www.bdo.ca

TAX BULLETIN

UNDERSTANDING TRUSTS

May 2017

CONTENTS

Trusts are a powerful tool for tax and financial planning. The usefulness of a trust is based on the fact that a trustee can hold property on behalf a single beneficiary, or a group of beneficiaries, for their benefit while maintaining control over the property. This can be useful from a tax perspective, as it allows income of the trust to be shared with beneficiaries who may be taxed at a lower rate than the trust while not giving up control over the property.

As you will see later in this bulletin, one of the most common uses of a trust is to allow for family income and capital gain splitting. In this regard, a trust is frequently used when implementing tax planning where the intention is to split income amongst lower-income earning family members by way of paying dividends out of a private corporation. You should be aware that in its 2017 budget, the federal government announced its intention to release a paper that will address this type of planning, along with other tax planning strategies that it believes also allow high-income earning individuals to gain tax advantages. The purpose of this paper will be to set out the nature of these types of issues in more detail, as well as to outline proposed policy responses. Since, at the time of publication of this bulletin, the paper has not yet been released, we are unable to predict what the impact on the future of tax planning using trusts will be. We expect this paper will be released soon, and when it is, you can expect further updates in respect of any implications to tax and financial planning strategies going forward.

A trust is also a key tool from a financial planning perspective, as it allows property to be held for the benefit of a beneficiary while protecting the property. For example, property could be held in trust for a family member who is not financially competent. This allows the family member to benefit from the property but the property will also be protected from unwise decisions that the family member may make.

In this bulletin we'll explain what trusts are and how you might be able to use them to achieve your tax and financial goals. Armed with this information, you'll be better able to assess whether using a trust can make sense for you.

What is a trust?

The main advantage of a trust is that it allows you to separate the control and management of an asset from its ownership. This is what makes trusts so attractive. How is this accomplished? It all stems from the legal arrangement involved in setting up a trust. A trust is a legal relationship between three different parties. First, there's the settlor of the trust. This is the person who sets up the trust and contributes assets to it. The settlor also sets out instructions on how the assets are to be used or managed and who will benefit from the assets. These instructions are known as the trust agreement. The transfer of assets to the trust is known as the trust settlement.

The person (or group of persons) the individual appoints to control and manage the assets in the trust is known as the trustee(s). Sometimes the settlor will also be a trustee. Finally, there's the person, or group of persons, who will benefit from the assets owned by the trust. They are known as the beneficiaries. The trust agreement will either specifically name who the beneficiaries are or state that they will come from a certain group such as the children or grandchildren of the settlor (this can include individuals who are not even born at the time the trust is set up).

Therefore, a trust is formed when a settlor contributes property to the trust for the person he intends to benefit, or the beneficiaries. The trustees of the trust are appointed by the settlor to manage and control the trust's assets, according to the instructions set out by the settlor.

There is no requirement that the settlor, trustees and beneficiaries be different. In fact, an individual can be all three in the same trust. However, there can be adverse tax consequences if the settlor is a trustee or beneficiary — we'll discuss this later in the bulletin.

Types of trusts

Now that you understand the basic legal relationship involved in setting up a trust, it's easier to understand the different types of trusts and how they can be useful in tax and financial planning. First there are commercial trusts. These trusts are used for business and investment purposes — for example, most mutual funds in Canada are commercial trusts. In this bulletin, we'll be focusing on the other type of trusts which are known as personal trusts.

A personal trust is one where the beneficiaries do not pay for their interest in the trust—in other words, they receive their interest in the trust's assets as a gift. Personal trusts are set up in one of two ways. First, there are testamentary trusts, which are created as a result of the death of an individual and continue on after an estate has been administered. A trustee of a testamentary trust, who is often the executor of the estate, will control and manage the assets of the deceased's estate in accordance with the deceased's wishes as set out under the will. For most estates, a deceased individual's property is received by the estate and then distributed to the beneficiaries once the estate has been administered. These beneficiaries are typically individuals, or charities if a bequest is made. However, there are situations where the property will continue to be held in trust on an ongoing basis, and these trusts are testamentary trusts. Although an estate is deemed to be a trust, the tax rules that apply to an estate and to a testamentary trust are significantly different as a result of recent tax changes which we will address later.

The second type of personal trust is called an inter-vivos trust, or "trust of the living." These trusts are set up during an individual's lifetime. Usually the purpose of setting up an inter-vivos trust is to transfer the benefit of owning assets to certain individuals, such as children, without actually passing control of the assets to them (for example, the settlor may not feel that the beneficiaries are ready for this responsibility). Inter-vivos trusts are particularly useful in accomplishing family tax and financial objectives.

There's one more feature associated with trusts that you should know about and it applies to both testamentary and inter-vivos trusts. It's related to the powers given to trustees to distribute trust assets. Trusts are said to be discretionary if the trustees decide who will receive distributions from the trust. Although the trust beneficiaries must be specified, the amount given to each beneficiary is left to the trustees' discretion. In a non-discretionary trust, the trustees must make distributions in accordance with the trust agreement. It is possible for a trust to be both discretionary and non-discretionary. This is due to the fact that distributions can be made from trust income or capital. For example, the distribution of trust income could be left to the trustees' discretion, while capital distributions to beneficiaries are fixed by the trust agreement.

Inter-vivos trusts

An inter-vivos trust is set up during the settlor's lifetime. For income tax purposes, it is deemed to be an individual. Consequently, the trust will calculate income, file a tax return and pay taxes in much the same way as you do. However, there are some important differences that you should be aware of:

- A trust is not allowed to claim personal tax credits.
- An inter-vivos trust generally pays tax on all income at the top federal and provincial tax rate for individuals.
- If certain conditions are met, trust income can be allocated to the beneficiaries and taxed in their hands rather than the trust. Most of the tax benefits associated with an inter-vivos trust are achieved in this manner.

How can inter-vivos trusts be used?

When planning your financial affairs, it's often beneficial to transfer the ownership of an asset to others. Generally, you will make the transfer because you want the recipient to receive the benefits from owning the asset. The transfer will be beneficial from a tax point of view, if the recipient pays less tax than you would on any income earned on the asset. Despite the tax benefits of transferring ownership, you might not be ready to give up control over the asset. This is where a trust comes in. You can transfer an asset to a trust and the asset will be held for the benefit of beneficiaries selected by you. The trustee, however, retains control over the asset. By acting as trustee or by appointing others you trust, you can ensure that the asset is managed in accordance with your wishes.

Some situations where a trust can be useful include:

Income or capital gains splitting

One of the most common uses of an inter-vivos trust is to allow for family income splitting. In a typical situation, you may have a large amount of income while other family members are not fully utilizing personal tax credits and low marginal tax rates. Tax savings could arise if you could transfer beneficial ownership of your income producing assets to a trust. If the income in the trust is taxed in family members' hands, they'll pay less tax. Since a trust is used, control over the assets isn't given up. We'll discuss the set-up process a bit later —it's not quite as simple as it sounds.

The potential benefits from income splitting were reduced for some after 1999 with the introduction of the kiddie tax. Under these rules, the child will pay tax on the split income at top rates and the child can't claim personal credits to reduce the tax. Sources of income that will be subject to the tax include:

- Taxable dividends from private corporations received directly by a minor, or indirectly through a trust or partnership,
- Business income from a partnership or trust, where the income is from the provision of property or services to, or in support of, a business carried on by certain relatives,
- Capital gains realized for the benefit of a minor on a disposition of shares of a corporation to a person not dealing at arm's length with the minor, if taxable dividends on the shares (if paid) would have been subject to the tax on split income, and
- Certain types of business and rental income from third parties that is allocated to a minor from a trust or partnership where a person related to the minor is engaged in the activities of the partnership or trust to earn that income.

Despite the kiddie tax rules, you can still split interest income received from arm's length parties and certain other forms of income with a minor. In addition, the kiddie tax does not apply to spouses/common-law partners and adult children (note that same-sex partners are treated as a spouse for income tax purposes). For a full discussion of the kiddie tax rules, see our *Income Splitting* tax bulletin.

For capital gains, the benefits are similar, except that if the property sold is qualified farm or fishing property or shares of a qualified small business corporation, the use of a trust may allow better access to the capital gains exemption of each family member that is a beneficiary of the trust (as discussed below).

Estate freezes

Trusts can also be used in a common tax planning technique known as an estate freeze. Let's assume that you own shares of a company carrying on business. You're expecting the value of the corporation to rise rapidly in the future. As the value of the shares increases, the amount of tax which will be payable on your death will also increase. This is because you'll be deemed to dispose of your shares at fair market value when you die (unless you transfer them to your spouse). Under an estate freeze, you exchange beneficial ownership of your common shares for preferred shares with a fixed value. New common shares will be issued and held by a trust for your children. Future gains will accrue to them through the trust.

This plan effectively freezes the capital gain that will arise on your death based on today's value while allowing you or your trustees to retain control over the common shares. It can also enhance the ability of a family to access the capital gains exemption. For more information, read our *Estate Planning* tax bulletin.

As a will substitute

With the introduction of rules for "alter-ego" trusts for 2000 and subsequent years, these trusts can be used as a will substitute which can result in probate tax savings. A trust will be an alter-ego trust where:

- The individual transferring assets to the trust is at least age 65,
- The income earned by the trust is payable to the individual during his or her lifetime, and
- No one but the individual can receive trust capital during the individual's lifetime.

The tax benefit provided by an alter-ego trust is due to the fact that you can transfer your assets to the trust at their tax cost. On your death, the trust will be deemed to have disposed of the property at fair market value, as would be the case if you held the assets personally. However, as the assets in the alter-ego trust are outside of your general estate, these assets may not be subject to provincial probate taxes.

As a non-tax benefit, since an alter-ego trust is not a will, the property distribution instructions that will apply on your death will generally not be subject to the usual rules for a will. In particular, your wishes may be more difficult for others to contest and there may be more privacy.

In addition to the alter-ego trust, the tax rules also allow for a joint partner trust. This trust is basically a variation of an alter-ego trust, except that you and your spouse/common-law partner can participate together.

Providing for a family member with special needs

In some cases, you may be willing to transfer ownership of assets to a family member, but that person is not competent to hold them. For example, if your child is mentally infirm, you'll likely want to provide for your child by transferring assets to them. However, you'll want to maintain control over the assets transferred. In this situation, a trust can be ideal. A trust will ensure that the assets are properly managed for the benefit of your child while allowing the benefits of ownership to flow through to them. Also, depending on the nature of the trust and the province in question, holding assets in trust may increase benefits available to the child that are subject to income or net worth tests.

Setting up an inter-vivos trust

Since inter-vivos trusts pay tax at the top personal tax rates, there's often little advantage in having an inter-vivos trust pay tax on income. Tax savings arise if the trust's income is taxed in the hands of low-income family members. But before this can happen, there are conditions that you'll have to meet.

First, for income to be taxed in the hands of a beneficiary (referred to as an income allocation), the income must be paid to the beneficiary or become payable to them during the taxation year of the trust. You'll have to deal with this issue on an ongoing basis and we'll discuss it in the "Things to Consider Annually" section of the bulletin.

Secondly, the income paid or payable to the beneficiaries must not be subject to what is known as the “income attribution rules.” Whether these rules apply or not will depend mainly on how your trust is set up. The attribution rules can potentially apply whenever you gift property or make a loan at little or no interest to a family member. This includes loans and gifts made through the use of a trust. The most important rules are as follows:

- If you make a loan (at rates less than the interest rate prescribed by the government) or gift property to a trust for the benefit of your spouse, any income or capital gains from the transferred property allocated to the spouse will be taxed in your hands.
- If you make a loan or gift property to a minor child or a trust for a minor child, income from the funds allocated to the child will be taxed in your hands. In this case, a minor child includes a son, daughter, niece or nephew under 18 or some other minor with whom you do not deal at arm’s length. Note, however, that capital gains arising from the property will be taxed in the hands of the child.
- If you gift property to a trust and you are a trust beneficiary, all income and capital gains of the trust (as well as income losses and capital losses) will be taxed in your hands. This rule will also apply if you gift property to a trust and you can later control who will receive trust property or you can control when the property is disposed of. Consequently, you should never transfer income-producing property to a trust and be a controlling trustee or beneficiary, if income splitting is desired. Trusts subject to these rules are often called reversionary trusts.
- If you make a loan to a trust benefiting an adult child or other adult relative, income from the funds may be attributed to you, if the purpose of the loan was to reduce taxes. Capital gains, however, will not be attributed to you.
- If you make a low interest (or interest-free) loan or transfer property to a corporation, and a trust for other family members is a shareholder, then you could be deemed to earn interest on the loan or transfer. An important point—this rule doesn’t apply if your corporation is a “small business corporation” (SBC). Generally, an SBC is a Canadian-controlled private corporation (CCPC) in which at least 90% of the assets (on a fair market value basis) are used in operating an active business in Canada.

Below, we set out situations where the attribution rules should not pose a problem.

Avoiding Attribution — Rules of Thumb

If you follow the rules of thumb listed below, the attribution rules should not be a concern:

Select your settlor and settlement property carefully.
A gift must be made by a settlor to create a trust. Therefore, the settlor and the property used for the gift should be selected carefully. An ideal settlor is a family member who won’t be involved in trust management and won’t be a beneficiary. If a beneficiary is infirm or disabled, the settlor should be a parent or grandparent of that beneficiary. The gift should be easily segregated and should not produce income, such as a gold coin. The concern is that attribution can arise if the gift becomes intermingled with the income-producing property.

Borrow funds from a third party to purchase income-producing property. If the trust borrows money from a third party to purchase income-producing assets such as shares of your small business corporation, attribution can be avoided. In this case, you didn’t make a loan to the trust.

Make sure the income producing property isn’t purchased from you. Even if a loan is obtained from a third party, attribution can still apply if the asset is purchased from you. In the case of a family-owned business corporation, this is easily accomplished by having the trust purchase new shares directly from the corporation, rather than purchasing existing shares from you. You do need to ensure that the trust acquires these shares at their fair market value.

Hold growth assets in a trust for minors. In some cases, it is possible to make a transfer directly to a trust without attribution. Let’s say you gift money to a trust set up for the benefit of minor children. If the trust invests in assets which will produce capital gains, such as Canadian equity mutual funds, there will be no income to attribute. Care should be taken when investing in shares of a private corporation, in light of the recent changes to the kiddie tax rules. Remember that capital gains earned by a trust will only be attributed to you if your spouse is a beneficiary and is allocated the gain or if the trust is a reversionary trust.

Things to consider annually

You've set up your trust so that the attribution rules won't apply and the income-producing property is in place. What's next? As we discussed earlier, income splitting is accomplished by having trust income taxed in the hands of the beneficiaries of the trust. For this to happen there are conditions to be met.

There are two ways to meet these conditions under tax law:

Preferred beneficiary election

The first method is using what is called a preferred beneficiary election. If one of the beneficiaries of the trust is mentally or physically infirm or disabled, you can elect to allocate income to that beneficiary while retaining the income in the trust. This election recognizes that it would be imprudent to turn trust assets over to a beneficiary who is infirm. We won't discuss the rule in much detail other than to highlight one point — the trust settlor must be the spouse, parent or grandparent of the infirm beneficiary. Without this, no election is possible.

Income paid or payable

Most trusts will have to use the second method — pay out the trust income or make it payable to beneficiaries. For a non-discretionary trust this is an easy task. Income and capital gains generally become payable under the terms of the trust. In the case of minor children, the trustees are entitled to retain the child's share of income earned by the trust while the child is a minor.

Unfortunately, things are a bit more complicated for discretionary trusts. You'll have to do more work to have the trust's income taxed in the hands of low-income beneficiaries. There are two basic steps.

First, the trustees must exercise discretion and decide who will be entitled to the trust's income for the year. This generally takes the form of a trustees' resolution. In the resolution, the trustees declare that the trust's income and capital gains will be payable to certain beneficiaries. The declaration could be in terms of fixed amounts or percentages of income (including capital gains). An important point — trustees must exercise their discretion during the year.

A second step is required as a resolution alone doesn't cause income to become payable. The declared amounts must be paid or made payable by issuing promissory notes.

With this two-step operation, one thing becomes clear — to have income taxed in the hands of your family, you have to give them the income. But what if your beneficiaries are minor children — do you have to give them the income?

The answer is yes, but not necessarily directly or right away. There are alternatives which meet the "paid or payable" test while ensuring that some control is retained over income allocated. The most effective of these alternatives are discussed briefly in the box below.

Income Paid or Payable: Dealing with Minors

Set up an "In Trust" Account for the Minor. Under this alternative, the child's parent would set up a bank or investment account on behalf of the child. Income paid out by the trust would be deposited in this account. The payment of income and the income earned on the amounts deposited will be taxed in the hands of the child. Remember however that the money does belong to the child and will have to be turned over once the child reaches the age of majority. There may also be restrictions over disbursements which can be made from the account and investments which can be held under Federal and provincial law. You should seek advice from your BDO advisor in conjunction with your lawyer.

Make Payments to Third Parties. The CRA has stated that certain payments made by the trustees to third parties for the benefit of a beneficiary will be treated as a payment of income to the beneficiary. These payments include tuition fees, medical expenses or other expenses incurred for a minor beneficiary's benefit. For example, the trustees could pay for a child's private school tuition using trust income and the payment amount will be taxed in the hands of the child.

Pay Income in Kind. A payment of income need not be made in cash. It may be possible to transfer title to assets other than cash into the name of a minor. The asset selected could have terms which would make liquidation difficult. Your BDO advisor can provide further information on payments made in kind and how these payments may be treated for tax purposes.

Testamentary trusts

The second type of personal trust we'll discuss is a testamentary trust. A testamentary trust is a trust that's created on the death of an individual, under the terms of the deceased's will and it's taxed much in the same way as an inter-vivos trust. As mentioned earlier, a testamentary trust generally becomes operative once the deceased's estate has been administered.

Prior to 2016, there were several key differences between the taxation of testamentary trusts and the taxation of inter-vivos trusts. The most significant of these differences was that, rather than paying tax at the top rate (like inter-vivos trusts), testamentary trusts were allowed to access the marginal tax rates available to individuals. In this way, a beneficiary of a testamentary trust was able to enjoy some tax minimization from being permitted to utilize two sets of graduated rates - the trust's and their own. Consequently, tax planning strategies were employed in estate planning that took advantage of the potential for a beneficiary of a testamentary trust to benefit from a reduction in their overall tax burden and enjoy this reduction for what could be many years.

Unfortunately, the federal government also recognized the tax rate advantage that these trusts provided. After announcing their intention to change the rules in the 2013 federal budget, the government passed new tax legislative measures in 2014 that essentially have eliminated the tax benefits that arose from testamentary trusts and estates (after a reasonable period of estate administration). These new rules, which became effective on January 1, 2016, also apply to certain grandfathered inter-vivos trusts that had previously taxed using graduated rates.

Amongst other changes, the new rules prohibit access by testamentary trusts to graduated rates, beginning in 2016. Instead, access to graduated rates is now limited to the first 36 months of an estate following the death of an individual, during which time the estate is considered to be a graduated rate estate (GRE), or to a qualified disability trust (QDT). A QDT is a testamentary trust established for the benefit of at least one individual who qualifies for the disability tax credit. Accordingly, testamentary trusts (other than an estate that is a GRE, or a QDT) are subject to tax at the highest rate of federal tax for individuals, plus provincial tax at the top rate in the same way as inter-vivos trust. For more information about GREs and QDTs, read our article titled "The Upcoming Changes to the Taxation of Estates and Trusts: Are You Ready?" or speak to your BDO advisor.

Due to the change in the tax rules, testamentary trust will still be used, but the rationale for them will have more to do with the non-tax benefits, examples of which are described below.

How can a testamentary trust be used?

A testamentary trust can be used for many of the same purposes as an inter-vivos trust.

With respect to income splitting, the income attribution rules discussed earlier are generally not a concern — the rules generally don't apply to transfers made on death. Also, depending on the identity of the deceased and other factors, where a minor child is a beneficiary, the kiddie tax may also not apply.

As testamentary trusts will generally not be able to pay tax at graduated rates, additional benefits associated with the use of a testamentary trust will not be related to tax.

One common example is a testamentary spousal trust. These trusts are common for individuals who have remarried but have children from an earlier marriage. Under a typical arrangement, the deceased's current spouse will benefit from the income from the trust during his or her lifetime but will have no or a limited right to access the trust's capital. The residual capital beneficiaries are the deceased's children, who will benefit from the trust property when the current spouse passes away.

As discussed earlier, a testamentary trust will also be useful in situations where a beneficiary is not financially competent. In this sort of situation, the amount available to the beneficiary can be controlled by the trustee.

Additionally, a testamentary trust, if set up properly, may also provide protection under family law should the beneficiary have a marital break-up.

In all of these situations, discussing the possibilities with your BDO advisor and your lawyer will be crucial.

Setting up and administering a testamentary trust

There is only one major difference between the administration of a testamentary and inter-vivos trust — how the trust is set up. As we discussed earlier, an inter-vivos trust is often created on a gift of non-income producing property. The income-producing property is usually acquired later using a loan. Setting up a testamentary trust is much more direct. In your will, you would insert instructions that certain properties will be held in trust for named beneficiaries. The naming of trustees and the rules governing trust administration would also be set out in your will. In terms of annual administration, testamentary trusts operate in the same way as inter-vivos trusts. If the trust is discretionary and income splitting with beneficiaries is beneficial, your trustees will still have to pay out income or make it payable to the low-income beneficiaries in the same manner as inter-vivos trusts.

The 21-year rule

One issue we haven't discussed yet is how long your trust can be used. From a legal point of view, a trust would normally have a defined dissolution date. From a practical point of view, however, the terms of dissolution can be drafted in such a way to effectively give a trust an unlimited life. With this possibility in mind, deemed disposition rules for trusts were introduced to prevent an indefinite capital gains deferral. Remember that individuals are deemed to dispose of property on death and a trust with an indefinite life could bypass this rule.

Generally, a trust is deemed to dispose of its capital property every 21 years. An exception to this rule exists if you create a trust for your spouse. Provided that the income of the trust is payable to your spouse and no one but your spouse is entitled to the capital of the trust during their lifetime, the trust will be a spousal trust. As such, the deemed disposition of the trust's assets will not occur until your spouse's death.

Similarly, if you are age 65, an alter-ego trust will have its first deemed disposition on your death (for a joint partner trust, the disposition will arise on the death of the second partner). If a spousal, alter-ego or joint partner trust continues after that, it will be subject to regular deemed dispositions every 21 years.

Managing your trust

The first step on the way to good trust management is a well-drafted trust agreement. A well-drafted agreement will make the trustees' job easier, while also helping to ensure that conflicts will not develop in the future. For a testamentary trust, the instructions for the trust are part of the deceased's will. The considerations for the will be similar to what discuss below for an inter-vivos trust agreement.

A trustee's job is made easier because the trust agreement can open up options for the trustee which would not otherwise be allowed under general law. The administration of trusts is governed by provincial trustee legislation. These rules impose restrictions on the conduct of trustees. In many cases, you'll want your trustees to follow the rules. For example, most provinces state that trustees must act in an impartial manner. But there are other provisions that you may not want your trustees to be bound by. A good example is the set of rules which governs trust investments. Many provincial trustee acts contain a list of investments that can be held by a trust. Although the investments tend to be of very high quality, they are also very low risk investments which may yield low rates of return. Although these lists are being expanded these days to allow for a wider variety of investments such as mutual funds, you'll probably still want to authorize additional investments. For example, if your goal is to split income from a family-owned corporation, your trust agreement will have to allow your trustees to hold these shares.

Long-term flexibility should also be built into your trust agreement. You may have a particular plan in mind that can be built into your trust agreement fairly easily.

But what happens if future events unfold in a way you didn't anticipate? A good trust agreement will also deal with the "what ifs".

For example, let's say you provide for a testamentary trust for your children in your will. You would like each of your children to go to college or university before they receive their inheritances. Consequently, you state in your will that the bulk of your estate should be held in trust until your children reach 25. What would happen if one of your children is not mature enough at age 25 to manage his or her inheritance? Since you may not be alive at that point to amend your will, this may be an example of a "what if" you'll want to deal with in your will.

Your BDO advisor and your lawyer can help you draft a trust agreement or trust provisions in your will that can help the trustees deal with the unexpected. Remember that if your agreement or will is silent on an issue, your trustees will be bound by trustee laws. The result may not be what you intended. A well-drafted agreement can save a great deal of money and preserve family harmony.

Conclusion

Trusts are a very powerful tool for tax and financial planning. However, there are many traps and pitfalls for the unwary. Your BDO advisor can help you decide whether a trust is right for you.

The information in this publication is current as of May 15, 2017

This publication has been carefully prepared, but it has been written in general terms and should be seen as broad guidance only. The publication cannot be relied upon to cover specific situations and you should not act, or refrain from acting, upon the information contained therein without obtaining specific professional advice. Please contact BDO Canada LLP to discuss these matters in the context of your particular circumstances. BDO Canada LLP, its partners, employees and agents do not accept or assume any liability or duty of care for any loss arising from any action taken or not taken by anyone in reliance on the information in this publication or for any decision based on it.

BDO Canada LLP, a Canadian limited liability partnership, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. BDO is the brand name for the BDO network and for each of the BDO Member Firms.