

2008 YEAR-END TAX PLANNING CHECKLIST

SENIORS

The following checklist provides tactics you should consider as part of your year-end tax planning. If you need further explanation, please contact Chaplin & Co., Chartered Accountants at 416 667 7060.

- Inter vivos trust** - If you are over the age of 64, consider establishing an *inter vivos* trust as part of your estate plan.
- Old Age Security (OAS)** - If you no longer receive OAS benefits because your income is over \$64,718 in 2008, consider ways to reduce your income so that you can continue to receive this government pension.
- Canada Pension Plan (CPP)** - If you and/or your spouse are entitled to Canada Pension Plan (CPP) payments, consider splitting income by requesting (before starting to receive payments) to share the total CPP payments.
- Pension income credit** - This credit is 2,000.
- Your RRSP** - If you turn 71 in 2008, you must wind up your RRSP by the end of the year. This means that you can:
 - contribute to your RRSP only until December 31, 2008;
 - contribute (before the normal February 28, 2009 deadline) to your spouse's RRSP until the end of the year your spouse reaches age 71, if you have unused RRSP contribution room or earned income in the previous year;
 - defer taxes on all or a portion of the amount in your RRSP by transferring the funds to a registered retirement income fund; and
 - consider making a contribution for 2008 by December 31, 2008.