



# **TRANSACTIONS- SEIZE THE OPPORTUNITY**

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JCF

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# TRANSACTIONS

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- Special events resulting in extraordinary taxable incomes
- Not to spend but to add to capital
- Foundations spread the charitable capital
- Income tax savings
- Seize the opportunity!!!!



# SOURCE

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- Corporate
- Individual



# CORPORATE

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- Form of income
- Active
- Property- 50% of capital gains
- Rates
- Rdtch balance
- CDA account



# CORPORATE OPTIONS

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- Pay corporate tax
- Declare dividends.....Dividend refund.....Personal donations.....Marketable securities or flow throughs
- Declare dividends.....CDA.....Free.....personal donations.....Marketable securities
- Donate low puc preferred shares.....Capital gain 50% and 100% receipt.....redeem shares.....Dividend refund
- \$1000 less \$333 dr less \$240 personal= \$427



# CORPORATE

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- Form of income
- Active
- Property- 50% of capital gains
- Rates
- Rdtch balance
- CDA account



# CORPORATE OPTIONS

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- Donate high ACB low puc shares
- \$1000 less \$333 dr less \$480 personal taxes= \$187
- Reduce corporate taxes
- Donate- save 48%
- Marketable securities- 48%+
- Flow throughs– 25% cost plus CDA
- Preferred shares intercorporate



# ESTATE PLANNING

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- Insurance backs up gift
- Repays capital to family
- Use CDA for planning