



2021 TAX LETTER
TOPICS COVERED FROM JANUARY TO DECEMBER

January

- Taxation of employee stock options and upcoming changes
- Taxation of shareholder loans
- Foreign exchange gains and losses
- Patronage dividends of agricultural cooperatives
- Around the courts

February

- Income splitting and attribution rules
- Extra deductions for commissioned salespersons
- Employee home office expenses: flat rate method during COVID
- Principal-residence exemption
- Car expense limits for 2021

March

- Ten common tax mistakes
- Netflix tax is coming – AIRBNB tax too
- Dangers of filing a corporate tax return late
- Charity donation receipts
- Charging management fees
- Around the courts

April

- Carryover of tax losses
- Estates and the “pipeline” strategy
- Tuition tax credit
- Around the courts

May

- Deducting interest expense
- Spousal and child support payments
- Unearned amounts received in business
- Around the courts

June

- Buying property from a non-resident
- Paying non-residents – watch out for withholding tax!
- GST/HST housing rebate – technical fix in the April 19, 2021 federal budget
- Do you have to charge GST/HST if you have only a little business income?
- Around the courts

July

- Non-arm’s length transfers
- Superficial losses
- Stock dividends
- Medical expense credit

August

- Advanced life deferred annuities
- Amendments for non-arm’s length transfers of private corporate shares
- Tax-free transfers to your corporation
- Deductions and contingent amounts
- Around the courts

September

- Transferring shares to your RRSP
- Request a determination if you have a loss
- GST/HST on settling a business dispute
- Charitable donation receipts: stringent requirements
- Around the courts

October

- Death and taxes
- Taxation of an estate
- Election for capital gains treatment for Canadian securities
- Around the courts

November

- How are options taxed?
- Donations under your will or by your estate
- Capital dividends
- Election for dividends with your spouse
- Trusts: allocating income to beneficiaries but taxed to trust
- Self-employed? You pay double CPP premiums
- Around the courts

December

- Proposed luxury tax on expensive cars, boats and planes
- Proposed vacant/underused housing tax
- Other tax changes we might see soon
- The GST/HST “quick method”
- Meals and entertainment expenses
- Planning tip on selling a deceased taxpayer’s home
- Around the courts