RESOURCES:

EverGreen Explanatory Notes topics

**COPYRIGHT OWNED BY KNOWLEDGE BUREAU INC.
UNAUTHORIZED REPRODUCTION, IN WHOLE OR IN PART, IS PROHIBITED.**

- *Late Filing Penalties*

CHAPTER 3

IDENTIFICATION

LESSON PLAN:

Chapter	Identification
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

This chapter deals with the issues of completing the Identification section of the T3 return, including the determination of residency of the trust.

NEW SKILLS TO BE MASTERED:

By the end of this chapter, you will be able to complete the identification section of the T3 return and will understand the significance of the questions in the "Other Information Required" section.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- What factors are used to determine the residency of a trust?
- How does the province of residence of a trust affect the income taxes payable by the trust?
- How does one determine the name of the trust?
- How does one get an account number for a new trust?
- How is the type of trust specified to CRA when the T3 return is filed?
- What is the fiscal year of the trust for a new trust?
- Under what circumstances does a trust have to report foreign holdings?
- Under what circumstances may the trustees pay the tax on income rather than allocating the income to the beneficiaries?

RESOURCES:

EverGreen Explanatory Notes topic:

- Foreign Asset Reporting

Other resources in *EverGreen Explanatory Notes*:

Folio S6-F1-C1, Residence of a Trust or Estate

CHAPTER 4

INCOME OF THE TRUST

LESSON PLAN:

Chapter	Income of the Trust
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn how to report income received by the trust on the T3 return, including CPP Death Benefits, investment income, pensions, proprietorship, farming, and fishing income and other income.

NEW SKILLS TO BE MASTERED:

- Completion of the T3 return reporting all income received by the trust.
- Claiming reserves for proceeds not due on capital dispositions of the trust.
- Understand the application of the capital gains deduction on the disposition of qualified small business corporation shares, qualified farm property, and qualified fishing property.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- How is the CPP death benefit treated?
- How are capital dispositions taxed when made by a trust?
- What is the difference if capital property is donated or sold and the proceeds donated?
- What happens with capital losses incurred by a trust?
- What happens if a taxpayer dies and has a reserve for proceeds not due and settles the outstanding debt on his testamentary trust?
- What is the twenty-one-year rule?
- How are dividends received by a trust taxed?
- If a trust receives pension income, how is this taxed?
- If a trust receives a death benefit from the testator's employer, how is this taxed?
- If a trust operates a business in a province other than the province of residence of the trust, what must be done?

RESOURCES:

Relevant *EverGreen* Topics for Review

- *Death of a Taxpayer*
- *Capital Gains and Losses - Overview*
- *Charitable Donations*
- *Capital Loss*
- *Reserve For Proceeds Not Due*
- *Capital Gains Deduction*
- *Dividends from Canadian Corporations*
- *Foreign Income and Foreign Taxes Paid*
- *Foreign Tax Credit*
- [*Business Income and Deductions - Overview*](#)
- [*Business Deductions - Farmers Fishers and Professionals*](#)
- *Rent*
- *Attribution*

CHAPTER 5

DEDUCTIONS

LESSON PLAN:

Chapter	Deductions
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

This chapter deals with the deductions that may be claimed by a trust in determining taxable income, with the exception of losses and allocation of trust income to beneficiaries.

NEW SKILLS TO BE MASTERED:

After completing this chapter, you will be able to prepare T3 returns to claim deductions other than losses and allocation of income to beneficiaries.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- How are carrying charges claimed by a trust?
- How are rental expenses claimed by a trust?
- How are business expenses claimed by a trust?
- What are the criteria that must be met for trustee fees to be deductible?
- What are the consequences of non-deductible trustee fees?
- What legal fees can be claimed by a trust?
- Can accounting fees be claimed by a trust?
- Under what circumstances may a trust claim a deduction for foreign taxes paid?
- How is the gross-up of dividend income treated on the T3 return?
- If the trust receives exempt foreign income, how is this income reported on the T3 return?

RESOURCES:

Relevant *EverGreen* Topics for Review

- *Carrying Charges*
- *Rent*

- *Business Income and Deductions – Overview*
- *Outlays and Expenses*
- *Accounting and Legal Fees*
- *Foreign Tax Credit*
- *Exploration and Development Expenses*
- *Foreign Income and Foreign Taxes Paid*
- *Dividends from Canadian Corporations*

CHAPTER 6

DEALING WITH LOSSES

LESSON PLAN:

Chapter	Dealing With Losses
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn how to deal with various types of losses incurred by a trust both in the current year and in prior years.

NEW SKILLS TO BE MASTERED:

How to deal with the following loss types on the T3 return:

- Capital losses
- Listed personal property losses
- Allowable business investment losses
- Non-capital losses
- Farm losses
- Restricted farm losses
- Fishing losses
- Limited partnership losses

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- What form is used to apply losses incurred in the current year to a prior year?
- How are capital losses claimed on the T3 return?
- What special rules apply to capital losses incurred in the first year of a testamentary trust?
- What is different about capital losses from listed personal property?
- What rules apply to the cancellation of debts in a will?
- How are business investment losses incurred by a trust claimed?
- What actions by the trustee can reduce the business investment loss that can be claimed by the trust?

- How are non-capital losses incurred by the trust claimed?
- How are farm losses incurred by a trust claimed?
- How are fishing losses incurred by a trust claimed?
- How are limited partnership losses incurred by a trust claimed?

RESOURCES:

Relevant *EverGreen* Topics for Review

- *Capital Gains and Losses - Overview*
- *Capital Loss*
- *Capital Loss Adjustment*
- *Business Investment Losses*
- *Deemed dispositions*
- *Non-Capital Losses*
- *Loss Carry Overs*
- *Personal Use Property*
- *Listed Personal Property*
- *Limited Partnership Income and Losses*

CHAPTER 7

ALLOCATION OF TRUST INCOME

LESSON PLAN:

Chapter	Allocation of Trust Income
Reading Time	30 minutes
Practical Time	60 minutes
Review Exercise	90 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn the rules for allocating income to beneficiaries and for designating income to be taxed in the trust even if it is distributed to beneficiaries. In addition, you'll learn how to complete and file the T3 Summary return and T3 slips.

NEW SKILLS TO BE MASTERED:

- Allocation of income to beneficiaries
- Designation of income to be taxed in the trust
- Preparation of T3 slips
- Preparation of T3 summary return
- Completion of T3 Schedule 9
- Filing of T3 slips and T3 Summary return

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- What types of income retain their nature when allocated to a beneficiary?
- What credits may be allocated to a beneficiary?
- Under what circumstances is it better for the trust to pay the taxes instead of the beneficiary?
- What rules apply to paying the taxes in the trust rather than allocating the income to the beneficiaries?
- What are the consequences of the trust paying expenses of a beneficiary?
- What is a preferred beneficiary?
- What is the preferred beneficiary election?
- What is the due date for distributing T3 slips to beneficiaries?
- What options are available for distributing T3 slips to beneficiaries?
- What are the options for filing the T3 Summary return and related slips?

**COPYRIGHT OWNED BY KNOWLEDGE BUREAU INC.
UNAUTHORIZED REPRODUCTION, IN WHOLE OR IN PART, IS PROHIBITED.**

CHAPTER 8

CALCULATION OF TAX AND CREDITS

LESSON PLAN:

Chapter	Calculation of Tax and Credits
Reading Time	45 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you will learn of the federal and provincial/territorial taxes payable by the trust on income not allocated to beneficiaries. You'll learn about the special taxes that apply only to trusts and the credits that are available to trusts.

NEW SKILLS TO BE MASTERED:

Completion of T3 Schedule 11 to determine

- how to deal with lump sum RPP or DPSP payments that accrued prior to 1971
- federal recovery tax
- dividend tax credits
- donation tax credits
- minimum tax
- surtax on income not subject to provincial or territorial tax
- foreign tax credits
- political contribution tax credit
- investment tax credit
- logging tax credit
- additional tax on RESP accumulated income payments
- Quebec abatement

You'll also learn how provincial tax is calculated for a trust as well as how to deal with the situation where the trust earns business income that is taxable to a province other than the province of residence of the trust.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate

your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- What factors determine the rate of tax payable by a trust?
- Which trusts are subject to the recovery tax?
- What happens when the dividend tax credit exceeds federal tax otherwise payable?
- How are donations by Will treated?
- How is the donation credit calculated if claimed by a trust?
- What is the benefit of a trust donating shares rather than cash?
- What are the consequences of a trust being subject to minimum tax?
- How is income from a business taxed differently than income from property?
- How are excess foreign tax credit claimed?
- What determines the provincial/territorial tax to which the trust pays taxes?

RESOURCES:

Relevant *EverGreen* Topics for Review

- *Retroactive Lump Sums*
- *Dividend Tax Credit*
- *Charitable Donations*
- *Minimum Tax*
- *Foreign Tax Credit*
- *Political Contributions*
- *Investment Tax Credit*
- *Federal Logging Tax Credit*
- *Accumulated Income Payments*

CHAPTER 9

FILING

LESSON PLAN:

Chapter	Filing
Reading Time	30 minutes
Practical Time	15 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you will learn the rules for filing T3 returns as well as T3 slips and Summaries; what to do if you find an error after filing the return; and the consequences of not filing on time.

NEW SKILLS TO BE MASTERED:

You will know how to submit the T3 return and schedules with all the required schedules so that the return can be assessed without CRA asking for more information.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- What happens if you discover an error after the T3 slips are filed?
- How is the T3 return filed?
- How is a T3 return adjusted for errors or omissions?
- How is a balance due paid for a T3 return?
- What procedure should be followed if the trust is due a refund of taxes withheld?
- What documents should be attached to the first return for a trust?
- How do you indicate to CRA that the trust has been wound up?
- What procedures should be followed before the final distribution of trust assets?
- What is the penalty for late filing of a T3 return?
- What is the penalty for late distribution of T3 slips?

**COPYRIGHT OWNED BY KNOWLEDGE BUREAU INC.
UNAUTHORIZED REPRODUCTION, IN WHOLE OR IN PART, IS PROHIBITED.**

Note: Filing due dates were extended for trusts with a year-end of December 31, 2019 and for trusts that would otherwise have a filing due date in 2020. These extended deadlines are for these returns only as a result of the COVID-19 pandemic and are not included in the discussion in this chapter.

CHAPTER 10

SPECIAL TRUSTS

LESSON PLAN:

Chapter	Special Trusts
Reading Time	15 minutes
Practical Time	None
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn about the rules surrounding several types of trusts that you may come across in your practice. These include alter ego trusts, spouse trusts, joint partner trusts and charitable remainder trusts.

You'll also learn the new rules regarding the principal residence exemption for trusts.

NEW SKILLS TO BE MASTERED:

You will understand these types of trusts from a tax preparation standpoint.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- At what age may an individual set up an alter ego trust?
- What are the benefits of an alter ego trust?
- Who has a right to receive the capital from an alter ego trust?
- What is the spouse entitled to if they are the beneficiary of a spouse trust?
- What are the consequences of the death of the beneficiary of a spouse trust?
- Which types of trusts allow the tax-free rollover of assets into the trust?
- In a joint partner trust, what happens to the assets if the settlor dies first?
- If a charitable remainder trust is set up, when is the charitable donation credit claimed and by whom?
- What rights does the settlor have to the assets under a charitable remainder trust?
- What are the negative tax consequences of settling an asset on a charitable remainder trust?
- What types of trusts may claim the principal residence exemption?

RESOURCES:

Knowledge Journal

EverGreen Explanatory Notes

- Folio S1-F3-C2, Principal Residence

COURSE OVERVIEW

DESIGNATION: DFA-Tax Services Specialist™

NAME OF COURSE: Professional Income Tax Course - Filing T3 Trust Returns

AUTHORS: Walter Harder

PROGRAM: Tax Services Specialist

APPROACH:

With all the changes in the mechanics of how trusts function, including the introduction of Graduated Rate Estate (GRE), this course will provide you with professional skills necessary to include this service in your practice.

CONTENT DESCRIPTION AND KEY CONCEPTS:

This course introduces the types of trust that may be created in Canada and how each of them is taxed. Students will learn how to prepare T3 returns as part of the case study exercises in the course. Case studies include the preparation of trust returns, slips, and slip summaries for trusts with year-ends in 2019. Pending changes for 2021 are also discussed.

The students will also learn how to optimize taxes payable on income earned by at trust by choosing to pay the taxes through the trust or allocating income to beneficiaries and having them pay the taxes on those allocations. The Trust Tax Estimator tool, provided with this course, will help you to minimize taxes on trust income. This tool will allow you to determine whether the trust or beneficiary will pay more taxes on allocated income so that tax can be paid by the trust before allocation if the beneficiary would have to pay more tax than the trust.

CERTIFIED SKILLSETS:

Upon completion of this course, students will be familiar with the taxation of various trusts and be able to prepare T3 trust returns and prepare T3 slips for beneficiaries.

TABLE OF CONTENTS:

Chapter 1: Introduction to Trusts

What is a Trust? Obligations of the Trustee/Executor; Trust Tax Basics; Testamentary Trusts; Graduated Rate Estates; Inter Vivos Trusts; Specific Types of Trusts

Chapter 2: The T3 Return

Filing Requirements; Taxation Year; Deadlines; Structure of the Return; Other Related Forms

Chapter 3: Identification

Introduction; Residency; Name of Trust; Contact Information; Account Number; Province; Business Income Earned In; Type of Trusts; Trust Year; Foreign Asset Reporting

Chapter 4: Income of the Trust

Introduction; CPP Death Benefit; Investment Income; Pensions; Proprietorship, Farming, and Fishing Income; Other Income; Attribution

Chapter 5: Deductions

Investment Expenses; Trustee Fees; Other deductions; Taxable Benefits to Beneficiaries; Allocated Dividends; Net Income; Deductions from Net Income

Chapter 6: Dealing with Losses

Capital Losses; Business Investment Losses; Non-capital Losses; Loss carryovers

Chapter 7: Allocation of Trust Income

Preferred beneficiary election; Allocating Income on Schedule 9; T3 slips and Summary

Chapter 8: Calculation of Tax and Credits

Federal Tax; Provincial Tax

Chapter 9: Filing

Filing Information Slips; Filing the T3 Return; Adjusting T3 Returns; Late Filing Consequences

Chapter 10: Special Trusts

Charitable Remainder Trusts; Alter Ego Trusts; Spouse Trusts

Practice Management Thesis

Exam

Total 30 Hours

Methodology:

FINAL GRADE CALCULATIONS FOR THIS COURSE:

Your final grade is calculated as follows:	25%	Quiz Marks
	50%	Case Study Marks
	25%	Final Exam Mark

A mark of 60% is required to pass the course. All students who pass the course will receive a certificate. Students who receive a mark of 90% or better will receive a gold Honours bar on their certificate.

CHAPTER 1

INTRODUCTION TO TRUSTS

LESSON PLAN:

Chapter	Introduction to Trusts
Reading Time	30 minutes
Practical Time	15 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

You will gain an understanding of:

- what a trust is
- the most common types of trusts
- how trusts are taxed
- the distinctive characteristics of a graduated rate estate

NEW SKILLS TO BE MASTERED:

An awareness of what a trust is and how it is taxed in Canada

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- What is a trust?
- What/who is a settlor?
- What are the obligations of a trustee?
- What is a beneficiary?
- How is income earned by a trust taxed?
- What return is filed by a trust?
- What is a graduated rate estate?
- How is the year-end of a trust determined?
- What is a testamentary trust?
- What is an inter vivos trust?

RESOURCES:

Knowledge Journal

EverGreen Explanatory Notes

- *Taxation of Trusts*

Knowledge Bureau Calculator:

- Trust Tax Estimator

CHAPTER 2

THE T3 RETURN

LESSON PLAN:

Chapter	The T3 Return
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn when a trust return is required, and when it is not. You'll also learn about the deadlines for filing that return and the penalties for not filing by the due date. In addition, you'll learn about fiscal years of a trust and how to choose a year-end for a graduated rate estate. Finally, we'll review the sections of the T3 return.

NEW SKILLS TO BE MASTERED:

1. **To determine whether a trust return will be required.**
2. **To be able to choose the most appropriate year-end for a graduated rate estate.**
3. **To determine the filing due date for the trust return based on the fiscal year.**

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- Under what circumstances is a trust return required?
- Under what circumstances would a trust not be required to file a return?
- What is changing about filing requirements starting in 2021?
- What is the fiscal year of a trust?
- When does the first fiscal year of a graduated estate end?
- What is the due date of the trust return?
- What is the penalty for filing a trust return late?
- What is the penalty for not including the social insurance number of a beneficiary on the T3 slip?

RESOURCES:

EverGreen Explanatory Notes topics

**COPYRIGHT OWNED BY KNOWLEDGE BUREAU INC.
UNAUTHORIZED REPRODUCTION, IN WHOLE OR IN PART, IS PROHIBITED.**

- *Late Filing Penalties*

CHAPTER 3

IDENTIFICATION

LESSON PLAN:

Chapter	Identification
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

This chapter deals with the issues of completing the Identification section of the T3 return, including the determination of residency of the trust.

NEW SKILLS TO BE MASTERED:

By the end of this chapter, you will be able to complete the identification section of the T3 return and will understand the significance of the questions in the "Other Information Required" section.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- What factors are used to determine the residency of a trust?
- How does the province of residence of a trust affect the income taxes payable by the trust?
- How does one determine the name of the trust?
- How does one get an account number for a new trust?
- How is the type of trust specified to CRA when the T3 return is filed?
- What is the fiscal year of the trust for a new trust?
- Under what circumstances does a trust have to report foreign holdings?
- Under what circumstances may the trustees pay the tax on income rather than allocating the income to the beneficiaries?

RESOURCES:

EverGreen Explanatory Notes topic:

- Foreign Asset Reporting

Other resources in *EverGreen Explanatory Notes*:

Folio S6-F1-C1, Residence of a Trust or Estate

CHAPTER 4

INCOME OF THE TRUST

LESSON PLAN:

Chapter	Income of the Trust
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn how to report income received by the trust on the T3 return, including CPP Death Benefits, investment income, pensions, proprietorship, farming, and fishing income and other income.

NEW SKILLS TO BE MASTERED:

- Completion of the T3 return reporting all income received by the trust.
- Claiming reserves for proceeds not due on capital dispositions of the trust.
- Understand the application of the capital gains deduction on the disposition of qualified small business corporation shares, qualified farm property, and qualified fishing property.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- How is the CPP death benefit treated?
- How are capital dispositions taxed when made by a trust?
- What is the difference if capital property is donated or sold and the proceeds donated?
- What happens with capital losses incurred by a trust?
- What happens if a taxpayer dies and has a reserve for proceeds not due and settles the outstanding debt on his testamentary trust?
- What is the twenty-one-year rule?
- How are dividends received by a trust taxed?
- If a trust receives pension income, how is this taxed?
- If a trust receives a death benefit from the testator's employer, how is this taxed?
- If a trust operates a business in a province other than the province of residence of the trust, what must be done?

RESOURCES:

Relevant *EverGreen* Topics for Review

- *Death of a Taxpayer*
- *Capital Gains and Losses - Overview*
- *Charitable Donations*
- *Capital Loss*
- *Reserve For Proceeds Not Due*
- *Capital Gains Deduction*
- *Dividends from Canadian Corporations*
- *Foreign Income and Foreign Taxes Paid*
- *Foreign Tax Credit*
- [*Business Income and Deductions - Overview*](#)
- [*Business Deductions - Farmers Fishers and Professionals*](#)
- *Rent*
- *Attribution*

CHAPTER 5

DEDUCTIONS

LESSON PLAN:

Chapter	Deductions
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

This chapter deals with the deductions that may be claimed by a trust in determining taxable income, with the exception of losses and allocation of trust income to beneficiaries.

NEW SKILLS TO BE MASTERED:

After completing this chapter, you will be able to prepare T3 returns to claim deductions other than losses and allocation of income to beneficiaries.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- How are carrying charges claimed by a trust?
- How are rental expenses claimed by a trust?
- How are business expenses claimed by a trust?
- What are the criteria that must be met for trustee fees to be deductible?
- What are the consequences of non-deductible trustee fees?
- What legal fees can be claimed by a trust?
- Can accounting fees be claimed by a trust?
- Under what circumstances may a trust claim a deduction for foreign taxes paid?
- How is the gross-up of dividend income treated on the T3 return?
- If the trust receives exempt foreign income, how is this income reported on the T3 return?

RESOURCES:

Relevant *EverGreen* Topics for Review

- *Carrying Charges*
- *Rent*

- *Business Income and Deductions – Overview*
- *Outlays and Expenses*
- *Accounting and Legal Fees*
- *Foreign Tax Credit*
- *Exploration and Development Expenses*
- *Foreign Income and Foreign Taxes Paid*
- *Dividends from Canadian Corporations*

CHAPTER 6

DEALING WITH LOSSES

LESSON PLAN:

Chapter	Dealing With Losses
Reading Time	30 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn how to deal with various types of losses incurred by a trust both in the current year and in prior years.

NEW SKILLS TO BE MASTERED:

How to deal with the following loss types on the T3 return:

- Capital losses
- Listed personal property losses
- Allowable business investment losses
- Non-capital losses
- Farm losses
- Restricted farm losses
- Fishing losses
- Limited partnership losses

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice, and it is a good review prior to your exam.

- What form is used to apply losses incurred in the current year to a prior year?
- How are capital losses claimed on the T3 return?
- What special rules apply to capital losses incurred in the first year of a testamentary trust?
- What is different about capital losses from listed personal property?
- What rules apply to the cancellation of debts in a will?
- How are business investment losses incurred by a trust claimed?
- What actions by the trustee can reduce the business investment loss that can be claimed by the trust?

- How are non-capital losses incurred by the trust claimed?
- How are farm losses incurred by a trust claimed?
- How are fishing losses incurred by a trust claimed?
- How are limited partnership losses incurred by a trust claimed?

RESOURCES:

Relevant *EverGreen* Topics for Review

- *Capital Gains and Losses - Overview*
- *Capital Loss*
- *Capital Loss Adjustment*
- *Business Investment Losses*
- *Deemed dispositions*
- *Non-Capital Losses*
- *Loss Carry Overs*
- *Personal Use Property*
- *Listed Personal Property*
- *Limited Partnership Income and Losses*

CHAPTER 7

ALLOCATION OF TRUST INCOME

LESSON PLAN:

Chapter	Allocation of Trust Income
Reading Time	30 minutes
Practical Time	60 minutes
Review Exercise	90 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn the rules for allocating income to beneficiaries and for designating income to be taxed in the trust even if it is distributed to beneficiaries. In addition, you'll learn how to complete and file the T3 Summary return and T3 slips.

NEW SKILLS TO BE MASTERED:

- Allocation of income to beneficiaries
- Designation of income to be taxed in the trust
- Preparation of T3 slips
- Preparation of T3 summary return
- Completion of T3 Schedule 9
- Filing of T3 slips and T3 Summary return

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- What types of income retain their nature when allocated to a beneficiary?
- What credits may be allocated to a beneficiary?
- Under what circumstances is it better for the trust to pay the taxes instead of the beneficiary?
- What rules apply to paying the taxes in the trust rather than allocating the income to the beneficiaries?
- What are the consequences of the trust paying expenses of a beneficiary?
- What is a preferred beneficiary?
- What is the preferred beneficiary election?
- What is the due date for distributing T3 slips to beneficiaries?
- What options are available for distributing T3 slips to beneficiaries?
- What are the options for filing the T3 Summary return and related slips?

**COPYRIGHT OWNED BY KNOWLEDGE BUREAU INC.
UNAUTHORIZED REPRODUCTION, IN WHOLE OR IN PART, IS PROHIBITED.**

CHAPTER 8

CALCULATION OF TAX AND CREDITS

LESSON PLAN:

Chapter	Calculation of Tax and Credits
Reading Time	45 minutes
Practical Time	30 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you will learn of the federal and provincial/territorial taxes payable by the trust on income not allocated to beneficiaries. You'll learn about the special taxes that apply only to trusts and the credits that are available to trusts.

NEW SKILLS TO BE MASTERED:

Completion of T3 Schedule 11 to determine

- how to deal with lump sum RPP or DPSP payments that accrued prior to 1971
- federal recovery tax
- dividend tax credits
- donation tax credits
- minimum tax
- surtax on income not subject to provincial or territorial tax
- foreign tax credits
- political contribution tax credit
- investment tax credit
- logging tax credit
- additional tax on RESP accumulated income payments
- Quebec abatement

You'll also learn how provincial tax is calculated for a trust as well as how to deal with the situation where the trust earns business income that is taxable to a province other than the province of residence of the trust.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate

your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- What factors determine the rate of tax payable by a trust?
- Which trusts are subject to the recovery tax?
- What happens when the dividend tax credit exceeds federal tax otherwise payable?
- How are donations by Will treated?
- How is the donation credit calculated if claimed by a trust?
- What is the benefit of a trust donating shares rather than cash?
- What are the consequences of a trust being subject to minimum tax?
- How is income from a business taxed differently than income from property?
- How are excess foreign tax credit claimed?
- What determines the provincial/territorial tax to which the trust pays taxes?

RESOURCES:

Relevant *EverGreen* Topics for Review

- *Retroactive Lump Sums*
- *Dividend Tax Credit*
- *Charitable Donations*
- *Minimum Tax*
- *Foreign Tax Credit*
- *Political Contributions*
- *Investment Tax Credit*
- *Federal Logging Tax Credit*
- *Accumulated Income Payments*

CHAPTER 9

FILING

LESSON PLAN:

Chapter	Filing
Reading Time	30 minutes
Practical Time	15 minutes
Review Exercise	60 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you will learn the rules for filing T3 returns as well as T3 slips and Summaries; what to do if you find an error after filing the return; and the consequences of not filing on time.

NEW SKILLS TO BE MASTERED:

You will know how to submit the T3 return and schedules with all the required schedules so that the return can be assessed without CRA asking for more information.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- What happens if you discover an error after the T3 slips are filed?
- How is the T3 return filed?
- How is a T3 return adjusted for errors or omissions?
- How is a balance due paid for a T3 return?
- What procedure should be followed if the trust is due a refund of taxes withheld?
- What documents should be attached to the first return for a trust?
- How do you indicate to CRA that the trust has been wound up?
- What procedures should be followed before the final distribution of trust assets?
- What is the penalty for late filing of a T3 return?
- What is the penalty for late distribution of T3 slips?

**COPYRIGHT OWNED BY KNOWLEDGE BUREAU INC.
UNAUTHORIZED REPRODUCTION, IN WHOLE OR IN PART, IS PROHIBITED.**

Note: Filing due dates were extended for trusts with a year-end of December 31, 2019 and for trusts that would otherwise have a filing due date in 2020. These extended deadlines are for these returns only as a result of the COVID-19 pandemic and are not included in the discussion in this chapter.

CHAPTER 10

SPECIAL TRUSTS

LESSON PLAN:

Chapter	Special Trusts
Reading Time	15 minutes
Practical Time	None
Review Exercise	30 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

In this chapter, you'll learn about the rules surrounding several types of trusts that you may come across in your practice. These include alter ego trusts, spouse trusts, joint partner trusts and charitable remainder trusts.

You'll also learn the new rules regarding the principal residence exemption for trusts.

NEW SKILLS TO BE MASTERED:

You will understand these types of trusts from a tax preparation standpoint.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

As you read through each chapter, be sure you have your lesson plans open in front of you. They contain a series of questions that help you pull out the most important concepts in your reading. Print out the questions and write in your answers as you read. That's a good way to consolidate your knowledge and commit what you have read to practice and it is a good review prior to your exam.

- At what age may an individual set up an alter ego trust?
- What are the benefits of an alter ego trust?
- Who has a right to receive the capital from an alter ego trust?
- What is the spouse entitled to if they are the beneficiary of a spouse trust?
- What are the consequences of the death of the beneficiary of a spouse trust?
- Which types of trusts allow the tax-free rollover of assets into the trust?
- In a joint partner trust, what happens to the assets if the settlor dies first?
- If a charitable remainder trust is set up, when is the charitable donation credit claimed and by whom?
- What rights does the settlor have to the assets under a charitable remainder trust?
- What are the negative tax consequences of settling an asset on a charitable remainder trust?
- What types of trusts may claim the principal residence exemption?

RESOURCES:

Knowledge Journal

EverGreen Explanatory Notes

- Folio S1-F3-C2, Principal Residence

FEATURE SHEET

PROGRAM:	<input type="checkbox"/> ONLINE <input type="checkbox"/> CE SUMMITS – <input type="checkbox"/> Jan. <input type="checkbox"/> Spring <input type="checkbox"/> Fall <input type="checkbox"/> DAC <input type="checkbox"/> BBR <input type="checkbox"/> OTHER:
DESIGNATION	MFA™ Business Services Specialist
COURSE NAME	Cross Border Taxation
AUTHOR/INSTRUCTOR	Angela Preteau and Dean Smith
PUBLISHING DATE	
KEYWORDS (3):	
TIMELINES, RIGHTS & BIBLIOGRAPHY:	Required: We respect copyright laws. Please be advised you must have rights to any images, cite any references used in publication components upon completion and provide timelines for completion

WHAT'S INCLUDED
<ul style="list-style-type: none"> • Personal course selection consultation • Virtual campus orientation • Lesson and study plans • Personal instructor email support • Comprehensive Knowledge Journal • EverGreen Online Research Library • Knowledge Bureau calculators • Testing and certification • CE/CPD accreditation
OVERVIEW (2-3 lines describe what this program is about and why it's important)
<p>Advisors who take this course and who work with affluent boomers will be prepared to discuss cross border taxation with a piece of comprehensive general knowledge, as well as recognize and advise on how certain actions on both sides of the border affect a person's tax situation.</p>
APPROACH (Who is this for and why – add brief facts, stats, trends):
<p>This course focuses on emerging issues as baby boomers age, technology makes it possible for people and businesses to operate globally, and economic changes make it appealing for people and businesses to purchase investment property globally. As well as the increase in the sharing of financial information between countries, Tax Efficient Retirement Income Planning issues become key for cross border employment, entrepreneurship or asset ownership, as does the issue of residency and U.S. citizenship.</p>
WHY IS THIS CONTENT ESPECIALLY TIMELY AND/OR IMPORTANT (3 Key Points):

The student will learn the key concepts surrounding residency, non-residency, immigration, emigration, taxation of U.S. citizens and residents as well as other the taxation issues surrounding cross-border transactions from a Canadian and U.S. point of view.

The course includes all relevant recent tax changes including:

- Lifetime gift & estate tax exemption changes
- Non-residents of the U.S. who meet the substantial presence test in the current year (i.e. file treaty form 8833 to claim closer ties to Canada) are required to abide by foreign reporting rules
- 8891 forms have been repealed and replaced with form 8833 treaty filings & TDF 90-22.1 forms (FBARs) are now called FinCEN 114 forms and must be electronically filed
- Temporary employment earnings of up to \$10,000, per employer, in an individual's non-resident country is not taxable in that country under the Canada-U.S. Tax Convention for federal purposes (state taxation is different)

WHAT YOU WILL LEARN? Provide at least 3 key benefits or take-aways

The course includes all relevant and recent tax changes. The chapters feature case studies, which will ensure that you'll be able to adequately explain such subjects as how Canadian and U.S. tax laws differ, the benefits and protections of tax treaties, how U.S. estate and gift taxes apply to residents and non-residents, how to enter the U.S. to work or live, the tax consequences of terminating residence, and what is FATCA (Foreign Account Tax Compliance Act) and what are its effects.

SCOPE OF THE CONTENT: (10 key points)

Chapter 1 | Residency
Chapter 2 | Immigration and Emigration
Chapter 3 | Snowbirds
Chapter 4 | Owning Property as a Non-Resident
Chapter 5 | Canada-U.S. Tax Convention (1980) AKA The Treaty
Chapter 6 | U.S. Citizenship
Chapter 7 | Canadian and U.S. Investments (including FATCA)
Chapter 8 | U.S. Estate and Gift Tax
Chapter 9 | Renouncing U.S. Citizenship

TOOLS AND SOFTWARE:

- EverGreen Explanatory Notes

MARKING GUIDE

Quizzes	50%
Case Studies	25%
Final Exam	25%

Passing Grade	60%
Honours Achievement	90%

All students who pass the course will receive a certificate. Students who receive a mark of 90% or better will receive a gold honours bar on their certificates.

AUTHOR BYLINE a brief description of who the author(s) is for website ID purposes. Larger biography to be attached separately.

Angela graduated from U of MB Asper School of Business in 2001, attained her CA designation in 2004 and successfully challenged and received her CPA in 2007; she has built up her own Canadian/U.S. tax practice within Frostiak & Leslie and joined Frostiak & Leslie as a partner in September 2015.

Dean Smith, PHD, CFP, TEP, CPA, CA is a partner with Cadesky and Associates LLP and the President of Cadesky U.S. Tax Ltd. Cadesky is a boutique accounting firm which provides only taxation services. Dean has been involved with expatriate tax work for over 23 years assisting companies moving employees around the world. Clients also include private individuals who have multiple jurisdictional filings. Dean is also an instructor and writer with Knowledge Bureau.

MARKETING

"The course and the case studies cover a lot of real-life situations for residents of both countries. Each chapter is written in such a way that is simple and easy to understand. A lot of the technical parts of the course can be further researched in your EverGreen Explanatory Notes. This is a perfect course for someone who wants to gain a working knowledge of cross border taxation issues between the U.S. and Canada."

Richard L., ON

FOR OFFICE USE:

1. Product Manager: Add to Author Agreement for contract sign-off.

2. Provide copy to Director of Operations for inclusion on website pre-marketing
3. Provide copy to Publishing manager for file set-up.

CHAPTER 1

RESIDENCY

LESSON PLAN:

Chapter	Residency
Reading Time	30 Minutes
Practical Time	20 Minutes
Review Exercise	15 Minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- How to determine residency and what it means.
- How residents are taxed.
- Exceptions to the rules (e.g. treaty exemptions).

NEW SKILLS TO BE MASTERED:

Identifying situations when residency in another country can be an issue and what the issues are.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- When are you a resident of a country?
- How are residents taxed?
- Can you be a resident of more than one country at a time?

LEARNING ACTIVITIES:

To test the learning process, the student will answer multiple-choice questions and work through mini true-to-life case studies.

TOPICS FOR DISCUSSION:

The student will be directed to other resources available on the internet as required.

There is a case study for this chapter.

RESOURCES:

- *Knowledge Journal*
- *EverGreen Explanatory Notes*

CHAPTER 2

IMMIGRATION AND EMIGRATION

LESSON PLAN:

Chapter	Immigration and Emigration
Reading Time	20 minutes
Practical Time	20 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- What you need to do to emigrate and what it means.
- How you are taxed when you emigrate from a country.
- The differences between Canadian and U.S. tax rules.

NEW SKILLS TO BE MASTERED:

Recognizing tax saving opportunities when a person plans to emigrate or immigrate.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- For tax purposes, what happens when a person immigrates to another country?
- What is departure tax and how does it work?
- What are the major tax consequences to consider when emigrating?

LEARNING ACTIVITIES:

To test the learning process, the student will answer multiple-choice questions.

There is a case study for this chapter.

TOPICS FOR DISCUSSION:

The student will be directed to other resources available on the internet as required.

RESOURCES:

EverGreen Explanatory Notes

Topics

- Departure from Canada
- Factual residency
- Part-year residency
- US Social Security
- Canada Pension Plan (non-resident)

Forms

- T1161, *List of Properties by an Emigrant of Canada*
- Form 8854 *U.S. Initial and Annual Expatriation Statement*
- Form 8854 Instructions
- T1244 *Election, Under Subsection 220(4.5) of The Income Tax Act*

CHAPTER 3

S N O W B I R D S

LESSON PLAN:

Chapter	Snowbirds
Reading Time	20 minutes
Practical Time	20 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- What is a snowbird and what does it mean for tax purposes?
- What potential issues exist when you are away from your country of residence for an extended period of time?
- What other potential tax issues can arise for snowbirds?

NEW SKILLS TO BE MASTERED:

Recognizing circumstances where being absent from your country of residence can create tax problems or cause unwanted tax/immigration issues.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What happens for tax purposes when a person vacations in the U.S. for an extended period of time?
- How are visitors in another country taxed?
- What happens if they own their vacation home?

LEARNING ACTIVITIES:

To test the learning process, the student will answer multiple-choice questions.

There is a case study for this chapter.

TOPICS FOR DISCUSSION:

The student will be directed to other resources available on the internet as required.

RESOURCES:

Knowledge Journal

EverGreen Explanatory Notes:

- Foreign Asset Reporting
- Snowbirds
- Factual Residency
- Dual Residency

CHAPTER 4

OWNING PROPERTY AS A NON-RESIDENT

LESSON PLAN:

Chapter	Owning Property as a Non-resident
Reading Time	30 minutes
Practical Time	20 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- What should be considered when purchasing property as a non-resident?
- How are you taxed on property held in another country?
- Tax strategies with ownership structures.

NEW SKILLS TO BE MASTERED:

Recognizing potential tax issues and tax saving opportunities when a person plans to purchase property “across the border”

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What are the tax consequences of purchasing property in another country?
- Are there options when it comes to purchasing property out of your resident country?

LEARNING ACTIVITIES:

To test the learning process, the student will answer multiple-choice questions.

There is a case study for this chapter.

TOPICS FOR DISCUSSION:

The student will be directed to other resources available on the internet as required.

RESOURCES:

Knowledge Journal and

EverGreen Explanatory Notes

- Taxable Canadian Property

CHAPTER 5

CANADA - U.S. TAX CONVENTION (1980) AKA THE TREATY

LESSON PLAN:

Chapter	Canada - U.S. Tax Treaty
Reading Time	20 minutes
Practical Time	20 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- What is the purpose of the tax treaty?
- What are some of the key sections in the treaty?
- How can you use the treaty to your advantage?

NEW SKILLS TO BE MASTERED:

Understand how the Canada- U.S. Tax Convention (1980) can be used to eliminate the risk of double taxation and review common scenarios where the Tax Treaty applies.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What is the purpose of the treaty?
- How can the treaty be used to your advantage?

LEARNING ACTIVITIES:

To test the learning process, the student will answer multiple-choice questions.

There is no case study for this chapter.

TOPICS FOR DISCUSSION:

The student will be directed to other resources available on the internet as required.

RESOURCES:

Knowledge Journal and

EverGreen Explanatory Notes

- Tax Treaties
- Cross Border Transactions
- Foreign Income and Foreign Taxes Paid

CHAPTER 6

U.S. CITIZENSHIP

LESSON PLAN:

Chapter	U.S. Citizenship
Reading Time	20 minutes
Practical Time	20 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- Who is a U.S. citizen?
- How is a U.S. citizen taxed?
- What kinds of tax does a U.S. citizen have to worry about?

NEW SKILLS TO BE MASTERED:

Recognizing potential tax issues that can arise when U.S. citizenship is present.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- Who is considered a U.S. citizen?
- How are they taxed and what kinds of taxes are applicable?

LEARNING ACTIVITIES:

To test the learning process, the student will answer multiple-choice questions.

There is a case study for this chapter.

TOPICS FOR DISCUSSION:

The student will be directed to other resources available on the internet as required.

RESOURCES:

Knowledge Journal and

EverGreen Explanatory Notes

- Form 8833, *Treaty-Based Return Position Disclosure Under Section 6114 or 7701(b)*
- FinCEN 114, *Report of Foreign Bank and Financial Accounts*
- Form 8938, *Statement of Specified Foreign Financial Assets*
- Form 5471, *Information Return of U.S. Persons with Respect to Certain Foreign Corporations*
- Form 3520, *Annual Return to Report Transactions With Foreign Trusts and Receipt of Certain Foreign Gifts*
- Form 8621, *Information Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund*

CHAPTER 7

CANADIAN AND U.S. INVESTMENTS

LESSON PLAN:

Chapter	Canadian and U.S. Investments
Reading Time	30 minutes
Practical Time	20 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- How are certain investments treated on both sides of the border?
- Tax consequences of transferring some investments from one country to another.
- Are some investments better than others for non-residents?

NEW SKILLS TO BE MASTERED:

Recognizing what issues may arise when holding certain investments and recognizing opportunities to assist in managing those investments to produce taxpayer's maximum wealth.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- Are there tax consequences to holding certain types of investments in your non-resident country?
- How are certain investments treated on both sides of the border?
- What are the tax consequences of disposing of certain investments?

LEARNING ACTIVITIES:

To test the learning process, the student will answer multiple-choice questions.

There is a case study for this chapter.

TOPICS FOR DISCUSSION:

The student will be directed to other resources available on the internet as required.

RESOURCES:

Knowledge Journal and

EverGreen Explanatory Notes

- Registered Retirement Savings Plan (RRSP)
- Registered Retirement Income Fund (RRIF)
- Registered Education Savings Plans (RESP)
- Foreign Asset Reporting

CHAPTER 8

U.S. ESTATE AND GIFT TAX

LESSON PLAN:

Chapter	U.S. Estate and Gift Tax
Reading Time	30 minutes
Practical Time	20 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- What is U.S. gift tax and how does it work?
- What is U.S. estate tax and how does it work?
- What is the difference between how these taxes are applied to U.S. citizens and residents vs. non-residents?

NEW SKILLS TO BE MASTERED:

Recognize opportunities where U.S. gift and estate tax may come into play and how to deal with those types of situations in the best manner for the taxpayer.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What is gift tax and how does it work?
- What is estate tax and how does it work?
- How do these taxes apply to non-residents?

LEARNING ACTIVITIES:

To test the learning process, the student will answer multiple-choice questions.

There is a case study for this chapter.

TOPICS FOR DISCUSSION:

The student will be directed to other resources available on the internet as required.

RESOURCES:

Knowledge Journal

EverGreen Explanatory Notes

- Form 706, *United States Estate (and Generation-Skipping Transfer) Tax Return*
- Form 709, *United States Gift (and Generation-Skipping Transfer) Tax Return*
- Form 1041, *U.S. Income Tax Return for Estates and Trusts*

CHAPTER 9

RENOUNCING U.S. CITIZENSHIP

LESSON PLAN:

Chapter	Renouncing U.S. Citizenship
Reading Time	20 minutes
Practical Time	20 minutes
Review Exercise	15 minutes

KEY CONCEPTS AND ISSUES - WHAT YOU WILL LEARN:

- What does it mean to renounce your citizenship or permanent residency status?
- How do you renounce?
- What happens after you renounce?

NEW SKILLS TO BE MASTERED:

Recognizing when a person should look to renounce if that is a step they want to take.

READING GUIDE - KEY QUESTIONS TO BE ANSWERED:

- What does it mean to renounce?
- What are the steps to renounce?
- What happens after you renounce?

LEARNING ACTIVITIES:

To test the learning process, the student will answer multiple-choice questions.

There is no case study for this chapter.

TOPICS FOR DISCUSSION:

The student will be directed to other resources available on the internet as required.

RESOURCES:

Knowledge Journal

CHART YOUR OWN EDUCATION PATHWAY



ONLINE EDUCATION

CHOOSE FROM OVER 30 CERTIFICATE COURSES LEADING TO 7 INDUSTRY DESIGNATIONS

NEW CREDENTIALS

DIPLOMAS AND DESIGNATIONS

CONTINUING EDUCATION SUMMITS & CONFERENCE

YOUR FINANCIAL EDUCATION PLAN

- **MEET** your knowledge goals by designing your own continuing education plan and earn prestigious credentials along the way.
- **EXPLORE:** Select your program and study options all online, in-class or in-conference, or a blend of all three.
- **ENGAGE:** Tell us your budget - time and money - and we'll help.

- **NEVER ALONE:** Our friendly educational consultants and instructors are at your side.
- **FULLY ACCREDITED:** Earn credentials as a specialist; we also pre-accredit with various industry organizations.
- **TUITION** fees are tax deductible. Easy instalment plans are available. Learn your own way, in your own time, at a budget you can afford.

RWM™
REAL WEALTH
MANAGER
DESIGNATION

MFA-P™
PHILANTHROPY
DESIGNATION
PROGRAM

MFA™
PENSION &
ESTATE SERVICES
SPECIALIST

MFA™
BUSINESS
SERVICES
SPECIALIST

MFA™
BUSINESS
GROWTH
SPECIALIST

DFA-TAX
SERVICES
SPECIALIST™

DFA-BOOKKEEPING
SERVICES
SPECIALIST™

DISTINGUISHED
ADVISOR
CONFERENCE

CE SUMMIT
WORKSHOPS

Let's Connect :

Phone : 1-866-953-4769

Email: registrar@knowledgebureau.com

https://www.knowledgebureau.com

CHOOSE FROM SEVEN DESIGNATION PROGRAMS

Make your selections below



Management Designation

RWM™ Real Wealth Manager

In this 12-module online program, learn how to manage your clients' strategic wealth plan with multiple stakeholders: and inter-advisory team and multiple generations in the family.

*Includes 15 professional software tools

Mastery in Tax and Bookkeeping Services

DFA - Tax Services Specialist™

Select from the 6 online courses below:

- Professional Income Tax Course - Entry Level
- Professional Income Tax Course - Advanced
- Filing Proprietorship Returns
- Filing Final Returns at Death
- Filing T3 Returns
- Canada-US Cross Border Taxation

DFA - Bookkeeping Services Specialist™

Select from the 6 online courses below:

- Bookkeeping in a Digital World
- Advanced Payroll for Small Businesses
- Pandemic Relief Provisions
- Accounting for Multiple Business Profiles
- Budgeting and Forecasting for Small Business
- Accounting for Business Growth & Transition

MFA™ Business Services Specialist

Select from the 6 online courses below:

- Corporate Tax Filing Fundamentals
- Bookkeeping in a Digital World
- Incorporated Professionals
- Tax Planning for Corporate Owner-Managers
- Understanding Business Valuation
- Advising Family Business

Mastery in Financial Services

MFA™ Pension & Estate Services Specialist

Select from the 6 online courses below:

- Personal Pension Planning
- Tax-Efficient Retirement Income Planning
- Planning with Trusts
- Investment Tax Strategies
- Succession Planning for Owner-Managers
- Behavioural Finance in Risk Management

MFA-P™ Philanthropy Designation Program

This program features 3 comprehensive courses:

- Introduction to Strategic Philanthropy
- Understanding the Charitable Sector
- Strategic Gift Planning
- Take the program

MFA™ Business Growth Specialist

Select 6 foundational business courses to consult effectively with small business owners:

- Leading Teams
- Building Business Plans
- Scaling Small Business Operations
- Understanding Employment & Business Contracts
- Marketing New Virtual Businesses
- Understanding Business Valuation

Equivalent credits in CE Summits may substitute certificate courses. For customizable education options, contact our Educational Consultants

Let's Connect :

Phone : 1-866-953-4769

Email: registrar@knowledgebureau.com

Enrol Risk-Free:
Take a Free Trial
of Any Online
Course

BLENDED LEARNING: ONLINE AND IN-CLASS

(Virtual until further notice)

Make your selections below



About the CE Summits

Join Knowledge Bureau President, Evelyn Jacks and Special Guest Instructors for live online events plus a comprehensive online course. You will exponentially increase your learning experience with Knowledge Bureau by attending these events, which tens-of-thousands of practitioners have relied on for their CE/CPD since 2003.

What's Included:

- Both the comprehensive online course and online events are included in the low tuition fees
- Pre-reading workbook: available two weeks before the online event
- Virtual Campus Orientation - a tour of your online environment
- Lesson and study plans
- Personal instructor email support
- Comprehensive Knowledge Journal
- Evergreen Online Research Library
- Knowledge Bureau calculators
- Testing and certification
- CE/CPD accreditation

5 Live Events to Choose From:

- Financial Fallout: Tax, Audits & Bankruptcies**
September 30, 2020
- Virtual DAC Acuity 2020**
October 28-30, 2020
- Year-End Tax Planning**
November 18, 2020
- Advanced Personal Tax Update**
January 26, 2021
- Retirement & Estate Planning**
May 28, 2021



About DAC

The Distinguished Advisor Conference (DAC) is the only annual conference for tax, bookkeeping and financial advisors. The VIP Live Event provides personal interaction with over 20 fantastic thought leaders, sponsors and a national audience of peers over three incredible days. Check out the full agenda. The DAC-in-a-Box Net-U-Tainment Kit makes it an online networking experience like no other!

Check Out What's in the DAC-in-a-Box:

- The Welcome and Graduate Receptions: champagne included
- The Mocha Magic and Mimosas Breaks
- The Virtual Niagara Wine Tour by Helicopter: wine and snacks included
- The Virtual Cooking School: a fun, national and competitive event!
- Martin-i-Vent: martinis included
- And of course... the Goat Yoga (sorry, the goat is not included)

FAQ's

How much time do I need to finish an online course?

The total study time for every program is different. Please consult attached registration form for more information.

How can I learn more about detailed course descriptions?

To learn more about our programs/courses:

1. Select your faculty of interest from the home page of our website, where you will be able to drill down into specific course descriptions.
2. Take a free trial of any one of our courses and experience the **Virtual Campus**.
3. For personal assistance call **1-866-953-4769 toll-free**, or fill out the "Let's Connect" form on our website to talk with one of our friendly educational consultants.

"Great update on tax policies and procedures. CE Summits is right for all accounting, tax, insurance, investment and financial planners."
- Doug Buss, CLU, CPCA, CFP, Winnipeg

Let's Connect :

Phone : 1-866-953-4769 | Email: registrar@knowledgebureau.com | <https://www.knowledgebureau.com>

IDENTIFICATION: Individual Group

Name (first/last): _____ Promo Code: _____

Current Designations: _____ Company: _____

Address: _____ City: _____ Province: _____

Postal Code: _____ Email: _____

Home Phone: () _____ Cell Phone: () _____ Work Phone: () _____

Group Leader: _____ Branch Name: _____

CHOOSE PROGRAMMING:

Please ask for personal assistance or enrol online anytime

For Individual Student

For Groups in Small/Medium-Sized Firms or Branch Offices

For Large Enterprises*

ONLINE:

- DFA - Tax Services Specialist™
- DFA - Bookkeeping Services Specialist™
- MFA™ - Business Services Specialist
- MFA™ - Pension & Estate Services Specialist
- MFA™ - Business Growth Services Specialist
- MFA-P™ - Philanthropy Designation Program
- RWM™ - Real Wealth Manager Program

See page 3 for details on individual certificate courses

CE SUMMITS

- Year-End Tax Planning
November 18, 2020
- Advanced Personal Tax Update
January 26, 2021
- Retirement & Estate Planning
May 28, 2021
- Mastery Class for Bookkeeping Specialists
September 23, 2021

IN CONFERENCE

- Virtual DAC Acuity 2020
October 28-30, 2020



* Enquire about national license rates for online courses and co-branded events

PROGRAM OPTIONS & TUITION FEES:

Designation Program Diploma Program Certificate Program

ONLINE PROGRAMS	Pathway 1: Designation Program	Designation Holder Next course	Pathway 2: Diploma Program	Diploma Holder: Next Course	Pathway 3: Single Certificate Course	Certificate Course Grad or Groups
SAVINGS:	34%	34%	11%	34%	Regular Fees:	11%
<input type="checkbox"/> MFA™ or DFA-Tax and Bookkeeping Services™ 3 Pathways: 6 courses - 30-40 hours per course	<input type="checkbox"/> \$3,570 (6 @ \$595)	<input type="checkbox"/> \$595	<input type="checkbox"/> \$2,385 (3 @ \$795)	<input type="checkbox"/> \$695	<input type="checkbox"/> \$895	<input type="checkbox"/> \$795
<input type="checkbox"/> MFA-P™ or RWM™ Designation Programs 1 Pathway: only 40-60 hours	<input type="checkbox"/> \$1,495					<input type="checkbox"/> \$1,330
LIVE & VIRTUAL EVENTS	5 Events (DAC and CES)	4 Events (CES only)	3 Events (CES only)	2 Events (CES only)	New Student Per Event	Designate or Group Rate Per Event
SAVINGS:	37%	35%	29%	14%	Regular Fees:	29%
<input type="checkbox"/> CE SUMMITS - choose up to 4 events	\$2,990	\$449 each	\$495 each	\$595 each	\$695 each	\$495 each
<input type="checkbox"/> DISTINGUISHED ADVISOR CONFERENCE					\$1,985 each	\$995 each

PAYMENT OPTIONS:

ONLINE COURSE TOTAL \$ _____

LIVE EVENT TOTAL \$ _____

LIVE EVENT EARLY-BIRD DISCOUNT \$ _____

SUBTOTAL \$ _____

GST/HST (885004713RT001) \$ _____

TOTAL DUE NOW: \$ _____

PAYMENT METHOD:

E-Transfer MasterCard AMEX Visa

Card Number: _____

Expiry Date: _____ / _____ Amount: \$ _____

Name on Card: _____

Signature: _____

I agree to receive course updates, scheduling, communications, certification and transcripts from Knowledge Bureau.

EZ-PAY Plan: Instalment fee: \$39/course or event. Initial payment (non-refundable): \$295 + tax (see Virtual Registrar - Online Instalment Calculator)