

## **5.3** PROPERTY TRANSFER PLAN

The objectives of the property transfer plan are to:

- ensure the equitable division of your estate between heirs;
- ensure a financially secure retirement for the transferor(s);
- create a share distribution that is conducive to the growth of the business;
- create adequate buy-sell conditions for the successor(s).

The property transfer plan is based on tax and succession planning. We recommend that you seek the services of accredited legal and financial advisors who are up to date with the laws and regulations in effect at the time that the tax and succession strategies are implemented. As needed, our advisors can help you.

The objectives of tax and succession planning are to:

- maximize the assets transferred to your heirs;
- minimize the tax implications when you die;
- maximize your capital gains deduction;
- minimize the tax/income tax payable;
- ensure you derive maximum benefit from tax deferral programs;
- protect your estate;
- provide you with financial security in retirement;
- simplify acquisition of business shares by the successor(s);
- safeguard the financial health of the business and protect it against creditors.

To this end, below are the strategies most commonly recommended by experts:

- estate freezing;
- establishing a family trust;
- creating of a holding company;
- income-sharing with family members;
- writing a will;
- revising the shareholders' agreement;
- writing a power of attorney;
- purchasing insurance policies benefitting the business or your heirs, or both, as beneficiaries.