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Canada – TaxMatters@EY

In this issue

Building a better working world means understanding your tax situation and how the ever-changing global tax landscape affects you. TaxMatters@EY is a monthly Canadian bulletin that summarizes recent tax news, case developments, publications and more.For more information, please contact your EY advisor.

It's better to give than to receive: tax-free gifts to adult children

Lucie Champagne and Julie Caty, Toronto

There's virtually no area of family life in Canada that's not affected in some way by tax. Gifts made to adult children are no exception.

In Canada, gifts to adult children[1] are generally received tax free, but there may be tax implications for the parent, depending on the manner in which a gift is structured. Before making a gift, it's important to consider all the implications to ensure it is structured in the most tax-efficient manner.

The purpose and the amount of the gift can vary greatly. The gift may be intended to help finance the purchase of a home or an automobile, or to pay for a post-secondary degree or diploma. In other cases, it may enable the child to earn sufficient income to absorb their tax deductions and tax credits and to pay for certain expenses that a parent would normally pay out of after-tax dollars. A gift can also be used to make the maximum deductible contributions to an RRSP or contribute to a TFSA.

[1] In this article, the reference to adult children refers to children aged 18 or older, as well as adult relatives.

Building a better working world

For many reasons, parents often decide to gift to their adult children cash or property during the parent's lifetime, rather than wait for their children to receive their inheritance. Not surprisingly, with the rising cost of housing and education, the gifts allow the younger generation to get ahead, and the parents can witness firsthand how their gift is used.

Making a financial gift can also help you manage your tax liability during your lifetime and on your death.

In this article, we summarize the general rules with respect to making tax-free gifts to adult children as well as some practical considerations to help guide your next steps.

Before making a gift

Assess whether your current assets and projected income are sufficient to satisfy your retirement goals and financial commitments. Projections should consider changes in your health and fluctuations in market conditions. Discuss your financial situation with your professional advisor to evaluate different options and determine whether it may be more prudent to make smaller, more frequent gifts, rather than a larger one-time gift. As explained below, gifting property may trigger an income tax liability at the time the gift is made, so this additional liability must be taken into consideration too.

Non-financial considerations also need to be assessed. Every family is different, and each family member may not necessarily have the same needs and risks. For example, one child may be married with young children while another child may be single and starting a new business venture with multiple business partners. The relationship between siblings may also be a factor. Protecting your gift may impact how you structure the gift, and in some cases you may wish to retain a certain level of control over the gifted assets.

Making a financial gift during your lifetime may also reduce probate taxes levied on your estate. All provinces except Quebec[2] impose probate tax on the value of property that forms part of the deceased individual's estate at the time of death. Since most jurisdictions compute probate tax based on a percentage of the estate's value, the liability can be substantial for large estates.[3]

All these factors must be considered before making a gift. In some cases, the tax savings achieved by gifting property during your lifetime may be overshadowed by non-financial considerations, such as risk, control, contingencies and family conflict.

Type of gift

Cash may be gifted to adult children on a tax-free basis.

You can also gift property.[4] It's important to note that, for income tax purposes, a gift of property is considered a disposition of the property at fair market value, and any accrued capital gain (or capital loss) on the property is realized at the time you make the gift. The recipient's adjusted cost base will also be the fair market value of the property at the time of the gift, so any future gains will accrue in the hands of the adult child.

The income tax liability resulting from the disposition can be significant. For 2017, the combined maximum marginal income tax rates on capital gains range from 22.25% to 27%, as only 50% of the capital gain is subject to income tax. Consequently, unless capital loss carryforwards from prior years are available to shelter the capital gain triggered, or you have incurred a capital loss in the year from disposing of another property, assets with minimal accrued capital gains should be gifted first. It may also be beneficial to gift an asset with an accrued capital gain in a taxation year in which your taxable income is lower to take advantage of the lower marginal income tax rates.

A capital loss realized from the disposition of personal-use property is generally deemed to be nil. Essentially, a personal-use property is a property owned by an individual that is used primarily for the personal use or enjoyment of the individual or a person related to the individual, such as a principal residence or a cottage.

If the family home is gifted to an adult child and the home qualifies for the principal residence exemption, no income tax liability should result from the disposition as long as the property does not exceed one-half hectare.[5] Similarly, the lifetime capital gains exemption may also apply to eliminate the tax on capital gains realized in respect of qualified farm and fishing property and small-business corporation shares. If shares of a private corporation are gifted, there may also be legal and income tax implications for the corporation.

To satisfy the disposition requirements under the Income Tax Act, there must be a transfer of beneficial ownership of the property (i.e., having all the risks and rewards of ownership) and a change in legal ownership (e.g., a legal transfer of title). The concept of beneficial ownership is not relevant under Quebec's civil law. However, for income tax purposes, an individual may be deemed[6] to be the beneficial owner of a property that is subject to the laws of Quebec. Professional advice may be required to ensure all the legal requirements are met (including ensuring that the gift is a valid gift at law) and that any income tax reporting obligations are completed in a timely manner.

2 Quebec imposes a nominal administration fee.

3 This is not the case in all jurisdictions that impose probate fees on the value of an estate. In particular, the province of Alberta and all three territories place a fairly low cap on probate fees (e.g., $525 is the cap in Alberta).

4 Section 160 of the Income Tax Act *could apply to a gift in certain circumstances. This provision prevents an individual from avoiding the payment of income tax through the transfer of property to a non-arm's-length person (including an adult child) by imposing joint and several liability on both parties. For more information, consult with your EY tax advisor.*

5 The land on which a home is located may be included as part of an individual's principal residence. Usually, the amount of land considered to be part of a principal residence is limited to one-half hectare (1.24 acres). However, if an individual can show that more land is needed to use and enjoy the home, land in excess of one-half hectare may be considered to be part of the principal residence.

6 Under subsection 248(3) of the Income Tax Act.

Loan versus a gift

When cash or property is gifted outright to an adult child, the parent loses control over the property and the gifts become exposed to matrimonial claims and creditor risk. In some cases, these risks may not be a concern, but in other cases, they can create a significant hurdle for a family to overcome. Structuring a gift as an interest-free loan may be an effective way to protect assets from these risks. You can demand repayment of the loan if the gift is considered to be at risk.

A loan secured by an interest-free mortgage can be used if the gift is being used to purchase a home. The loan can be forgiven at any time during your lifetime or forgiven on death under your will. Alternatively, the child's inheritance can be offset against the loan.

A promissory note can be used if the gift is not specifically used to purchase real estate. By creating an enforceable contract between you and your adult child (and the child's spouse depending on the circumstances), you can demand repayment of the loan if needed. Just like a mortgage, the loan can be forgiven at any time or settled as part of your will.

If you plan to use the proceeds from the sale of an asset to fund the loan, a capital gain or loss may be triggered on the disposition of the asset. Consequently, it's important to assess which property should be disposed of first to reduce any potential income tax liability and optimize the use of any capital loss carryforwards.

A legal professional should be consulted to ensure the loan agreement provides the right level of protection in the circumstances and that any other legal documents, such as a will, are updated accordingly.

Control of the gifted property

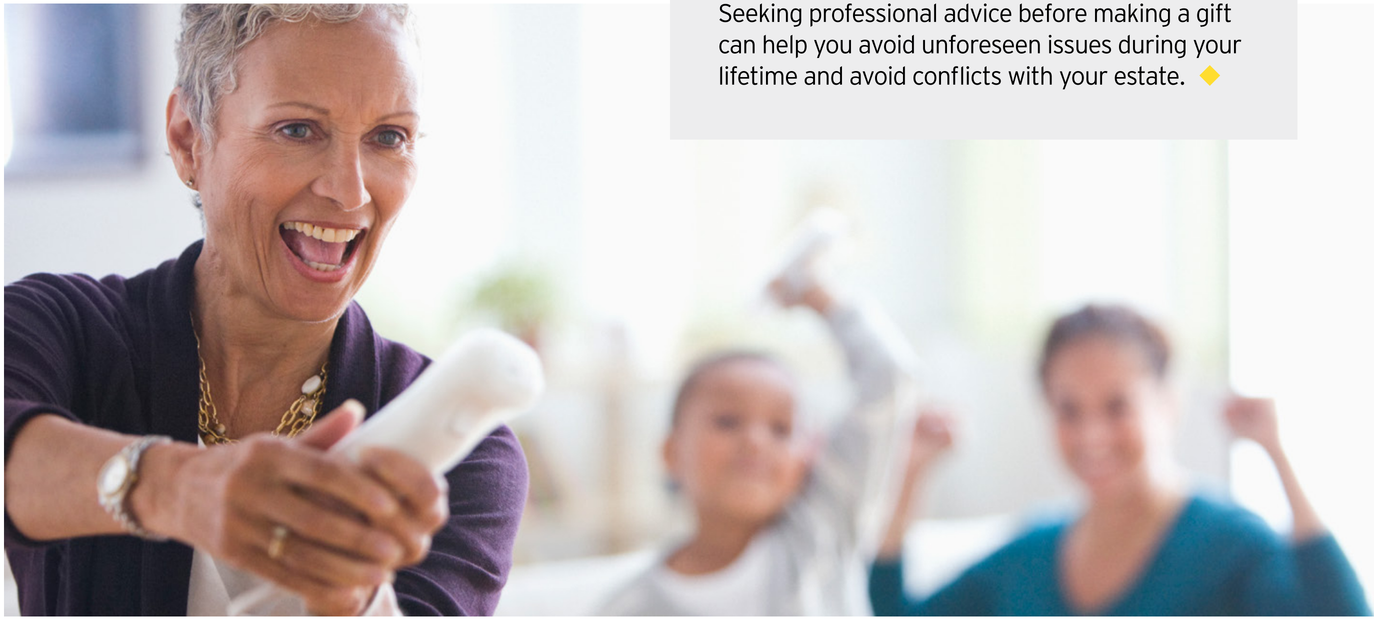
Retaining some degree of control over the gifted property may be important to you. Control may be required to protect the gift from spousal or creditor claims, or to restrict your child's ability from transferring the property to another person. You may also wish to retain control over the property so that money or assets are distributed over time, rather than all at once.

If structured properly, transferring assets to a discretionary trust and designating adult children as the sole beneficiaries of the trust will set it up so that the children do not have control over the property. Control of the property will rest with the trustee(s). The trustee's role will include administering the trust in the manner specified by the trust agreement. This gifting structure is more complex to implement and administer. Legal and tax assistance are necessary to ensure the trust agreement accurately reflects your intentions and that statutory requirements are complied with over the life of the trust.

Generally, a transfer of property to this type of trust is considered to be a disposition at fair market value at the time of the transfer. Consequently, the income tax implications to the parent are similar to that of an outright gift, so planning may be required to minimize the tax liability.

The transferred property will not form part of your estate on death, so it will not be subject to probate tax. However, a trust is generally deemed to dispose of its capital property at fair market value every 21 years and to reacquire the properties immediately after that day for the same amount. This rule is intended to prevent the use of trusts to defer indefinitely the recognition of gains accruing on capital property. Accrued capital gains or losses on capital property are thus recognized and are subject to tax every 21 years.

In light of the additional costs and tax compliance obligations of using a discretionary trust, a cost-benefit analysis should be conducted to determine if this option is right for you.



Conclusion

Regardless of the gifting structure you choose, it is prudent to seek advice from a professional advisor so that all legal requirements are satisfied, any income tax liabilities are minimized, and tax reporting obligations are complied with in a timely manner.

Also, if any member of the family is a citizen of or resides in another country, there may be foreign legal and tax implications to consider. For example, a parent who is a US citizen may be subject to gift tax on transfers of cash or property, regardless of the location of the property.

Seeking professional advice before making a gift can help you avoid unforeseen issues during your lifetime and avoid conflicts with your estate. ◆

Don’t let uncertainty disrupt growth

Mark A. Weinberger, EY Global Chairman and Chief Executive Officer
Excerpted from EY’s “2017 Tax Insights No. 19”

Nearly a century ago, EY’s founders Alwin Ernst and Arthur Young were running separate US firms but shared a common goal – growth. In 1924, both took their first steps toward internationalization, setting up alliances with UK firms.

What they did not – and could not – know was that these were the first steps on a journey of global expansion, one that would eventually bring the two firms together.

These expansion initiatives came during a period of uncertainty. A time when many countries were imposing trade and exchange restrictions to protect their domestic markets. But both men recognized that to grow they needed to look beyond their home market.

Today’s world is also an uncertain one: economic growth is patchy, while income inequality is on the rise. As governments look for solutions, we’re once again seeing an increase in protectionist measures. But rather than close doors, governments should seek to unlock opportunities for more inclusive and sustainable growth, focusing on opening up markets, levelling competition and reforming and updating tax systems in recognition of the changing digital and global nature of commerce.

Era of expansion

There are clear economic benefits to our interconnected global economy. Increased global trade has reduced the cost of goods and services in developed countries, for example. People can buy more with their money, be it washing machines, airplane tickets or the latest smartphones.

Developing countries also have benefited from greater international trade and foreign direct investment. As these economies flourished, new startup companies emerged and existing businesses expanded. Many of the world's largest companies are now based in developing markets, accounting for 147 of the Fortune Global 500 in 2016.

Global growth has helped significantly lower poverty around the world, allowing millions of people to join the middle classes. At the same time, the number of people living in extreme poverty declined to 836 million in 2015 from 1.9 billion in 1990, according to the United Nations. Almost half of the population in developing countries had less than US$1.25 a day to live on in 1990. By 2015, this figure had declined significantly to 14%.

A wary world

But an interconnected world brings complexity, and sometimes contagion. The subprime mortgage disaster in the US rapidly evolved into the 2008 global financial crisis and subsequent economic slowdown — events from which the world has yet to fully recover.

Growing inequality, within both developed and developing countries, is an important issue today. Across the Organisation for Economic Co-operation and Development (OECD), the gap in incomes between the richest and poorest is at a 30-year high, and technological and demographic changes only threaten to further widen this divide.

In response, globalization — in particular, trade and migration — have increasingly become targets of criticism. 2016 was a year of profound change — certainly in the UK and the US, among other countries — where many voters registered their dissatisfaction with the status quo.

Free trade and open borders are under increasing challenge. The UK's Brexit referendum last year abruptly interrupted the European Union's decades-long quest toward political and economic integration, while the US this year decided to withdraw from the Trans-Pacific Partnership. Recently, members of the International Monetary Fund dropped a pledge to "resist all forms of protectionism."

In the US, many workers blame international trade for job losses, but technological disruption has played a significant — if less recognized — role. A 2015 Ball State University study, "The Myth and the Reality of Manufacturing in America," found that the US manufacturing sector lost 5.65 million jobs between 2000 and 2010, with productivity gains accounting for 88% of those losses. And it's a trend that's showing no signs of slowing down.

While factory workers were the first to feel the impact of increasing automation, technological advancements have since disrupted whole sectors, the tourism, publishing and postal industries, to name just a few. Professions as diverse as law and teaching are likely next. It is estimated that automation, artificial intelligence (AI) and other disruptive changes could displace 7.1 million jobs by 2020, according to a report from the World Economic Forum covering 15 major developed and emerging economies. Already, it's been reported that a Japanese insurance firm began replacing employees this year with an AI system that promises to be cheaper and more productive.

Come together

Organizations today rely on global supply chains and markets — as does the world economy. Turning away from globalization would mean lower efficiency and economic growth. The world instead needs to find a way to keep trading and growing together.

Business and government leaders must support an environment of inclusive growth to ensure the long-term benefits reach the broadest group possible. This includes employees, customers and communities, as well as shareholders. If the broader population — not just the top earners — sees an increase in their income, then consumption will expand and fuel greater economic growth.

The leaders of the G20 recently put inclusive growth on their agenda as they seek to kick-start a new era of global economic growth. In doing so, they acknowledged the need to create better jobs, address inequalities and reduce poverty going forward.

There are different ways to accomplish these ambitious but critical goals. Governments need business to create new jobs and to invest and drive growth. One way is by incentivizing businesses and institutions to deliver training and apprenticeship programs for young people and displaced workers.

Business, in turn, needs government to put strong, pro-growth policies in place. Governments must seek to conclude additional trade deals, even if they are only on a regional basis.

More work must also be done to liberalize trade in services around the world, and to address non-tariff issues that companies face when doing business internationally, including different regulations and local laws.

Furthermore, changes to tax policy and structural reforms could lift economic growth and reduce inequality. Governments can spur growth by levying corporate tax on a broader base at lower rates and introducing or expanding innovation tax incentives.

The use of digital technologies also promises to make tax collection and administration more effective and improve compliance. The current G20 agenda, focused on tax certainty and growth, is driving discussions on how digitalization will impact tax and what measures can be taken to better deal with the global digital value chain and the future collection and allocation of taxes.

Governments may also consider re-evaluating the structure of long-established tax systems, creating new approaches to the taxation of wealth and capital.

An inclusive and expanding global economy will allow companies to continue expanding and create new jobs both in their home markets as well as abroad. This outward-looking mindset is one that EY has followed for almost 100 years and will continue to do so as we go forward — in both the good times and the tough. ◆

“Reverse loss trading” transactions survive GAAR challenge: 594710 British Columbia Ltd. v. The Queen, 2016 TCC 288

Lisa Watzinger, Toronto

In this decision, the Tax Court of Canada (TCC) considered whether the Minister correctly applied the General Anti-Avoidance Rule (GAAR) to a series of transactions by issuing “stacked” reassessments against both limited partners and their respective holding companies.

While this appeal was only in respect of one holding company’s reassessment, the TCC rejected the application of the GAAR at all levels, finding first that that there is no general policy against “reverse loss trading” in the *Income Tax Act* (the Act), and therefore the GAAR did not apply to reassess the limited partners, and second that section 160 of the Act did not apply to the holding companies, as there was no underlying tax debt owing by the limited partners.

Facts

Four siblings each owned a holding company (each a HoldCo or, collectively, the HoldCos), with each in turn owning a limited partner company (each a PartnerCo or, collectively, the PartnerCos), which in turn each owned a 24.975% interest in a limited partnership (LP).

In the 2006 taxation year, LP had a projected income of almost $13 million. Had this income been allocated to the PartnerCos, each would have incurred tax payable of more than $1 million that year. Instead, a tax plan was formulated that involved the HoldCos selling certain shares of their respective PartnerCos to a third-party public company (PubCo) that had available tax pools to offset LP's income.

Before the end of LP's taxation year, the following steps were undertaken:

- First, LP made loans to each PartnerCo equal to the net amount of income they would otherwise have been allocated.
- Each PartnerCo then issued stock dividends to their respective HoldCo in amounts equal to the loans, and which shares were then redeemed with the proceeds of the loans from LP. Similar transactions were undertaken in amounts that corresponded to the value of certain unsold real estate owned by LP.
- Each of the HoldCos then sold their respective PartnerCo to PubCo, all of which were subsequently wound up into PubCo.
- After the sale, the income of LP was distributed to PubCo for tax purposes by paying off the initial loans, and PubCo then utilized its tax pools to reduce its tax liability in respect of the allocated LP income.

Following a review of the transactions, the Canada Revenue Agency (CRA) issued a series of "stacked" GAAR reassessments.

The first reassessments were issued against the PartnerCos by applying the GAAR to include what would have been each PartnerCo's share of LP's income had the series of transactions not been carried out, on the basis that section 111 of the Act had been abused.

The second GAAR reassessments were issued against the HoldCos by applying the GAAR to hold the HoldCos jointly and severally liable for the tax debt under the PartnerCos' GAAR reassessments, on the basis that section 160 of the Act had been abused.

The taxpayer in this case was one of the siblings' HoldCos (the taxpayer HoldCo), and this appeal relates to its reassessment and, by extension, the reassessment of its related PartnerCo (the taxpayer PartnerCo).

Tax Court of Canada decision

As a preliminary matter, the TCC first considered whether the reassessments were statute barred and whether a GAAR reassessment can be predicated on the GAAR being applied to another taxpayer. The TCC concluded that the reassessments had been issued in time and, further, there was no bar to reassessing a taxpayer in respect of a GAAR reassessment of another taxpayer. In particular, the TCC rejected the taxpayer's second argument, holding that such an interpretation would preclude the Minister from ever being able to prevent abusive tax avoidance subsidiary to and arising out of another transaction.

The TCC then turned to the primary GAAR arguments advanced in respect of the taxpayer PartnerCo and taxpayer HoldCo reassessments. The TCC recognized that the HoldCo reassessments were based on section 160 of the Act, under which reassessments can only be made where there is an underlying tax liability. Consequently, the TCC first needed to consider the validity of the PartnerCo reassessments before then considering the validity of the HoldCo reassessments and, in particular, the taxpayer HoldCo's reassessment.

"Reverse loss trading" under section 111 of the Act

In considering the PartnerCo reassessments, the TCC acknowledged that there are three key requirements for the GAAR to apply: whether there was a tax benefit, an avoidance transaction and abusive tax avoidance.

In determining whether there was a tax benefit, the TCC compared the transactions to an alternative arrangement – in this case, that the alleged avoidance transaction did not occur. In the alternative arrangement, the sale of the PartnerCos would not have occurred and LP's income would have been distributed to the PartnerCos. In the TCC's view, a tax benefit resulted from the transactions, since the income inclusion and tax liability on the distribution of LP's income arose in the hands of PubCo rather than the PartnerCos.

The taxpayer HoldCo did not contest the second step in the GAAR analysis, that there was an avoidance transaction (i.e., that the series of transactions was not undertaken for *bona fide* non-tax purposes). Nonetheless, the TCC commented that the sale of the PartnerCos to PubCo was an avoidance transaction, as it would not have been concluded had it not been for the utilization of PubCo's tax attributes.

Prior to determining whether there was abusive tax avoidance, the TCC highlighted the comments of the Supreme Court of Canada (SCC) in *Copthorne* that a finding of abuse may not be based on a broad statement of policy not attached to the provisions at issue, but must be based on the specific provisions alleged to have been abused. These comments were important to emphasize in the circumstances, as the respondent argued that there was a general policy in the Act against loss sharing between taxpayers and the series of transactions violated this policy. To demonstrate this, the respondent relied on subsections111(5),66.7(10),69(11),83(2.1),103(1) and 103(1.1).

The TCC rejected all of these arguments.

First, the TCC concluded that subsection 111(5) did not apply, as it applies to loss trading, not profit trading, as was the case in these transactions.

The TCC also rejected the relevance of subsections 69(11) and 83(2.1), as these provisions were not relied on in the series of transactions and, in any case, were not relevant to partnerships.

Finally, with respect to subsections 103(1) and (1.1), although they applied in the circumstances, the TCC refused to find that they demonstrated a policy against loss sharing in the Act. In the TCC's view, these provisions target partnership allocation that occurs within the fiscal year. In this case, the alleged mischief was caused by the succession of members and not by the division between members during the same period.

The TCC observed that the respondent provided no analysis in respect of section 96, which was a provision that was actually utilized in the series of the transactions, to allocate LP's income to PubCo, and consequently it could not offer any support to the respondent's GAAR arguments. However, the TCC indicated that had such an analysis been provided, the transactions still would not have been considered abusive. In the TCC's view, the purpose of section 96 is to set out the flow-through structure of partnerships; it does not clearly evidence a policy against profit trading.

Accordingly, even though the respondent had not argued that section 96 had been abused, the TCC concluded that given the lack of clear policy, abusive tax avoidance under section 96 had also not been made out.

As a point of interest, the TCC did suggest that the interaction between paragraph 96(1.01)(a) and section 103 of the Act may have applied to the series of transactions. Paragraph 96(1.01)(a) applies to deem a former member to be a member of the partnership at the end of the year. Thus, a partnership's income could be potentially allocated to the former member in accordance with the partnership agreement, subject to the potential application of section 103. However, the TCC declined to comment on whether this combination of provisions would have evidenced a policy against profit trading in the circumstances.

As a result of all of this analysis, the TCC concluded that the GAAR reassessments against the PartnerCos could not be supported, and therefore the reassessments against the HoldCos also could not be supported, unless section 160 had been abused such that the GAAR applied.

Transfers under section 160 of the Act

Once again, the TCC turned to a consideration of whether there was a tax benefit, an avoidance transaction and abusive tax avoidance.

On this first requirement, the TCC concluded that there was no tax benefit, as the indirect transfer of property occurred in exchange for fair market value consideration. Consequently, the TCC concluded that the GAAR did not apply. However, in the event this conclusion was wrong, the TCC also considered the two remaining requirements of the GAAR analysis, and in so doing provided certain *obiter* comments about section 160 generally.

In the TCC's view, the purpose of section 160 is to prevent taxpayers who incur an income tax liability from reducing the pool of assets that would satisfy a tax debt through transfers to non-arm's-length parties. The TCC found that the PartnerCos and HoldCos had engaged in transactions which section 160 was meant to prevent by the HoldCos selling their interests in the PartnerCos prior to LP allocating its income. The TCC observed that if there had been a tax benefit achieved, then the GAAR would have applied because section 160 had been abused in the circumstances.

Notwithstanding these obiter comments, the TCC concluded that the GAAR did not apply, on the basis that there was no benefit, and consequently the taxpayer Holdco's reassessment under section 160 of the Act could not be upheld. The appeal was therefore allowed and the reassessment was vacated.

Lessons learned

This decision reinforces the importance of the words of the SCC in *Copthorne*: it is the specific provisions that are relied upon which will be considered for the purpose of applying the GAAR, not a general underlying policy of the Act which is disconnected from those specific provisions.

As always, tax planners and counsel should ensure that all provisions directly relied upon in a series of transactions have been canvased for the application of the GAAR.

The decision is currently under appeal to the Federal Court of Appeal. ◆

Publications and articles

Tax Alerts – Canada

Tax Alert No. 45 – Advantage tax on IM fees delayed

In a newly released technical interpretation dated 15 September 2017, the Canada Revenue Agency announced the deferral of the implementation date for applying the advantage tax rules to investment management (IM) fees incurred by registered plans but paid outside of the plan by the annuitant or holder.

Tax Alert No. 46 – Regulation 102-R waiver updated

On 28 September 2017, the Canada Revenue Agency (CRA) issued updated Form R102-R, Regulation 102-R Waiver Application, to simplify some of the complexities that existed in the previous version of the waiver form. The updated Form R102-R provides a simpler process to obtain a waiver for employees who were previously qualifying nonresident employees working for a certified nonresident employer.

Tax Alert No. 47 – FCA finds GAAR does not apply to post-acquisition PUC step-up planning

On 13 October 2017, the Federal Court of Appeal (FCA) released its decision in Univar Holdco Canada ULC v The Queen, allowing the taxpayer's appeal and concluding that the general anti-avoidance rule (GAAR) in section 245 of the Income Tax Act did not apply to the transactions that created cross-border tax attributes equal to the fair market value of a Canadian target company as part of a series of transactions that included its arm's-length acquisition.

Tax Alert No. 48 – Private company tax reform: where are we now?

On 2 October 2017, the consultation period ended for the 18 July 2017 draft legislation and consultation paper, both of which proposed to fundamentally overhaul the system of taxation for private companies, as well as for their shareholders and family members.

Tax Alert No. 49 – Quebec relaxes QST ITR restrictions

On 25 October 2017, Revenu Québec published Interpretation bulletin 206.1-10, Particulars regarding the phasing out of the ITR restrictions applicable to large businesses that is to begin on January 1, 2018. The bulletin details how An Act Respecting the Québec Sales Tax will apply with regard to the phasing-out of the input tax refund (ITR) restrictions applicable to large businesses.

Publications and articles

EY's Worldwide Personal Tax and Immigration Guide 2017-18

This guide summarizes personal tax systems and immigration rules in more than 160 jurisdictions, including Australia, Brazil, Canada, France, Germany, Mexico, the Netherlands, the Russian Federation, the UK and the US.

EY's Worldwide Capital and Fixed Assets Guide 2017

The Worldwide Capital and Fixed Assets Guide helps our clients navigate the rules relating to fixed assets and depreciation. It summarizes the complex rules relating to tax relief on capital expenditures in 27 jurisdictions and territories.

EY's Worldwide Estate and Inheritance Tax Guide 2017

EY's Worldwide Estate and Inheritance Tax Guide summarizes the estate tax planning systems and describes wealth transfer planning considerations in 37 jurisdictions around the world, including Australia, Canada, China, France, Germany, Italy, the Netherlands, the UK and the US.

Worldwide Corporate Tax Guide 2017

Governments worldwide continue to reform their tax codes at a historically rapid rate. Chapter by chapter, from Afghanistan to Zimbabwe, this EY guide summarizes corporate tax systems in 166 jurisdictions.

Worldwide R&D Incentives Reference Guide 2017

The pace at which countries are reforming their R&D incentives regimes is unprecedented. This EY guide summarizes key R&D incentives in 44 jurisdictions, and provides an overview of the European Union's Horizon 2020 program.

2016-17 Worldwide transfer pricing reference guide

The proliferation of transfer pricing rules and regulations around the world, and the huge increase in focus on the subject by the world's tax authorities, require practitioners to have knowledge of a complex web of country tax laws, regulations, rulings, methods and requirements. This guide summarizes the transfer pricing rules and regulations adopted by 118 countries and territories.

Board Matters Quarterly

The September issue of Board Matters Quarterly includes an article about the board's role in overseeing cyber risk management amid ongoing regulatory developments. Other articles offer a look at how Fortune 100 audit committee disclosures have changed since 2012 and how the PCAOB's final standard will significantly change the auditor's report.

EY Trade Watch

This quarterly publication outlines key legislative and administrative developments for customs and trade around the world. Highlights in the September issue include:

- Agreement in principle reached on EU-Japan EPA: potential for wide-reaching tariff reductions
- Comparing the US, Mexico and Canada key NAFTA objectives for renegotiation
- Canada-EU Comprehensive Economic and Trade Agreement update: delay in provisional implementation to autumn 2017 due to dairy, pharmaceuticals and ISDS disputes
- UK publishes proposals for customs arrangements following Brexit

In the Americas, we hear from Argentina and the United States, in Asia-Pacific from China, and in EMEIA we report on the East African Community, the European Union, the Gulf Cooperative Council and the United Arab Emirates.

Websites

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Frequently referred to by financial planning columnists, our mobile-friendly calculators on ey.com/ca let you compare the combined federal and provincial 2016 and 2017 personal tax bills in each province and territory. The site also includes an RRSP savings calculator and personal tax rates and credits for all income levels. Our corporate tax-planning tools include federal and provincial tax rates for small-business rate income, manufacturing and processing rate income, general rate income and investment income.

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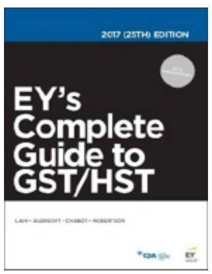
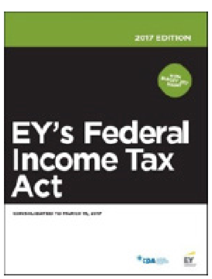


EY's Complete Guide to GST/HST, 2017 (25th) Edition

Editors: Dalton Albrecht, Jean-Hugues Chabot, Sania Ilahi, David Douglas Robertson

Canada's leading guide on GST/HST, including GST/HST commentary and legislation, as well as a GST-QST comparison. Written in plain language by a team of EY indirect tax professionals, the guide is consolidated to 15 July 2017 and updated to reflect the latest changes to legislation and CRA policy.

Check out the video showcasing EY's GST tax leadership.



EY's Federal Income Tax Act, 2017 Edition

Editors: Alycia Calvert, Fraser Gall, Murray Pearson

Complete coverage of Canada's Income Tax Act and Regulations. Included with this edition: interactive online features. Purchase of a print book includes access to an online updated and searchable copy of the federal Income Tax Act, as well as the pdf eBook. This edition contains amendments and proposals from the 22 March 2017 federal budget (special budget supplement), Bill C-29 (SC 2016, c. 12), Budget Implementation Act, 2016, No. 2, the 3 October 2016 notice of ways and means motion, and the 16 September 2016 legislative proposals.

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