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NOTE ON TAX SITUATIONS

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A number of ways could be chosen by CPA candidates studying taxation to organize their personal notes. Various taxation textbooks organize differently the topics. A suggestion is to separate the topics under three broad categories, such as Selected themes in taxation, Tax interrelationships between persons and Tax situations.

Tax situations are:

Personal Financial Planning

- Steps and areas in personal financial planning
- Tax planning
    - Principles and objectives
    - Motivations and constraints
    - Techniques (ex: income splitting, defer)
- Succession and estate planning
- Retirement planning
- Planning in life cycle progression
    - Birth, adoption of a child
    - Student
    - Wedding, divorce and separation
    - Death

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International Issues

- Calculation of Income and Tax Payable by Non-Resident
- Resident for part of the year (ITA 114)
    - Immigration
    - Emigration
- Income earned outside Canada
- Transfer pricing
- Tax conventions and treaties

Death of a Taxpayer

- Calculation of Income and Tax Payable following Death
- Filing returns of a deceased individual
    - Basic rules
    - Elective returns
- Deemed disposition in case of death

Starting a Business / Project

- Choice of corporate structure (ex: incorporation)
- Home business expenses
- Holding ownership mode
    - Holding property
    - Holding investments

Employment

- Compensation options
- New employee and job offer
- Employee vs business (self-employed)
- Quitting a job

Financial Difficulties

- Losses
    - Current year
    - Losses carry-over
- Debt forgiveness (ITA 80)