



(Temporary) Residence in Canada – Worth a Thought

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Immigration to Canada

- Skilled Worker category
- Entrepreneurs (net worth test CAN\$ 300,000)
- Investors (net worth test CAN\$ 800,000)

Canadian Investor Program

- Net worth test CAN\$ 800,000 / EUR 500,000
- Deposit CAN\$ 400,000 / EUR 250,000 for 5 years with the government or province
- Federal government commitment to finalising 1 000 federal investor cases per annum
- Application process: 12 – 15 months

Canadian citizenship

- Available after 3 years of legal residence
- Your grandchildren become Canadian citizens automatically
- Citizenship is not a basis for taxation

Attractive taxation

- No estate tax, succession duties, gift taxes (but taxable gain on deemed dispositions)
- Special capital gains relief for immigrants
- Special 5 year tax holiday for immigrants (immigration trust)

Immigration Bump Up

- Immigrant is deemed to have acquired assets immediately before immigration
- Example: shares held since long
- Result : a new resident can sell shares and not be required to pay tax on gains

Immigration trusts

– 5 year exemption

- Settlor is the immigrant
- Trustees should be nonresidents
- Exemption for non-Canadian income and capital gains for 5 years

Foreign family trusts

– indefinite exemption

- Settlor is a parent who remains nonresident
- Trustees should be nonresidents

Insurance planning

- Exempt policies
- Policies acquired 5 years before immigration
- Foreign term insurance without cash value

Final remarks

- The “aesthetic” advantage of a high tax country
- UN top 5 best country to live in