

Inheritance

When Mrs. Smith passed away, her only son and Executor Jim, was not in a state of mind to deal with all the responsibilities as Executor. He met with Paul who walked him through what needed to be done and also assured Jim that he is here to help along the way. Paul provided a check-list of items for him to look after and helped him with all of the paperwork needed to transfer his Mom's assets over to the beneficiaries. Paul also provided recommendations, in simple terms, on how to set up his financial affairs to ensure that if something were to happen to him, his beneficiaries would have an easier time.

Some things to consider:

- Ensure you have a Will and Powers of Attorney (POA) for property and personal care. If you have assets in different countries it is advisable to get a Will and POA there as well.
- If inherited assets are kept separate then they will not be a part of family assets in the unfortunate situation of a divorce.
- Consider Segregated Funds as they help protect against creditors, avoid probate and you can designate beneficiaries on non-registered accounts.
- Roll over RRSP's to a dependent child, tax deferred, using an annuity, age minus 18 is the maximum term. Payments must commence in 1 yr.
- File multiple optional returns for- rights or things for other income not received, business income and income from testamentary trusts.
- Capital losses can be claimed against income in the current year and previous year.
- Make a final SRSP contribution in the year of death or 1st 60 days after the calendar year end.
- If deceased Jan. 1st - Oct. 31st taxes are due April 30 the following year. If Nov. 1st - Dec. 31st taxes are due 6 months after date of death.

I am never too busy to help any of your friends, family members or work colleagues.

Paul Polyviou, CFP, CLU

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