Professional Real Estate Investors Group
PREIG Canada

WELCOME!

Successful Professional Real Estate Investors

Please turn <u>OFF</u> your Cell Phones and Pagers during the Presentation

How is every one doing?

Berry Berry

Agenda

1:30 - 2:00pm	**Registration & Networking**
2:00 - 2:05pm	**Welcome & Intro**
2:05 – 3:30pm	**Tax Reduction Strategies-Special**
3:30 - 3:40pm	**Networking Break**
3:40 - 4:30pm	**Benefits of a TRUST**
4:30 - 5:00pm	**Closing Comments & Networking**

Top tips for Canadian Real Estate Investors for Networking

- Describe yourself concisely and impressively.
- Differentiate yourself Be best at something.
- Integrity, trust and reputation are vital for networking.
- Follow up and referrals makes things happen.
- Be a positive influence on everyone and everything.
- Be Focus and ever-ready.

Your Network=Your Net worth

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My favorite QUOTES

It's not only what you tell them.....

"Success is peace of mind, which is a direct result of self-satisfaction in knowing you made the effort to become the best of which you are capable."
~ John Wooden (1910-2010) legendary American basketball player and coach

"All men dream, but not equally. For the Dreamers of the Night awaken to find it was merely their vanity. But the Dreamers of the Day are the dangerous ones, for they dream with their eyes open, and they make things happen"
~ Col. T.E. Lawrence CB,DSO (1888-1935) a.k.a "Lawrence of Arabia"

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My favorite QUOTES

"Teaching thinking for just five hours to unemployed youngsters increased employment 500 percent. "
~ Edward de Bono (1933 -) Psychologist, author and motivational speaker

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Disclaimer

It is illegal to operate as a Broker of Real Estate, Mortgages, or securities, unless you are appropriately Licensed. It may be illegal to charge a “finder’s fee” or to charge a commission or referral fee unless you hold an appropriate license.

It is Legal, however, to buy a property and sell a property. It is also legal to assign a contract you obtain for the purchase of real property for a price. You may also charge a price for assigning your rights under an option to buy real property.

Caveat Emptor. Do your own due diligence.
Be sure to seek the **advice of a Lawyer** before entering any contract in writing.

Top 50 Tax Saving tips for Canadian Real Estate Investors

Top 50 Tax Savings Tips

The biggest challenge Canadian professional real estate investors face is tax time. It is important to have bit of knowledge and the latest changes.

Flipping4Profit.ca intend to bring Canadian tax experts to bring awareness. The information provided is general terms and you are urged to consult appropriate Canadian professionals to take care of complicated tax matters.

Special Guest Speaker
Dennis A. Lugowy, CPA, CA, LPA, BA, CGMA

Dennis Lugowy graduated from McMaster University with a degree in Economics and Business. He received his designation as a Chartered Accountant while working for an international Chartered Accountant firm in Toronto.

After a brief stint in industry he fulfilled his dream of opening his own public accounting practice in early 1976.

In 1996 Dennis achieved the designation of CPA (Illinois), and has been able to expand services offered to clients internationally.

Dennis' long commitment to the Hamilton Community has led to his involvement in many public service roles. Some of these include: Past Chairman Hamilton Program for Schizophrenics, Member of the Advisory Board National Trust, Treasurer of the VON.

Special Guest Speaker

Andrew R. Topping, CPA, CA, LPA, B.COMM (HONS)

Andrew graduated from McMaster University with an honours degree in Commerce. He received his designation as a Chartered Professional Accountant in 2013 while working for a big four international Chartered Accountant firm.

Andrew joined the Lugowy Associates team on January 1, 2014 as a manager. Prior to his decision to pursue the Chartered Professional Accountant designation Andrew spent several years working for a large Canadian technology company as a network technologist.

Andrew spends his volunteer time preparing personal income tax returns for low-income individuals as part of local tax clinics organized by CPA Ontario.

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Tax Savings tips for Canadian Rental Properties

Equipment Rental for Renovations

General contractors and renovators can claim rental fees and insurance on equipment required.

Rental Properties Income and Gains
Depreciation Expense(CCA)

The property should be an allocation between land and buildings as depreciation expense (CCA) can be only claimed on building portion.

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Cost of the Property

It includes extra cost on the property and are not totally deductible against income the extra/other cost are like:

1. HST (on newly built property) added to the cost or may be eliminated.
2. Legal fees
3. Land transfer Tax
4. Ontario New Home Warranty Program
5. Municipal & provincial certificates
6. Registration on closing

These cost will reduce the capital gain on the sale. (or may be pro-rated to land and building)

Interest Expense

It is deductible only if it was related to the loan/mortgage for the purpose of earning income or investment properties.

Repair & Maintenance

Major renovations may or may not be deductible depending on the nature of the renovation that is required to be capitalized as a cost of property.

Cumulative Recaptured CCA

The cumulative recaptured is that which is added back to the income in the year in which the property was sold.

Borrow to Invest, Save to Buy

The days of debt-free living are passing fast and almost everyone in the country is carrying some type of debt.

Debt can, in a small way, help to reduce your tax bill if you incur the right type.

A loan to buy a car, or that mahogany end-table you've had your eye on, is not the right type.

<u>A loan to buy an investment is.</u>

Claim Those Renovation & Repair

If you make a claim on new schedule 12, the eligible expenses for renovation supplies , such as lumber, flooring, etc., that were purchased before midnight on Jan 31 will qualify, even if they were installed afterwards

In 2015, this is only for seniors (65 years of age or greater) and only on principal residence.

This expenses must allow greater access to the home.

Rental Income

Claim all expenses incurred to earn rental income such as taxes, insurance, minor repairs and maintenance, interest expense and accounting fees paid to have the rental statement on your tax return prepared. Do not expense the cost of major repairs or additions to your property. Claim capital cost allowance to reduce your rental profit to zero.

Rental income is based on the accrual method and therefore any expenses incurred but not paid such as property taxes may non the less be claimed in the year to which they apply.

Consider purchasing rental property that will generate a profit in the name of the family member with the lowest net income, or consider income splitting with another family member.

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Can’t Claim Mileage For Collecting Rent

The Canada Revenue Agency (**CRA) specifically states that you cannot deduct motor vehicle expenses you incur to collect rents.**

The Canada Revenue Agency (CRA) considers these to be personal expenditures.

Note that the rules differ if you own more than one property.

Repairs & Maintenance of Rental Properties

Repairs and maintenance are a very tricky area from a tax perspective. Generally speaking, when you make small repairs or routine maintenance to your rental property, you are incurring a current expense and can immediately take this as a deduction against your rental income.

Renovation versus Repair expenses:

The situation becomes more complicated when you are making larger expenditures.

For example: if you were to tear out an outdated (but functional) washroom in your rental property and replace it with a brand new modern one, you are probably making a lasting improvement to your investment rather than a simple "repair" to a broken component.

In this case you would not be permitted to deduct the expenditure. Instead you would capitalize the renovation and depreciate it over an extended

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Use RRSP, TFSA,RRIF & RDSP plans to Save Taxes

Tax saving Tips with RRSP, RESP, RDSP, TFSA and others

RRSPs and TFSAs are amazing tax shelters that can help you hold onto thousands of dollars of your hard-earned money every year. The RRSP lets you defer paying taxes on a portion of your yearly income until you retire in a lower tax bracket—which will be true for most people.

Maximize your RRSP or TFSA Contribution Limits

Keep in mind that the investment interest you get from bonds and GICs is taxed at a higher rate, so in general, put your fixed-income investments in the tax shelter, and keep your stocks and dividend payers outside.

Tax Reduction Tips with RRSP, RESP, RDSP, TFSA and others

Make contributions to it in the name of your lower-earning partner. You'll get the same advantage as if you were putting income into your own RRSP (a tax refund on contributions), but here's the kicker: when the money is later withdrawn, it will be taxed in your lower-income spouse's hands at a lower rate.

Just be aware of the Canada Revenue Agency's attribution rules: you can't make a contribution in the same year you withdraw the money, or in either of the two previous tax years.

Plus, the total combined contributions to your own RRSP and your spouse's RRSP cannot exceed your own deduction limit.

Max Your RRSP

Registered retirement savings plans (RRSPs) are the government's weak apology for gouging citizens on their taxes.

You may as well use the bone they throw you and get the most out of this chance.

When speaking about borrowing to buy investments, maxing out your RRSP is usually a sensible decision provided that you are able to service the loan in a reasonable period of time.

Keep contributing to TFSAs well past 71

And unlike RRIFs, there are no forced annual withdrawals.

Each member of a senior couple can invest $5,500 into his or her TFSA annually, meaning the two of you can convert $11,000 worth of RRIF withdrawals and non-registered savings into TFSAs each year.

Registered Disability Savings Plan (RDSP)

For eligible Canadians, money placed in a Registered Disability Savings Plan (RDSP) grows tax-free and can net a staggering 300% return.

RDSP
Helping people with disabilities
PLAN FOR THE FUTURE

Earn Free Tuition Money

What would you say if someone offered a 20% return on every dollar you squirreled away for your kid's university tuition?

Well, setting up a Registered Education Savings Plan lets you do exactly that: with an RESP, the first $36,000 you contribute is eligible for the 20% Canada Education Savings Grant (CESG).

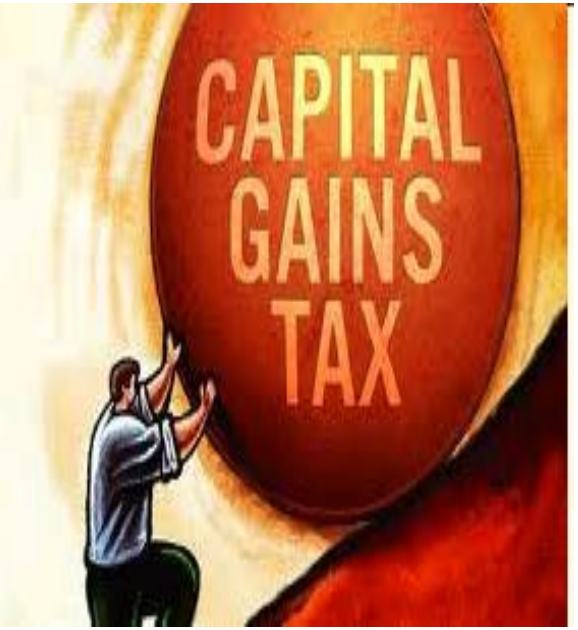
Capital Gains & Losses to Save Taxes

Taxable Capital Gains

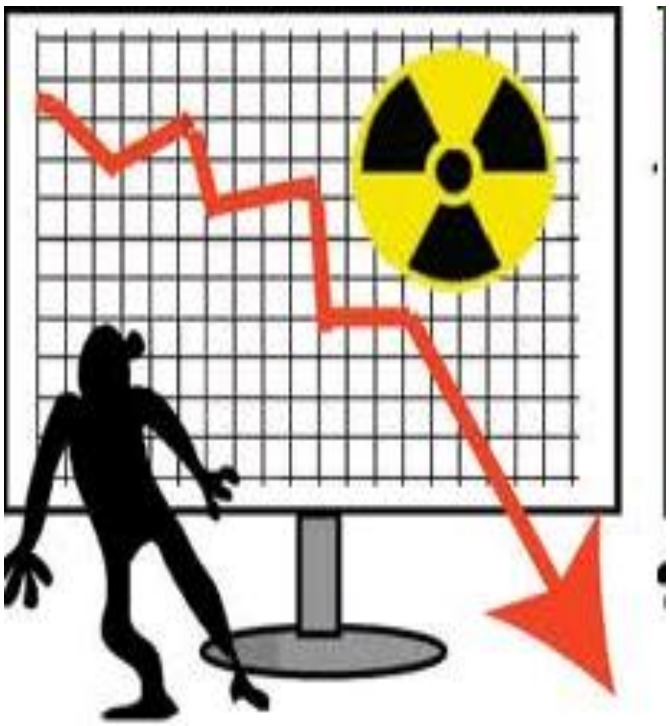
Reduce any capital gains by any capital losses incurred in the year.

If you still have a capital gain at this point, claim any capital losses from previous years not otherwise deducted.

If you have an overall capital loss for the year, consider deducting these losses from any capital gains reported on your prior 3 year's income tax return or carry them forward until used..



Business Investment Loss



Unpaid funds loaned to a family corporation my qualify as business investment loss.

You may not even know that you have an existing "shareholder's loan" unless you have completed your corporations final set of financial statements and corporation income tax return.

Non capital losses of other years

Contact the Canada Customs and Revenue Agency and ask for a printout of your carry forward items.

You might have a loss from a prior year that you forgot to claim.

Realize Capital Losses to Offset Current Year Capital Gains

If you have realized capital gains in the current year and unrecognized capital losses in other investments, consider disposing of the loss investments prior to the end of the calendar year in order to offset the capital gains.

Realize capital losses in 2015 to offset capital gains realized in 2012 to 2014

Capital losses can be carried back for three years to recover tax paid on capital gains.

For example, a $100 capital loss in 2015 would trigger a $50 allowable capital loss; if you have no capital gains in 2015, this capital loss could be used to offset a capital gain in any of the three preceding years, from 2012 to 2014.

Defer Capital Gain up to 5 Years

On a sale where the vendor takes back the mortgage , they may be eligible to defer some of the taxable capital gain at 20% per year and up to a max of 5 years.

The Capital Loss Strategy

It can be used to offset capital gains you realized on other investments that year (and in any of the three previous years), thus reducing your capital gains tax.

Or, you can bank those capital losses to reduce any gains you might realize in the future—a perfect strategy for those who know they'll be in a higher tax bracket later on, such as a stay-at-home parent who wants to return to work.

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Tax Savings Strategies in General & Family

Lifetime Capital Gains Exemption (LCGE)

The LCGE is increased for indexation to $813,600 for 2015. Quebec announced an increase in their LCGE to $1 million for qualified farm and fishing property for 2015 and later years.

LCGE of 1,000,000 on farm and fishing property also available federally after April 20, 2015

Share Your Income

Many government benefits are income tested so transferring income to a lower-income spouse may help the higher-income spouse reduce taxes and get more.

For instance, if both of you are 60 or older and receiving CPP payments, the higher-income spouse can elect to attribute up to 50% of his or her CPP income to the lower-earning spouse.

If this is referring to pension splitting, CPP cannot be split.

Medical Expenses

This year, costs for the design of personalized therapy plans for those eligible for the disability tax credit and the cost of service animals used to help those with severe diabetes can now be claimed.

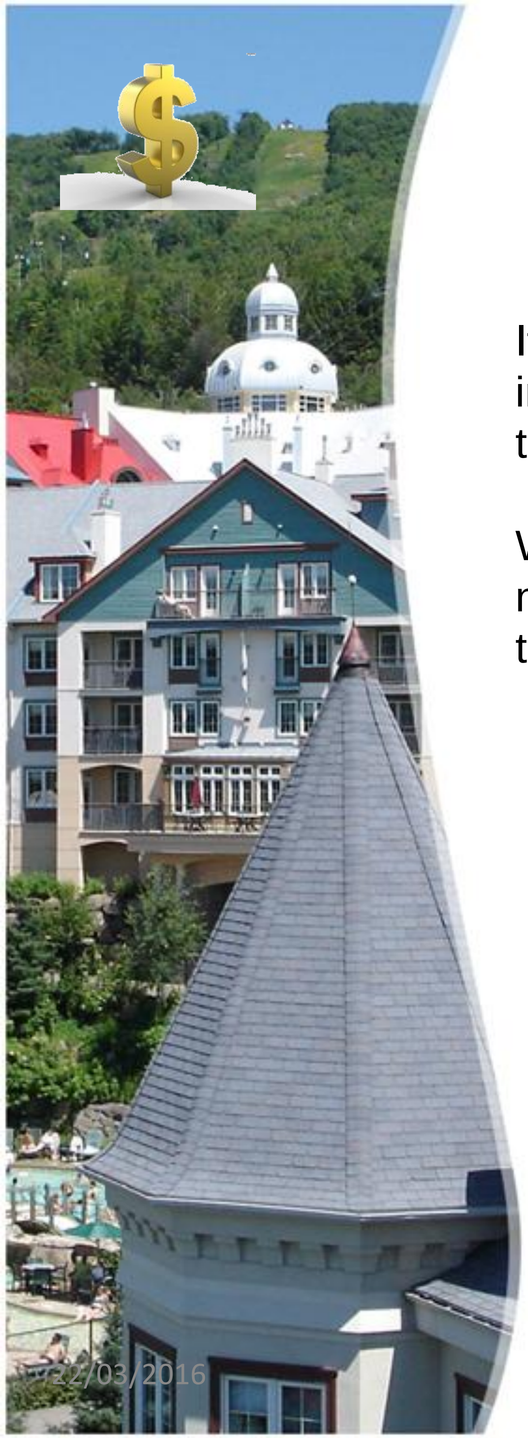
Be sure to claim your medical expenses on the tax return of the lower income spouse.

This could save you more tax since your claim is limited to $2,171 (for 2014) or three per cent of net income, whichever is less.

Limit for 2015 is $2,208

Transit Pass

If it covers at least 28 consecutive days you can claim 15% of the value—and there's no limit on how much can be claimed.



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GST/HST Credit

If you're entitled to the GST/HST credit paid based on family net income, it used to be that you had to apply for the credit on your tax return. No longer.

When you file your tax return, Canada Revenue Agency (CRA) will now determine your eligibility and will tell you if you are entitled to the credit.

Legal Fees To Collect Unpaid Rent

Generally may be are deductible only if they are related to collecting the unpaid rent.

Property Transferred from Parent to Child

The parents can transfer their properties to child at any time at the Fair Market Value.

Income attribution rules will be applied to the minors (who cannot own property anyway)

Ontario Tax Credits

The low income families and the student who are living away from home and are paying rent are eligible to receive up to $1000 upon entering the year's property tax or the rent being paid in Ontario.

Home Office Expenses

Where there is a home used for the business then there may be a home office expense based on the % area used divided by the total area of the home to be applied for the total home expenses (but cannot claim the expenses if the business shows a loss)

Claim your Home or Vacation Property as Principal Residence to save Capital Gains

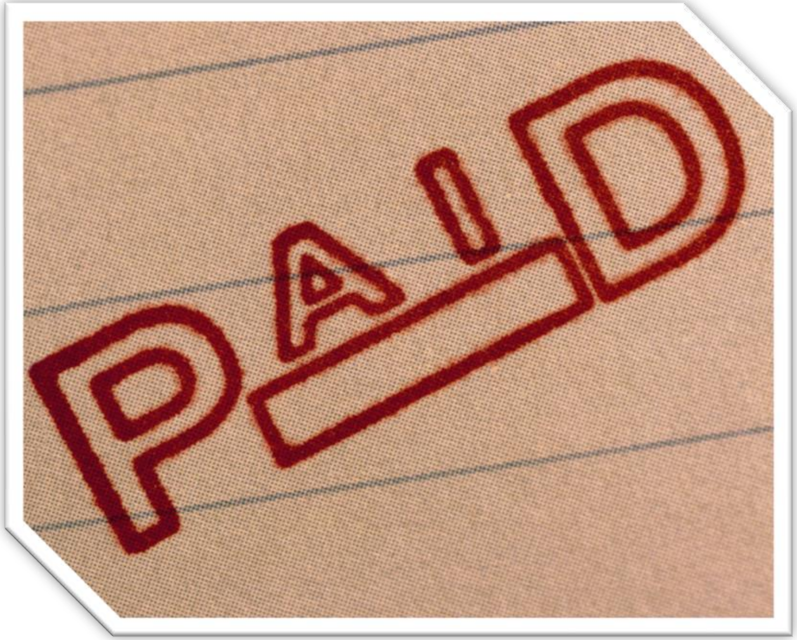
If the appreciation in value is greater than the home you live in, then you can name the vacation home as the principle residence for purposes of the tax free gain on sale.

(Can only have one principal residence)

CRA and Income Tax Audits

The rental losses for 3 years or more are high audit risk for CRA and the invoices which are not stamped "PAID" , could be rejected as tax deductible receipts.

Cancelled checks are not accepted as receipts.



Medical Expenses

You may be able to claim a non-refundable tax credit based on the cost of medical expenses for any 12 month period.

Write Off Your Kids

You have a children under 16 in 2015 then parents can claim up to $1000/year for eligible fitness expenses paid for each child.

Don’t forget to claim the “child amount” of $2089 for each child under the age of 18 in 2015

Foreign Income Verification Statement

Canada Revenue Agency advises that if you know you won't be able to get a slip by the due date, simply attach a note to your return stating the payer's name & address, the type of income involved. Use pay stubs to estimate the amount to report.

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Pool Your Donations

The amount you donate is eligible for both federal & provincial donation tax credits. Once you have made at least $200 of donations in any year, the donation credit jumps to 29% federally, and between 11% and 21% provincially.

If you are married then you can pool your donations when you file your return.

Claim The Canada Employment Amount

The Canada employment amount was introduced in 2006 to give Canadian a break on what it costs to work , including expenses such as home computers etc.

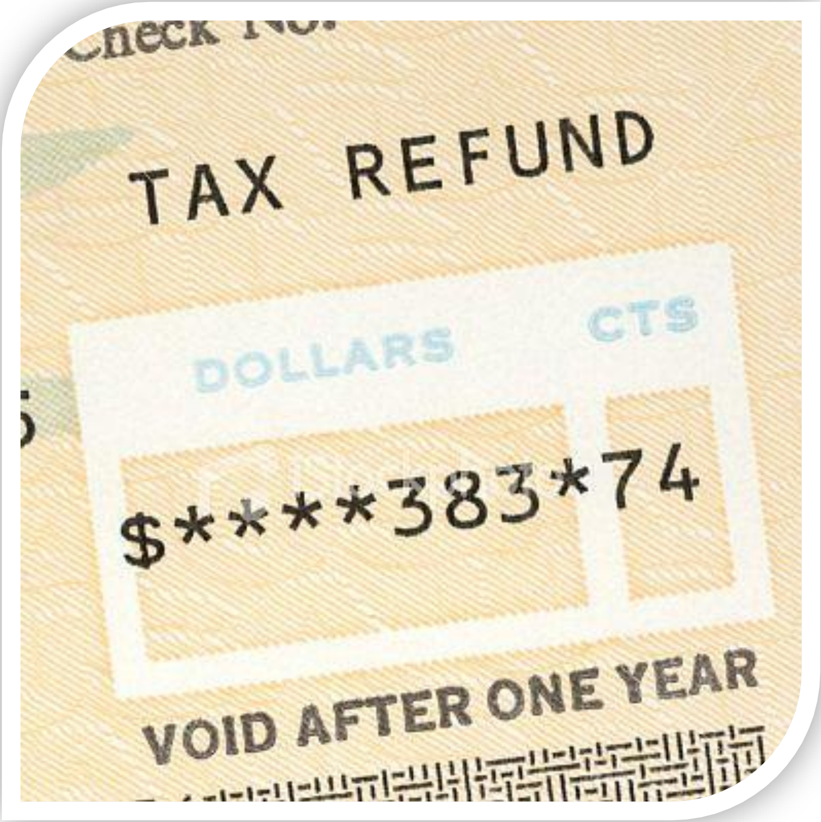
For 2015, the employment amount is equal or lesser of $1,127 and total employment income reported on lines 101 and 104.

File On Time Before Midnight April 30

If you file your return late, there is an automatic 5% penalty on the amount of tax unpaid plus an additional 1% /month penalty on the amount due each month the return is late, up to a maximum of 12%.Late filters are also subject to non deductible arrears interest.

Avoid That Refund

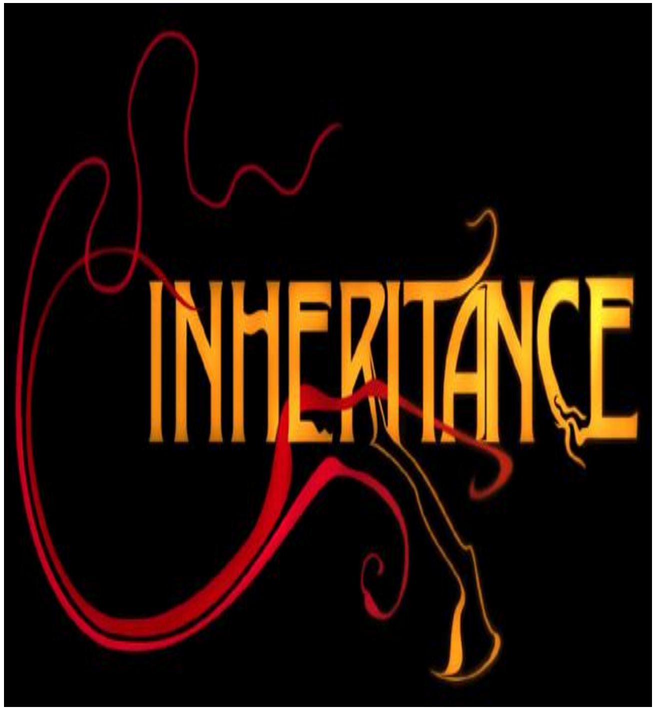
Under the Tax Act , it is possible to get your tax refund throughout the year, on every pay check, instead of waiting until your return is filed. Apply using CRA Form T1213,"Request to Reduce Tax Deductions at Source."



Invest Inheritance In Separate Names

A spouse with a lower income who receives an inheritance should be investing it in a separate account, so any investment return is taxed solely in the lower income spouse's hands.

Investing it in joint accounts would result in higher taxing.

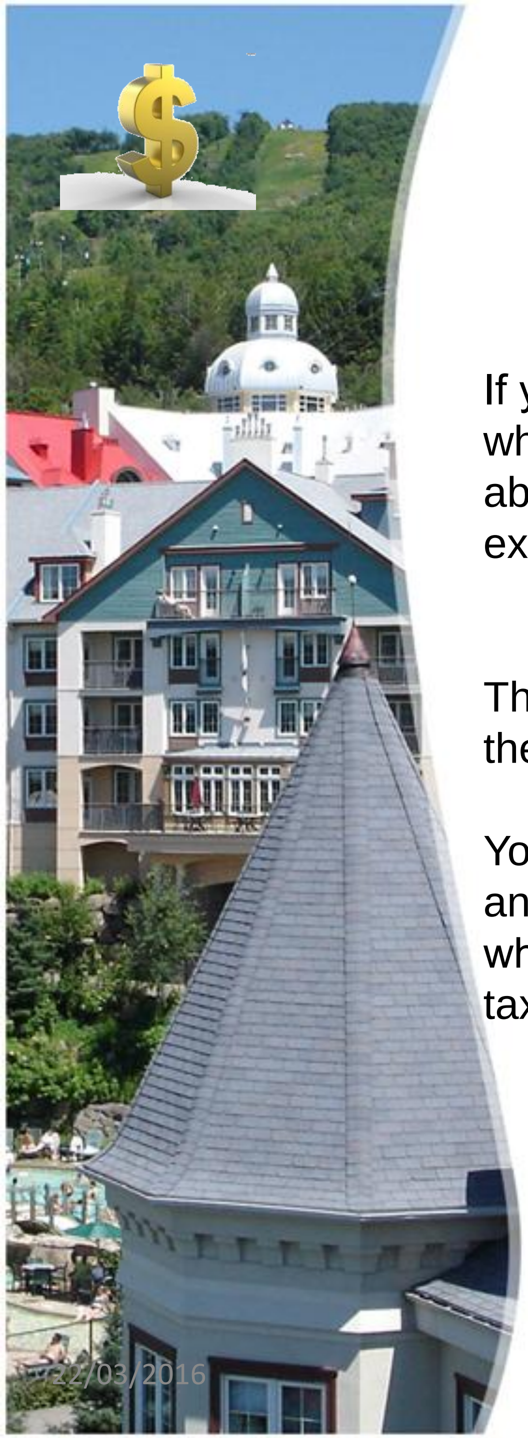


Splitting Income

Since 2014 you have the ability to claim the “Family Tax Cut” credit.

This credit will allow you to save up to $2,000 in taxes by effectively shifting part of the tax burden from a higher-income spouse or common-law partner to the one with a lower income.

You’ll have to meet the criteria, and complete Schedule 1A, which has all the details.

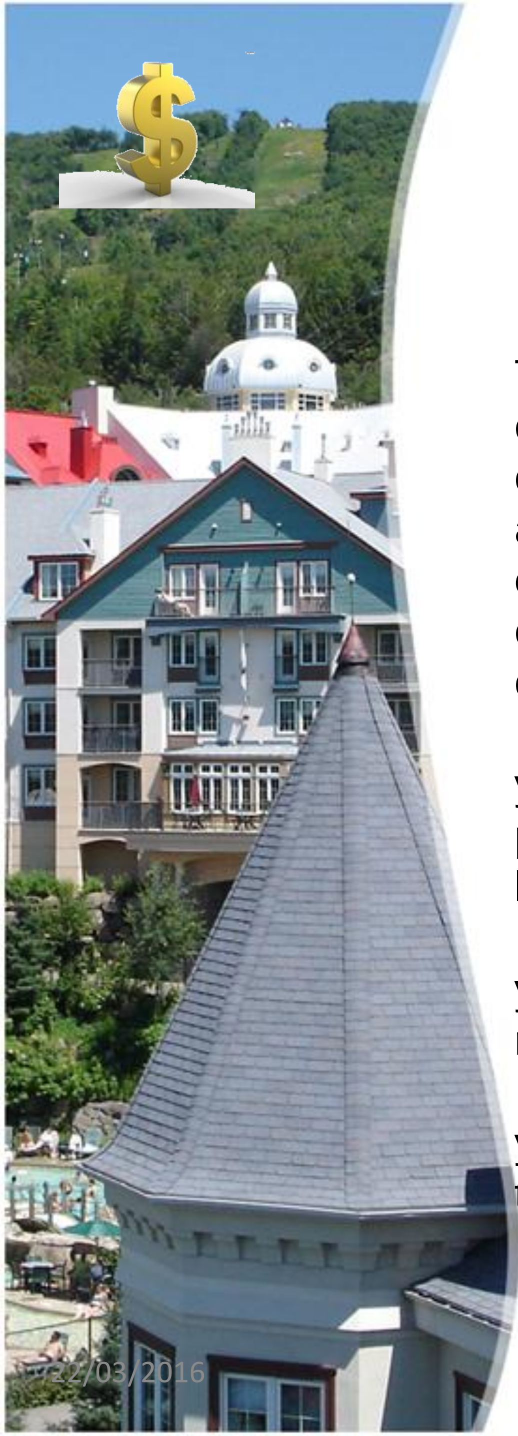


Adoption Expenses

If you’re adopting, or have adopted, a child who is under 18 years of age, you may be able to claim up to $15,000 of adoption expenses (up from $11,774 previously).

The expenses should be claimed in the year the adoption process ends.

You can split the $15,000 limit between you and your spouse or common-law partner, which can make sense if you’re both in high tax brackets.



Automobile Expenses

The rules surrounding motor vehicle expenditures in relation to rental property operations can be confusing, particularly when an investor owns only one rental property. You can only deduct "reasonable" motor vehicle expenses if you meet all of the following conditions;

you receive income from only one rental property that is in the general area where you live;

you personally do part, or all, of the necessary repairs and maintenance on the property; and

you have motor vehicle expenses to transport tools and materials to the rental property

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The Canada Revenue Agency (CRA) voluntary disclosures program

- Allows taxpayers to 'fess up about something on their current or past tax returns that may not pass the smell test. Doing this can prevent additional penalties from being assessed. But for the disclosure to be accepted, you must contact the Canada Revenue Agency (CRA) before it contacts you.

Canada Revenue Agency
www.cra.gc.ca

Don’t have to pay for tax software to use the NETFILE service

The Canada Revenue Agency lists several online programs that are 100% free and certified to work properly with its systems (see cra-arc.gc.ca).

NETFILE

Tax Efficiency

Should never be the main reason for buying an investment or real estate. Start with the right asset mix for your risk tolerance and investing goals, then look for tax efficiency.

Loan and Mortgage losses

If you invest money in loans and mortgages for a living, you may be able to write off your losses as a business expense.

NEVER do this!

Many self-employed people pay their kids or spouse to do some work for the family business as a way of splitting income and reducing the family's overall tax bill. But don't get greedy and pay your 16-year-old $50,000 a year. You're just asking for an audit.

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Supercharge your charitable giving:

If you’re one of those commendable people who plans on leaving the bulk of your estate to charity when you pass on, we have good news. You can reduce your tax bill substantially—and leave more to your charities of choice—by donating stock rather than cash while you’re still alive. That’s because when you donate stock, you’ll still get the same tax credit you’d get if you donated cash, but you don’t have to pay any capital gains

Spread your wealth around before you die

A simple tactic for avoiding probate fees on your estate is to slowly move money into TFSAs or regular taxable accounts to avoid a massive tax hit on your final return. You can also set up trusts for your children and grandchildren to average in taxable income at potentially lower marginal tax rates. That, or name your heirs as beneficiaries on accounts or give money to them while you're alive to avoid probate fees.

- If neither you nor your spouse has donated to charity since 2007, you can claim the first-time donor super-credit, and get an extra 25%. It's available only until 2017, the donation must be in cash and only the first $1,000 qualifies.

Golf Club Fees and Membership Dues

There is NO Income Tax Deduction.

Volunteer Tax Savings

If you're an emergency services volunteer you might qualify to claim a $3,000 amount on lines 362 (volunteer firefighters) or 395 (search and rescue volunteers, which is new for 2014). Alternatively, you can claim an exemption for up to $1,000 of income paid to you as an emergency services volunteer. But you can't claim both the $3,000 amount and the $1,000 exemption. You'll likely be better off claiming the $3,000 amount; a tax pro or tax software can help you make that decision.

Claim These Expenses to Save Taxes

Split That Pension

Pension Splitting is a **tax – planning technique** that can only take advantage of at tax – filing time.

It also allows Canadians who received eligible pension income to split up to half of that income with their spouse or common-law partner.

What's New for the 2016 Tax-Filing Season?

What's New for the 2016 Tax-Filing Season?

There are changes and enhancements to existing services, credits, and amounts for individual taxpayers for the 2016 tax-filing season!

Important facts

-- Updated notice of assessment - The Canada Revenue Agency (CRA) has
improved the notice of assessment! The new, simpler format provides the
most important information about your assessment on the first page. This
is part of the CRA's effort to improve its correspondence with individuals. Online tax records are as official as a paper record.

Auto-fill my return

The CRA's "Auto-fill my return" service is now available through some certified tax software. This service allows you to automatically fill in certain parts of your income tax and benefit return. To use the Auto-fill my return service, you must be fully registered for My Account.

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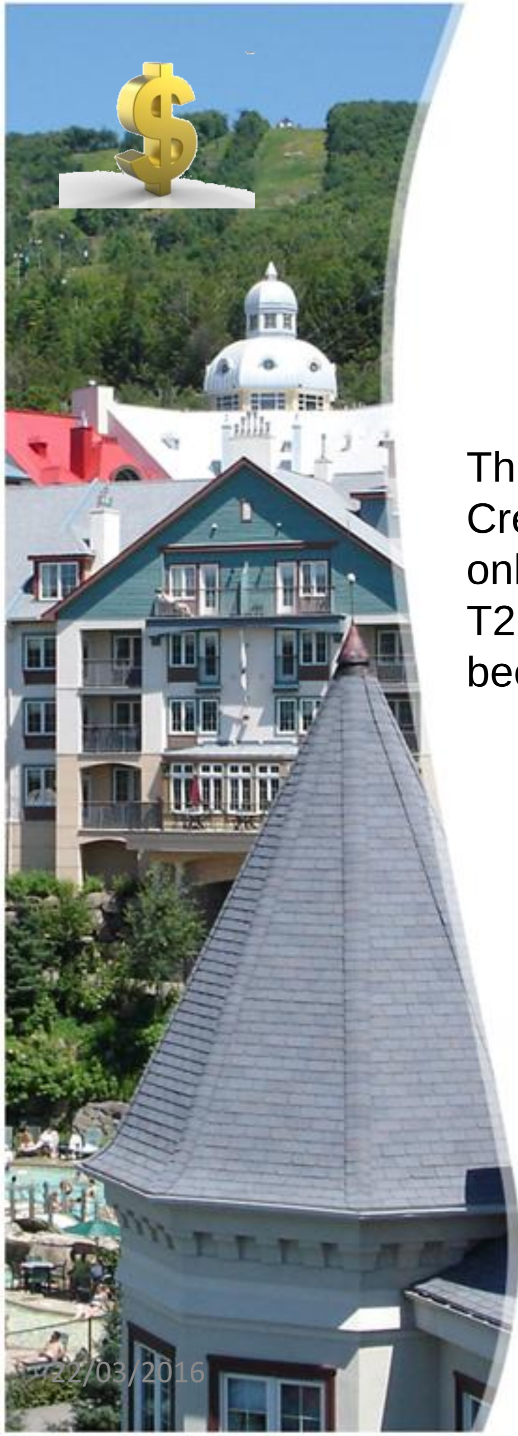
Online Mail

Online mail is the fast, easy and secure way to manage your tax correspondence. Get statements such as your notice of assessment online in My Account, instead of in the mail. To register,
provide us with an email address on your income tax and benefit return
or register directly online at http://www.cra.gc.ca/myaccount. New correspondence, such as benefits statements (summer 2016), will be added this year!

Universal Child Care Benefit (UCCB)

For the 2015 tax year, under the UCCB, families will receive $160 per month for each child under 6 and $60 per month for each child aged 6 through 17.

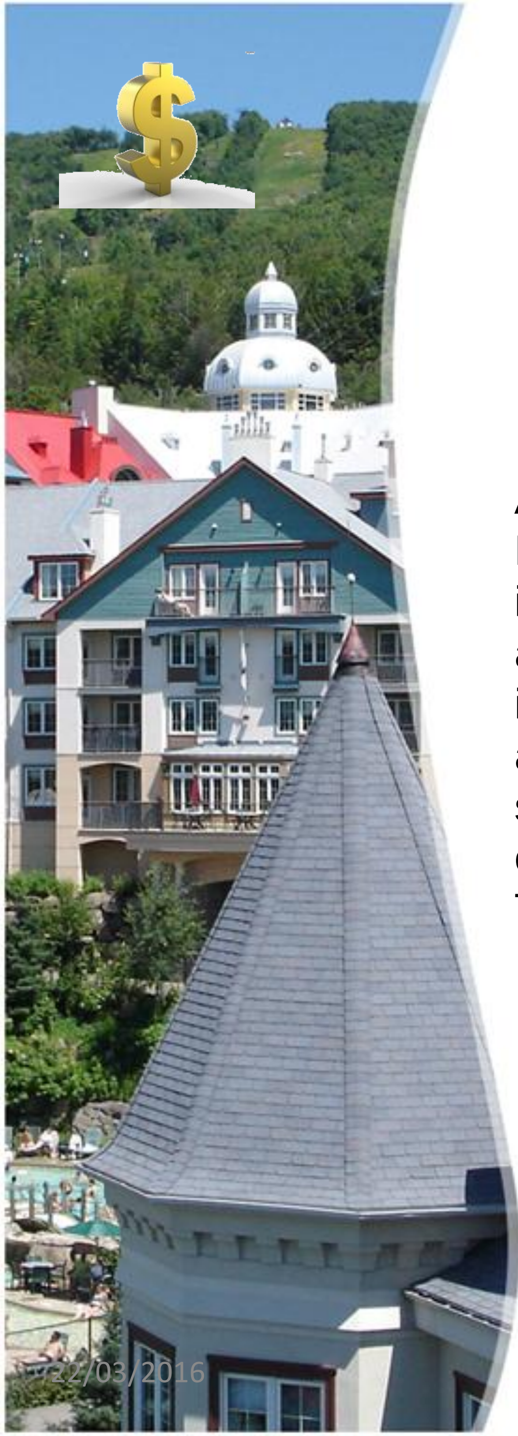


Disability Tax Credit

This year, Canadians claiming the Disability Tax Credit (DTC) will be able to file their T1 return online regardless of whether or not their Form T2201, Disability Tax Credit Certificate has been submitted to the CRA for that tax year.

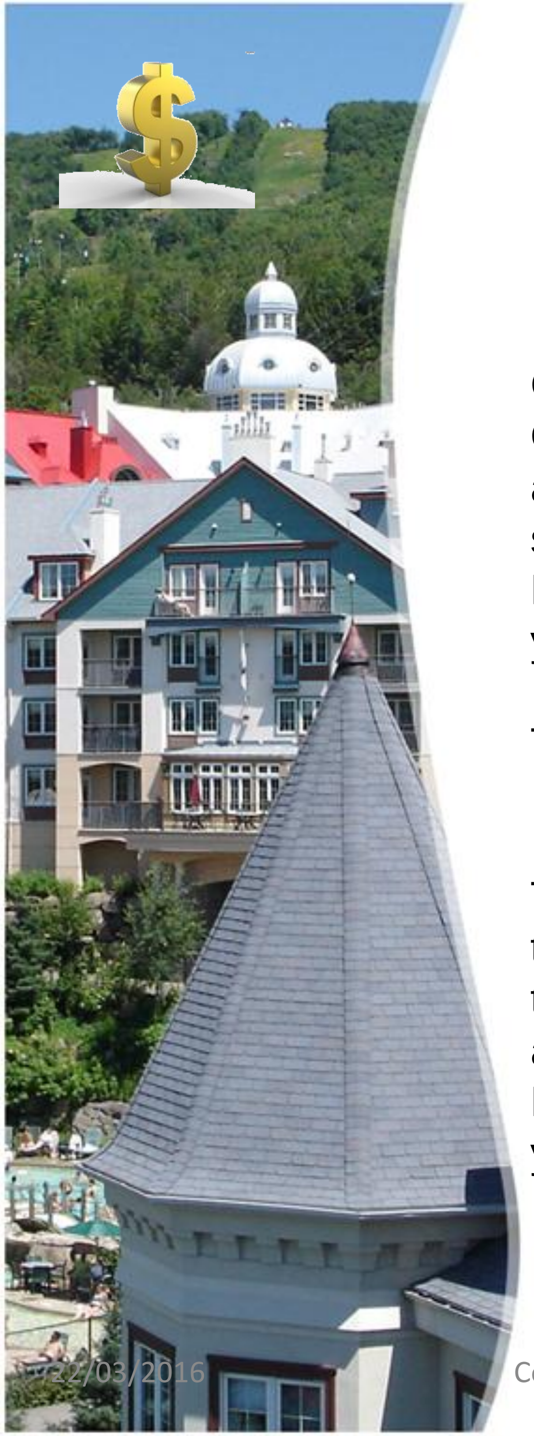
Children's Fitness Amount

As of January 1, 2015, this is now a refundable tax credit available to families with children enrolled in a prescribed program of physical activity. For tax years prior to 2015, this credit was non-refundable.



Child Care Expense Deduction Limits

As of the 2015 tax year, the Child Care Expense Deduction dollar limits have increased by $1,000. The maximum amounts that can be claimed have increased to $8,000 for children under age seven, to $5,000 for children aged seven through 16, and to $11,000 for children who are eligible for the Disability Tax Credit.



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My CRA mobile app

Get your tax information anytime, anywhere, on your mobile device! In October 2015, new features were added to the MyCRA mobile app such as personalized benefit payment information, enhanced tax return status, and Canada child tax benefit application status. Starting February 2016, you will also be able to update your address, manage your online mail with the CRA, and sign up for direct deposit.

The CRA's online services make filing and managing your taxes easier.

The CRA's online services are fast, easy, and secure. You can use them to help file your income tax and benefit return, make a payment, track the status of your return, register for online mail, apply for child benefits, and more. Access the CRA's full suite of self-service options-register for My Account at **www.cra.gc.ca/myaccount** today, and start managing your tax matters online!

Moving Paperless

If you haven't registered yet for the Canada Revenue Agency (CRA) service "My Account," you should

go to:
cra.gc.ca/myaccount

It allows you to access and manage all of your personal tax information and correspondence with Canada Revenue Agency (CRA) online. On the front page of your tax return, be sure to register for online mail and you'll receive an e-mail notification any time there is mail for you to view on the My Account online service.

Your Notice of Assessment will arrive electronically this way. Go ahead, save some trees.

Using Grants & Tax Credit for Tax Savings

Senior Homeowner’s Property Tax Grants Ontario

- This grant helps seniors with the cost of their property taxes.
- **How much money could I receive**
- You could get up to $500 each year.
- **Use online calculator to see how much money you get**
- **Do I qualify?**
- You may qualify for the grant if:
- you or your spouse/common-law partner paid Ontario property tax in the previous year
- you meet the income requirements as of December 31 of the previous year, you:
  - were 64 years of age or older
  - were a resident of Ontario
  - owned and occupied your principal residence (or your spouse/common-law partner did).

Child Disability Benefit

If the child is eligible for disability amount and is under 18 then he/she can apply for this kind of benefit.

Tax (GST/HST) Credit

Low & modest income people can apply for it after completing the application on the first page of 2015 income tax and benefit return.

Tax Savings tips for Home Buyer

Home Buyers' Plan

You may also be eligible to participate in the Home Buyers' Plan, a program which allows you to withdraw funds from your registered retirement savings plan to buy or build a qualifying home for yourself or for a related person with a disability. You can withdraw up to $25,000 in a calendar year, and you have up to 15 years to repay the amounts you withdraw. Your first repayment starts the second year after the year you withdrew funds from your RRSPs for the HBP.

To be eligible to participate in the Home Buyers' Plan, you must be a first-time home buyer and you must have a written agreement to buy or build a qualifying home for yourself. You are considered a first-time home buyer if, in the four-year period, you did not live in a home that you or your current spouse or common-law partner owned.

You must intend to live in the qualifying home as your principal place of residence within one year after buying or building it.

For more tax information for homeowners, go to www.cra.gc.ca/myhome

Home Buyers' Plan For Persons With Disabilities

You do not have to be a first-time home buyer to participate in this plan if you are eligible for the disability tax credit or if you acquired the home for the benefit of a related person who is eligible for the disability tax credit. The purchase must be made to allow the person with the disability to live in a home that is more accessible or better suited to the needs of that person.

First Time Home Buyers’ Tax Credit

If you are disable person or a person related to disable person and buying home for them for the first time then you can apply for the non refundable credit up to $750.

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The Canada Revenue Agency (CRA) Rental Income Guide

It is a great starting point for any investor looking for plain-English information on rental property taxation. While Canada Revenue Agency (CRA) guides do not hold the same weight as actual tax law, they are based on legislation, case law and the Canada Revenue Agency (CRA) internal policies.

Canada Revenue Agency
www.cra.gc.ca

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Tax Saving tips for those who Bought a Home in 2015

Did You Buy a Home in 2015?
Home buyer’s Credit

If you are a first-time home buyer, you may be able to claim an amount of $5,000 for the purchase of a qualifying home in 2015.

To qualify for the home buyers' amount:

• you or your spouse or common-law partner bought a qualifying home; and

• you did not live in another home owned by you or your spouse or common-law partner that year or in any of the four preceding years

You do not have to be a first-time home buyer if:

• you are eligible for the disability tax credit; or

• you acquired the home for the benefit of a related person who is eligible for the disability tax credit.

A qualifying home must be registered in your name or your spouse's or common-law partner's name according to the applicable land registration system, and must be located in Canada. It includes existing homes such as single-family houses, semi-detached houses, townhouses, mobile homes, condominium units, apartments in duplexes, triplexes, four-plexes, or apartment buildings, and homes under construction.

Top 10 Tax Savings Tips for Canadian Real Estate Investors

Top 10 Tax Savings Tips for Canadian Real Estate Investors

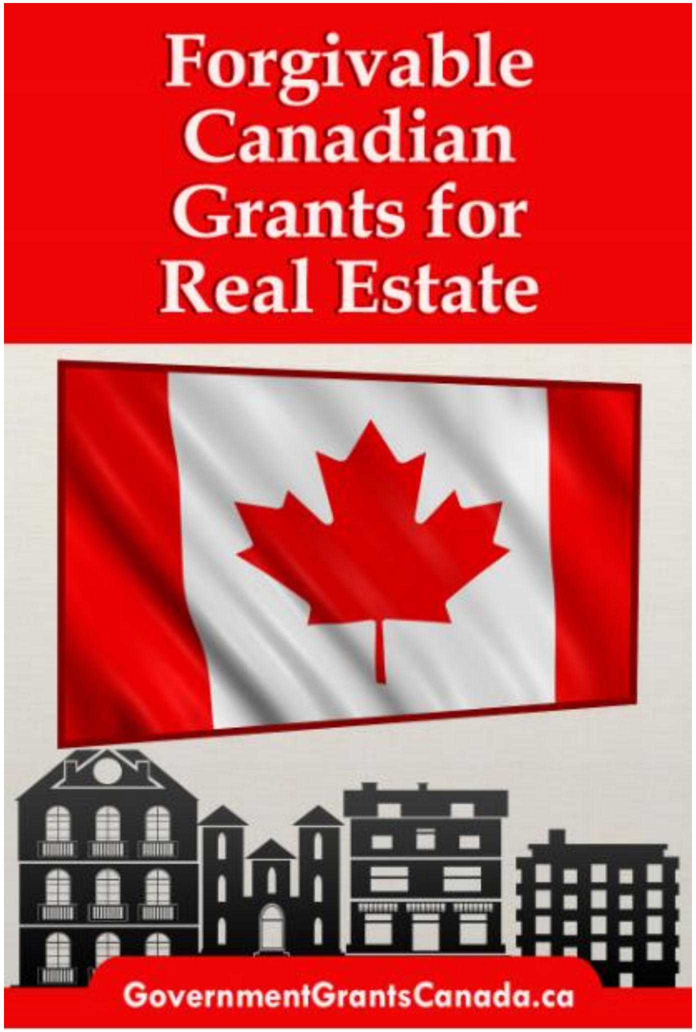
- **Don't exaggerate your home office expenses**. This is a red flag for the CRA. There are always exceptions, but a good rule of thumb is a maximum of 25 per cent as the business share of heat, hydro, property taxes and so on.
- **Keep a careful log of car expenses**. This is another red flag for CRA.
- **If you run into trouble or make a mistake, call the CRA.** Most times they will be very helpful, especially if you call before the crunch.
- Whatever you do, **don't ignore communications from the CRA**, respond promptly and make notes of your conversation right on the letter for future reference.
- Unless you are incorporated you are required to **complete a Statement of** t**Business and Professional Activities (T2125)** at he same time as you file your personal taxes.
- **Don't wait until the last minute.** It's impossible to get yourself properly organized under eleventh-hour time pressure and it's difficult to make good decisions to minimize your taxes.
- **Make an estimate of your expected tax bill.** If your revenue is going to be high, you might consider making that machinery or computer purchase before year's end. You'll defray some of the expense through capital cost depreciation, says Cleo Hamel, senior tax analyst with H & R Block Canada.
- **You should set aside 30 to 40 per cent of your gross income to cover income tax and CPP.** Even if you are the only employee of your business, you are responsible for paying the employee and the employer CPP contributions.
- **Keep proper records differentiating business from personal**. If you can't prove it, the CRA will likely assume the expense is personal. Hamel recommends that you slot your expenses into the categories provided by CRA on the T2125. "Whatever you do, don't have a large


Q & A
no question off limits

Oh what to to, what to dooo?

Forgivable Canadian Real Estate Grants Strategy

Turning your bassement into a legal basement apartment with the assistance of Canadian forgivable grants will easily increase the cash flow and value of the rental property. You can get the entire Directory of Canadian forgivable grants at http://www.governmentgrantscanada.ca/book-sale-60-discount/



Learn more to earn more…….

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Education is much cheaper than ignorance. Canadian trained Canadian professional real estate investor makes more money than speculators and gamblers.

Attend upcoming

Canadian real estate investment strategy apprenticeship

Jan 23rd-24th, 2016 in Toronto-Ontario

Eye Witness LIVE training Boots on the ground

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Our Classroom is the Real World

Live Hand's On Training for Canadian Real Estate Investors training program

Most of the properties will be SOLD 30-90% Below current Market value.

Learn more to EARN more

Watch it, Do it & Grow Rich

Date: April 13th, 2016

Time:10:30 am – 5:30 pm

Training Fees : $998.98 plus taxes

Reserve Your Seat NOW

Coaching for Real Estate Investors

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Next Meeting

The next meeting will be held on:

Saturday April *9th 2016*

@ 2:00pm at the Bayview Golf &Country Club

Please bring your family and friends to join us!


Thank you ...