



Pacific Business & Law Institute

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# TAXATION OF PRIVATE COMPANIES: THE NEW FRONTIER

Chaired by  
**David Christian**  
Thorsteinssons LLP

February 27<sup>th</sup>, 2018 • UBC Robson Square • Vancouver, BC

*Live Webinar also available!*



## CHAIR



**David Christian**, Partner, Thorsteinssons LLP, Vancouver, BC. Mr. Christian's practice covers all taxation matters, with a particular focus on corporate reorganizations and taxation of owner-managed businesses. He is a former adjunct professor of taxation law at the University of British Columbia, and has served as a member of the Joint Committee on Taxation of the Canadian Bar Association and the Canadian Institute of Chartered Accountants. Mr. Christian has lectured on tax matters at conferences for the Canadian Tax Foundation and for various professional organizations including the Certified General Accountants Association of British Columbia, the Institute of Chartered Accountants of British Columbia, the British Columbia Medical Association and the Canadian Bar Association.

## FACULTY



**Kimberley Cook**, Partner, Thorsteinssons LLP, Vancouver, BC and Toronto, ON. Kim's practice focuses on tax litigation and representation. She has appeared on numerous occasions before the Tax Court of Canada, the Federal Court of Canada, the Federal Court of Appeal, the Supreme Court of Canada, the British Columbia Supreme Court, the British Columbia Court of Appeal, the Provincial Court of British Columbia, the Ontario Superior Court of Justice, and the Canadian International Trade Tribunal, on a wide range of income tax, provincial sales tax, GST and customs matters. Kim has represented a wide array of private and public sector clients.



**Ron Dueck**, Partner, Farris, Vaughan, Wills & Murphy LLP, Vancouver, BC. Ron's practice focuses on tax planning for private and public businesses and funds, particularly in the context of reorganizations, acquisitions and divestitures, and cross-border investment and growth. Ron also advises owner-managers regarding tax-efficient growth, transition, and estate strategies, and assists companies with navigating complex audits and CRA disputes. Ron regularly presents on business and corporate income-tax topics, including at the BC Tax Conference in October of 2016 on the topic of tax-free inter-corporate dividends under the newly amended subsection 55(2) of the *Income Tax Act*, as well as at the 2017 PBLI Conference on the topic of the taxation of partnerships under the *Income Tax Act*. Ron is a member of the Canadian Tax Foundation, Canadian Bar Association, and the Law Society of British Columbia.



**Kay E. Gray**, Tax Partner, Grant Thornton LLP, Vancouver, BC. Ms. Gray's practice is focused on tax planning, succession and estate planning solutions for privately-held businesses and their shareholders. Ms. Gray leads Grant Thornton's succession and estate tax practice in Vancouver, and participates in the National Succession and Estate Planning team which brings together the expertise of professionals across the firm to ensure clients receive cutting-edge, effective, yet practical solutions. Ms. Gray has authored several papers, presented at various conferences, and facilitated a webinar on succession planning strategies.



**Jason Moon**, Senior Manager, Grant Thornton LLP, Vancouver, BC. Jason has over 10 years of experience in accounting and tax, primarily focusing on tax planning and tax minimization strategies for individuals and corporations. He has served clients in a wide range of industries including real estate, retail, construction and incorporated professionals, providing tax related advice and services such as: corporate reorganizations and tax planning; tax compliance matters; business advisory; trust and estate planning; and personal tax planning. Jason has completed all three parts of CICA's In-Depth Tax Course.



**Kabir Sarda**, Senior Manager, Tax Services, EY, Vancouver, BC. Kabir has over eleven years of Canadian income tax experience providing tax services in a variety of industries, including six years in the transaction tax practice. He is experienced in providing income tax advice to multinational companies, Canadian based owner-managed businesses and private equity firms. Kabir received his Bachelor of Commerce (with distinction) from the University of Ottawa, and is a member of Chartered Professional Accountants of Canada, Alberta,

## TAXATION OF PRIVATE COMPANIES: THE NEW FRONTIER

Most Canadian businesses are operated by private corporations. The legal and taxation environment in which private corporations operate is complex, but had been fairly well settled and understood. On July 18, 2017, the federal Minister of Finance dropped a bomb into this environment, proposing policy changes that would dramatically change the way private companies and their owners are taxed. While the Minister later scaled back the proposals, ideas rarely die completely and the ideas reflected in the Minister's Consultation Paper may well be resurrected. Added to the environment of change are important new pronouncements from the courts, making it more essential than ever for professionals and operators of private corporations to remain on top of the many new challenges and issues.

At this conference, our expert faculty will take you through the impact of new tax rules and proposals, and will equip you with tools to effectively navigate these situations and avoid unintended tax consequences. You will gain insight into the areas where planning techniques will need to be changed, and learn which tax effective measures are still available, both at the planning stage and where unintended tax consequences have occurred.

### KEY AREAS TO BE ADDRESSED:

- Recent cases of interest impacting private companies
- The current corporate taxation system
- Proposed changes to the taxation of private corporations
- Proposed changes to income splitting
- The government's determination to end "surplus stripping"
- Current approaches to fixing tax mistakes

### WHO SHOULD ATTEND?

- Lawyers who practise in the areas of business law, estate planning or taxation
- Accountants practising in the areas of corporate taxation or advisory services for privately held businesses
- Owners and managers of businesses
- Financial planners and business consultants

and British Columbia, as well as the Canadian Tax Foundation and the International Fiscal Association.



**David Thompson**, Partner, Thorsteinssons LLP, STEP, Vancouver, BC. David has practised exclusively in taxation matters since 1985. David was a governor of the Canadian Tax Foundation. David is noted as a leading Canadian tax lawyer based on peer-review ratings in *Lexpert* and in *Martindale-Hubbell* and as a leading Canadian tax lawyer and a leading Canadian trust and estate lawyer based on peer-review ratings in *The Best Lawyers in Canada*.

# TAXATION OF PRIVATE COMPANIES: THE NEW FRONTIER

FEBRUARY 27<sup>TH</sup>, 2018

## 9:00 Welcome and Introduction by PBLI

## 9:05 Chair's Welcome and Introduction

**David Christian**  
Thorsteinssons LLP

## 9:15 Setting the Stage: The Status Quo

**David Christian**  
Thorsteinssons LLP

- The current corporate taxation system
- Pre-proposal taxation of business income, investment income and capital gains

## 10:05 Questions and Discussion

## 10:15 Refreshment Adjournment

## 10:30 Proposed Changes to the Taxation of Business Income

**David Thompson**  
Thorsteinssons LLP

- The original July 2017 proposals and revisions
- The draft legislation
- What can private companies expect moving forward?

## 11:20 Questions and Discussion

## 11:30 Tax on Split Income (TOSI)

**Ron Dueck**  
Farris, Vaughan, Wills & Murphy LLP

- Policy behind TOSI
- The rules – before and now
- Reasonableness test
- Anti-avoidance

## 12:20 Questions and Discussion

12:30 Networking Lunch

## 1:30 Proposed Changes to Section 84.1

**Kabir Sarda**  
EY

- What is surplus stripping and what was the government trying to accomplish with the aborted July 2017 proposals?
- The draft legislation
- What can/should we expect going forward?

## 2:20 Questions and Discussion

## 2:30 Refreshment Adjournment

## 2:45 Recent Cases of Interest for Small Business Taxation

**Kay E. Gray & Jason Moon**  
Grant Thornton LLP

- Pronouncements from the courts and CRA affecting private and owner-managed companies

## 3:35 Questions and Discussion

## 3:45 Fixing Tax Mistakes: What Can Companies Do?

**Kimberley Cook**  
Thorsteinssons LLP

- The Supreme Court of Canada weighs in: When is rectification still an option for tax errors?
- The doctrine of equitable rescission
- Statutory fixes

## 4:35 Questions and Discussion

## 4:45 Chair's Closing Remarks

## 4:50 Program Concludes

# INFORMATION

## Four Ways to Register:

1. Telephone us: 604-730-2500 or toll free 877-730-2555
2. Fax us: 604-730-5085 or toll free 866-730-5085
3. Mail your registration form with payment
4. Register at [www.pbli.com/1387](http://www.pbli.com/1387)

**Registration:** The registration fee is \$770.00 plus GST of \$38.50 totalling **\$808.50** covering your attendance at the program (In-person attendees have the option to receive their materials electronically in advance of the program, or in a hard copy binder on the day of the program. If an in-person attendee requests both hard copy and electronic materials, an additional \$50 charge will apply. Webinar attendees will always receive their materials electronically.), written materials, a light breakfast, a networking lunch and refreshments throughout the day.

**Early Bird Discount:** Register by January 29<sup>th</sup>, 2018 and receive a \$100 discount on registration fee (\$670.00 plus GST).

**Group Discount:** Register four persons from the same organization at the same time and you are entitled to a complimentary fifth registration. Early Bird and Group Discount cannot be combined.

**Payment:** You may pay by VISA, MasterCard or cheque. Cheques should be made payable to the Pacific Business & Law Institute. Registration fees must be paid prior to the program.

**When and Where:** Check-in begins at 8:30 a.m. The program starts at **9:00 a.m.** UBC Robson Square is located at the basement level of 800 Robson Street in Vancouver, BC. Please visit <http://www.robsonsquare.ubc.ca/find-us/> for directions.

**Materials:** The faculty will prepare papers and/or other materials explaining many of the points raised during this program. Please contact us at [registrations@pbli.com](mailto:registrations@pbli.com) if you are unable to attend the program and wish to purchase a set of materials.

**Your Privacy:** We will keep all information that you provide to us in strict confidence, other than to prepare a delegate list containing your name, title, firm and city for our faculty and the program delegates. We do not share our mailing lists with any non-affiliated organization.

**Cancellations:** Full refunds will be given for cancellations (less a \$60.00 administration fee) if notice is received in writing five full business days prior to the program (**February 20<sup>th</sup>, 2018**). After that time we are unable to refund registration fees. Substitutions will be permitted. We reserve the right to cancel, change or revise the date, faculty, content, availability of webinar or venue for this event.

**Course Accreditation:** Attendance at this course can be listed for up to **6.5 hours** of continuing professional development with the Law Society of BC.

## Registration Form Pacific Business & Law Institute

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