

Skill Objectives for the Taxation of Trusts & Estates

Upon completion the student will, in relation to the topic headings listed below, be able to:

Canadian Tax System

- Explain how tax legislation is enacted
- Describe the primary and secondary sources of tax law
- Locate and use Canada Revenue Agency publications

Basic Taxation of Individuals

- Explain the basic rules for taxation of individuals
- Describe how income from property and other sources is taxed
- Describe and compare how individuals and trusts are taxed

Capital Gains

- Describe how capital gains are taxed
- Explain the capital gains exemption and the principal residence exemption
- Explain the utilisation of capital losses

Taxation of Trusts

- Explain the tax rules on creation of a trust
- Describe how trusts and trust distributions are taxed
- Identify the special tax rules applicable to trusts

Completing the T3 Return

- Explain the requirement for a trust and estate tax return
- Describe and explain the contents of the T3 Trust and Estate Return

Taxation of Beneficiaries

- Explain how beneficiaries of a trust or estate are taxed

Taxation of Deceased Persons

- Explain how individuals are taxed on death
- Describe and explain the contents of the tax returns for the year of death

Post Mortem Tax Basics

- Explain basic post mortem tax planning concepts

Basic Tax planning for Trusts and Estates

- Recognise basic trust and estate tax planning opportunities
- Identify key tax planning strategies

Administration and Enforcement

- Explain Canada Revenue Agency's administrative role and powers to enforce the income tax system
- Appreciate the nature of tax avoidance and tax evasion and the difference

Foreign Jurisdiction Tax Issues

- Identify US estate tax issues
- Appreciate how tax laws of other countries apply to Canadians