

## Have You Looked at Your Will Lately?

Date: June 30, 2015 Lawyers You Should Know: Margaret Rintoul

ARE YOU:	A business owner?
	Married for the second time (with children on both sides)?
	In a common-law relationship?
	Supporting a special needs dependent?
DO YOU:	Have a will with a trust for your spouse?
	Have a will with testamentary trusts for your family?
	Intend to make charitable gifts through your will?
	Have joint accounts set up with your
	children/grandchildren/nieces/nephews?

If you answered YES to any of the above, you should <u>consult an expert</u> to make sure that there are no unexpected problems for your loved ones!

**New Income Tax** rules have changed the way income tax will be charged on estates set up for surviving spouses.

**Common-law spouses** do not have automatic rights to share in an estate unless there is a will that provides for it. Without a will, a legal, but separated spouse is treated as the <u>only</u> spouse.

**New reporting requirements for estate trustees** require very detailed reporting of everything you own. However, there are ways to lessen this obligation.

**Charitable bequests** of money and securities can be done with tax benefits that were not necessarily available under the previous rules.

**Trusts created in wills (testamentary trusts)** used to be taxed at marginal rates. Beginning in 2016, all continuing trusts, will be taxed at the top marginal rate on all income taxed in the trust.

**Trusts for disabled beneficiaries** will still be taxed at the marginal rates on reinvested income, but the beneficiary must qualify for a Disability Tax Credit under the *Income Tax Act*, and only one trust will be allowed for each disabled person.