

Tax Savings Grid

| Cat | | Deduct | Divide | Defer | Disguise | Dodge |
|-----|----|---|--|---|---|--|
| F | 1 | Child care expenses properly | 1 Set up a reg'd. education save plan (resp) | 1 Make use of the Home Buyer's Plan | | 1 Record RESP income in child name |
| | 2 | Ensure child with income files return | 2 Pay adult child to baby-sit kids <17 | 2 Make use of lifelong learning plan | | |
| | 3 | Claim dependant spouse | 3 Pay adult child to help in move | | | |
| | 4 | Claim equivalent to spouse | 4 Invest child tax benefit in kids name | | | |
| | 5 | Claim infirm dependant | 5 Invest inheritance in correct hands | | | |
| | 6 | Claim caregiver credit | 6 High earner pay household expense | | | |
| | 7 | Claim disability credit | 7 Pay spouse's tax bill | | | |
| | 8 | Transfer credits to spouse | | | | |
| | 9 | Claim interest on student loans | | | | |
| | 10 | Claim tuition and education amounts | | | | |
| | 11 | Claim medical expenses properly | | | | |
| | 12 | Refundable medical exp supplement | | | | |
| | 13 | Support payments made | | | | |
| | 14 | Claim your donations properly | | | | |
| Oe | 1 | Commissioned employee expenses | 1 Assistant's salary | 1 Consider a sabbatical | 1 Consider taxable employment benefits | 1 Negotiate non-taxable benefits |
| | 2 | Travel expenses | | 2 Delay receipt of bonus | 2 Take part of pay as stock options | 2 Non taxable car allowance |
| | 3 | Auto expenses | | 3 Apply for a reduction in DAS | | 3 Reduce company car auto benefit. |
| | 4 | Supplies | | | | 4 Negotiate a death benefit |
| | 5 | Home office expenses | | | | |
| | 6 | Attendant costs | | | | |
| | 7 | Union & professional dues | | | | |
| | 8 | Legal fees | | | | |
| | 9 | Northern residents deduction | | | | |
| | 10 | Claim moving expenses | | | | |
| | 11 | Overseas employment credit | | | | |
| | 12 | Prescribed Int'l Organization | | | | |
| | 13 | Claim refund of excess EI, QPP | | | | |
| | 14 | Claim a rebate for gst/hst | | | | |
| Os | 15 | Arrange to be self-employed | 2 Pay salary to family member | 4 Consider incorporating your business | 3 Establish health & welfare trust | 5 Pay yourself capital dividends |
| | 16 | Claim meals & entertainment | 3 Pay consulting fees to fam member | 5 Choose the right year end | | |
| | 17 | Deduct automobile | 4 Pay director's fees to family member | 6 Borrow money from your corporation | | |
| | 18 | Home office expenses | 5 Pay rents to a family member | 7 Use tax-free small business rollover | | |
| | 19 | Claim cca on assets | 6 Partnership with a family member | 8 Claim a reserve for instalment sales | | |
| | 20 | Deduct self-employment losses | | 9 Choose cash method if farmer | | |
| | 21 | Deduct travel | | 10 Claim 10 yr reserve on sale of farm | | |
| | 22 | Claim dental and health premiums | | 11 Consider tax-free trans of farm to kid | | |
| | 23 | Claim work income tax benefit | | | | |
| | 24 | Deduct farm losses | | | | |
| | 25 | Pay club dues in partnership or corp. | | | | |
| | 26 | Claim \$800k capital gains exempt | | | | |
| | 27 | Purify corp for capital gains exemption | | | | |
| | 28 | Claim a credit for research and devel | | | | |
| R | 1 | Deduct RRSP contributions | 1 Split pension income for spouses | 1 Make contribution to RRSP | 1 Consider a corp to hold investments | 1 Withdraw RRSP in lower tax bracket |
| | 2 | Contribute in kind to RRSP | 2 Contribute to spousal RRSP | 2 Transfer retiring allowance to RRSP | 2 Swap investments with RSP or RIF | 2 Withdraw RRSP as non-resident |
| | 3 | Save RRSP deduct for future year. | 3 Trans reg'd assets on marriage break | 3 Convert RRSP to RRIF at 71 | | |
| | 4 | Contribute to your RRSP b4 mortgage | 4 Establish a testamentary trust | 4 Base RRIF withdrawals on spouse | | |
| | 5 | Deduct RPP contributions | | 5 Consider an Individual Pension Plan | | |
| | 6 | Claim the age credit | | 6 Retroactive lump-sum RPP pmts | | |
| | 7 | Claim pension income credit | | 7 Leave assets to spouse at death | | |
| | 8 | Claim home support for seniors | | 8 Name beneficiary for your RRSP | | |
| | 9 | Contribute to RRSP in yr of death | | 9 Consider cascading life insurance | | |
| | 10 | Claim \$800k cap gains exempt yr of death | | 10 Eligible Funeral Arrangement (EFA) | | |
| M | 1 | Deduct prior years' losses | 1 Lend to family member with interest | 1 Delay sale of assets to future year | 1 Build interest into price on asset sale | 1 Establish a tax free savings account |
| | 2 | Trigger losses to offset capital gains | 2 Lend to family for business purpose | 2 Invest in corporate mutual funds | 2 Place investments in equity funds | 2 Pay RRIF & RRSP fees inside plan |
| | 3 | Transfer capital losses to spouse | 3 Lend money for a non-income purpose | 3 Buy a cap distributions mutual fund | 3 Report as capital gain or income | 3 Buy universal life insurance |
| | 4 | Claim a business investment loss | 4 Lend money for 2nd generation inc. | 4 Buy T-Bills etc. mature after yr end | 4 Redeem shares with paid up capital | 4 Designate a principal residence |
| | 5 | Invest in shares of a private corp. | 5 Lend money to child, charge R&B | 5 Purchase a prescribed annuity | | |
| | 6 | Avoid 2 corps being associated | 6 Pay interest on family member loan | 6 Claim a capital gains reserve | | |
| | 7 | Consider borrowing money to invest | 7 Sell assets to family member | | | |
| | 8 | Withdraw capital from partnership | 8 Give any assets to adult child. | | | |
| | 9 | Make non-deductible int deductible | 9 Give growth assets to minor. | | | |
| | 10 | Deduct other carrying charges | 10 Loan from one corporation to another | | | |
| | 11 | 1st time RRSP in year you buy house | 11 Complete an estate freeze | | | |
| | 12 | Deduct exploration and dev exp | 12 Corp lend money to child in school | | | |
| | 13 | Claim home buyers credit, 1st home | 13 Consider family trusts to split income | | | |
| | 14 | Deduct limited partnership losses | | | | |
| | 15 | Claim unclaimed foreign taxes | | | | |
| | 16 | Transfer dividend tax credit to spouse | | | | |
| | 17 | Add reinvested distributions to cost | | | | |
| | 18 | Use 1994 exempt capital gains | | | | |
| | 19 | Deduct rental losses | | | | |
| | 20 | Claim terminal loss on rental property | | | | |