# 2024 Year-end | Tax Planning Opportunities

With our Total Wealth Solutions approach, we help you define and reach your goals at every stage of life.

These important tax and financial planning moves can hep prepare you for the upcoming tax season and better align your finances with your short- and long-term goals.

## Key Takeaways

While tax and financial planning should take place all year long, there are several actionable strategies to consider before year-end deadlines.

Important life events can have financial implications and should be discussed with your tax and financial advisor.

Certain investments generate more taxable distributions than others, so work with your advisor and tax professionals to evaluate your investments and after-tax returns.

RAYMOND JAMES®

Total Wealth Solutions

# Introduction

With a plethora of recent tax changes, from Alternative Minimum Tax (AMT), to changes to the taxation of capital gains, 2024 has been a year where tax planning is on the forefront of the minds of many. Maximizing tax savings is only one part of an overall financial strategy, but can significantly impact wealth building in the current tax year and the years to follow.

With deadlines fast approaching, now is the time to take advantage of tax-deferred growth opportunities, tax-advantaged investment strategies, and charitable-giving opportunities, among others, to maximize deductions and credits for your tax situation. Reviewing your investments in light of your goals, the tax policy environment, and the economic landscape can help you and your advisor see where adjustments need to be made to position yourself for 2025 and beyond.

# Important Dates to Remember

| | | |
|---|---|---|
| **June 2024** | 21 | Last day to sell securities to realize a gain or loss ahead of the June 25 effective date for capital gains changes.* |
| | 25 | Capital gains and losses settled from this day onward are subject to new rules with respect to capital gains inclusion rate. See https://www.raymondjames.ca/commentary-and-insights/tax-planning/2024/06/13/update-to-capital-gains-inclusion-rates for more details.* |
| **December 2024** | 16 | Fourth quarter tax instalment payment for 2024 due. |
| | 30 | Last day to sell securities on U.S. markets to realize a gain or loss. Settlement is T+1 days. |
| | 30 | Last day to sell securities on Canadian markets to realize a gain or loss. Settlement is T+1 days. |
| | 31 | Last day to pay deductible loan interest to deduct in 2024. |
| | 31 | Last day to complete charitable contributions for 2024, keeping in mind that some donations, such as securities donations, may require additional lead time to complete. |
| | 31 | Last day to pay childcare, medical, and tuition expenses to claim deduction or credit on the 2024 T1. |
| | 31 | Annual tax instalment payment for 2024 due for farming and fishing income. |
| | 31 | Last day to open FHSA account to receive $8,000 of contribution room, which can be carried forward to 2025. |
| **January 2025** | 30 | Must pay prescribed rate loan interest by this date to preserve integrity of prescribed rate loan for prior year. |
| **February 2025** | 28 | Deadline for employers to report T4/T5 to CRA. |
| | 29 | Deadline for employers to send T4 receipts to individuals. |
| **March 2025** | 03 | Deadline to contribute to a Registered Retirement Savings Plan to claim as a 2024 deduction. |
| | 15 | First quarter tax instalment payment for 2025 due. |
| | 31 | T3 trust tax return deadline for trusts with a December 31 year-end. |
| | 31 | Deadline for paying balance owing for Form T1-OVP if you made excess RRSP contributions in 2024. |
| **April 2025** | 30 | Deadline to pay your 2024 taxes and file your 2024 Individual T1 tax return. |
| **June 2025** | 16 | Deadline to file your 2024 Individual T1 tax return if you or your spouse earned self- employment income. Tax payment deadline remains April 30, 2025. |
| | 16 | Second quarter tax instalment payment for 2025 due. |
| | 30 | Deadline to file your TFSA return RC243 and pay taxes if you made excess contributions in 2024. |
| **September 2025** | 15 | Third quarter tax instalment payment for 2025 due. |
| **October 2025** | 1 | Last day to buy or build your qualifying home if you made a Home Buyers' Plan withdrawal from your RRSP, or FHSA qualifying withdrawal in 2024. |



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# Gather Information for Year-end Investment Tax Planning

### Recent Investment Account Statements

- Review realized gains and losses in 2024, including the period before and after June 24.
- Analyze unrealized gains and losses to consider triggering gains or losses by the end of the year.
- Review investment management fees and interest expenses paid for non-registered investment accounts to estimate available tax deductions.

### Tax Free Savings Account (TFSA)

- Review available TFSA contribution room as of January 1, 2024 and total contributions made during 2024.
- Withdraw excess contributions immediately to limit TFSA over-contribution penalties.
- Maximize TFSA contributions to earn tax-free income.

### Registered Education Savings Plan (RESP)

- Calculate your total year to date RESP contributions during 2024 to maximize annual Canada Education Savings Grants (CESG) for the year and any grant entitlements carried forward.

### Registered Retirement Savings Plan (RRSP)

- Review your 2023 Notice of Assessment to determine available contribution room for 2024.
- Review RRSP contributions made to date, including employer, bank and brokerage accounts to ensure you did not contribute in excess of your available room.
- Withdraw excess contributions as soon as possible to limit RRSP over-contribution penalties.
- Maximize RRSP contributions to reduce current or future taxes and earn tax-deferred investment income.

### First Home Savings Account (FHSA)

- Review account opening eligibility for yourself or adult family members who wish to save for the purchase of a home.
- If account has not been opened yet, consider opening before the end of the year to obtain $8,000 of contribution room, which can be carried forward to 2025 if not used in 2024, resulting in $16,000 of available contribution room in 2025.
- Maximize FHSA contributions to claim a tax deduction in the current or future year, and earn tax-free income (provided future withdrawal is made to purchase a qualifying home).

### Registered Disability Savings Plan (RDSP)

- Calculate your total year to date RDSP contributions during 2024 to maximize annual Canada Disability Savings Grants (CDSG) for the year and any grant entitlements carried forward.

# Moves to Consider - Income Tax Planning

Here are important items to think about in each of the major planning categories. Keep in mind the ideas listed here are conversation starters for most investors. You and your advisor should determine next steps for your own situation.

| Year | TFSA Contribution Limit |
|---|---|
| 2009 | $5,000 |
| 2010 | $5,000 |
| 2011 | $5,000 |
| 2012 | $5,000 |
| 2013 | $5,500 |
| 2014 | $5,500 |
| 2015 | $10,000 |
| 2016 | $5,500 |
| 2017 | $5,500 |
| 2018 | $5,500 |
| 2019 | $6,000 |
| 2020 | $6,000 |
| 2021 | $6,000 |
| 2022 | $6,000 |
| 2023 | $6,500 |
| 2024 | $7,000 |
| **Total Cumulative contributions** | **$95,000** |

## 1. First Home Savings Account

- **Eligibility:** Canadian residents 18+ who haven't owned a home in the current or past four years.
- **Contribution Limits:** $8,000 annually, up to $40,000 lifetime.
- **Tax Benefits:** Contributions are tax-deductible; income and gains are tax-free if used for a qualifying home purchase.
- **Account Closure:** Must close after 15 years or by age 71.

**TIP:** Contribute to FHSA before RRSP and TFSA to maximize tax deductions and future tax-free withdrawals. FHSA deductions can be carried forward indefinitely, which may be advantageous if it is expected that one's tax rate will be higher in a future year.

## 2. Funding FHSA with TFSA Withdrawals

- **Strategy:** Withdraw from TFSA to fund FHSA if funds are limited.
- **Benefit:** TFSA contribution room is restored, and FHSA contributions are tax-deductible.

## 3. TFSA Withdrawals by Year-End

- **Deadline:** Complete withdrawals by December 31, 2024, to restore contribution room on January 1, 2025.
- **Rebalancing:** Withdraw securities in kind to rebalance holdings.

**TIP:** Contribute income-producing Canadian securities "in kind" to TFSA. Avoid contributing securities in a loss position.

## 4. Maximize TFSA and FHSA Contributions for Family Members

- **Eligibility:** Ensure all family members 18+ maximize their TFSA contributions.
- **Income Splitting:** High-income earners can gift funds to family members to contribute to their FHSA and TFSAs.

**TIP:** Cumulative maximum contribution room of TFSAs to the end of 2024 is $95,000, for those who were at least 18 years old since 2009. TFSA income is tax-free and does not affect income-tested benefits.

## 5. Registered Disability Savings Plan (RDSP)

- **Eligibility:** Open an RDSP if you or your child qualifies for the disability tax credit.
- **Government Grants:** Federal government matches 100% to 300% of contributions, up to $90,000 in total grants.
- **Contribution Limits:** Lifetime maximum of $200,000 per beneficiary; income and growth are tax-deferred.

## 6. Spousal Loans for Income Splitting

- **Strategy:** Loan investment funds to a lower-income spouse at the prescribed interest rate to split investment income. With the new changes to the taxation of capital gains, each spouse has the first $250,000 of gains eligible for the 50% inclusion rate, which could provide further advantages to income splitting.
- **Current Rate:** CRA prescribed rate is 5%, meaning the borrower spouse must pay the lender spouse interest at the prescribed rate. The interest is tax deductible to the borrower, and taxable to the lender spouse.

**TIP:** Keep existing low-rate loans in place. Consider waiting for a rate drop before setting up new spousal loans. 2025 Q1 prescribe rate will reduce to 4%.

# Year-End Tax Planning: Navigating the New Capital Gains and AMT Changes for 2024

As we approach the end of 2024, it's crucial for Canadian investors to be aware of recent changes to capital gains taxation and how they can optimize their tax strategies. Here's a brief overview of the new rules and some practical tips to help you minimize your tax liability.

## Key Changes to Capital Gains in 2024*

Starting June 25, 2024, the federal government has increased the capital gains inclusion rate from 50% to 66.67% for capital gains exceeding $250,000 per year. This means that for gains above this threshold, two-thirds of the gain will now be included in your taxable income, compared to the previous one-half. However, gains up to $250,000 will still benefit from the 50% inclusion rate.

## Three Strategies for Managing Capital Gains

**1. Triggering Gains Within the $250,000 Threshold:** If you have significant unrealized gains in your non-registered accounts, consider realizing some of these gains before the end of the year. By doing so, you can take advantage of the lower 50% inclusion rate for gains up to $250,000.

- This strategy can help you lock in a lower tax rate on a portion of your gains, potentially saving you a substantial amount in taxes.

**2. Realizing Capital Losses:** If you have investments that have decreased in value, you might consider selling them to realize capital losses. These losses can be used to offset capital gains, reducing your overall taxable income.

- Capital losses can be carried back three years or carried forward indefinitely to offset future gains. This can be particularly useful if you have realized significant gains earlier in the year.

**3. Donating Appreciated Securities:** Another effective tax planning strategy is to donate appreciated securities directly to a registered charity.

- When you donate securities that have increased in value, you can avoid paying capital gains tax on the appreciation.
- Additionally, you will receive a charitable donation receipt for the fair market value of the securities, which can be used to offset other taxable income. This approach not only supports a good cause but also provides significant tax benefits.

## Alternative Minimum Tax (AMT) Considerations

The new AMT rules effective January 1, 2024, have introduced significant changes aimed at high-income individuals. The AMT rate has increased from 15% to 20.5%, and the basic exemption amount has been raised to $173,205. These changes could impact investors who triggered significant gains before June 25, 2024, to lock in the 50% inclusion rate.

- The calculation of taxable income under AMT includes 100% of capital gains rather than the 50% or 2/3 inclusion rate used in regular tax calculations. This means that if you realized significant gains earlier in the year, it's important to assess whether the AMT will apply to you.
- The AMT is designed to ensure that high-income individuals pay a minimum amount of tax, even if they benefit from various deductions and credits under the regular tax system. Additionally, any AMT paid can be carried forward for up to seven subsequent years and may be refunded to the extent that your regular tax exceeds the tax calculated under the AMT regime in those future years.

By understanding these new rules and implementing thoughtful tax planning strategies, you can make the most of your investments and minimize your tax liability as we head into the new year.



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# Investment Tax Planning

## 1. Review Portfolio Efficiency

- **Tax Efficiency:** Measure how much of an investment's return remains after taxes.
- **Action:** Rebalance your portfolio to include tax-advantaged investments like Canadian dividend-paying shares and capital gains-allocating investments.
- **Advisor Collaboration:** Work with your advisor to evaluate investments and after-tax returns.

**TIP:** Use new money for rebalancing to avoid unnecessary capital gains taxes that may arise when selling investments.

## 2. Tax-Efficient Placement of Foreign Investments

- **Account Review:** Ensure FHSA and TFSA accounts do not hold investments subject to foreign withholding tax.
- **Action:** Hold dividend-paying non-US securities outside RRSP/RRIF accounts to avoid double taxation upon withdrawal.
- **Treaty Rates:** Apply lower treaty withholding rates to foreign investments in taxable accounts.

## 3. Timing Capital Gains and Losses

- **Advisor Collaboration:** Work with your tax advisor to determine the best time to realize capital gains or harvest losses.
- **Offset Gains with Losses:** Reduce overall tax liability by offsetting gains with losses.
- **Superficial Loss Rules:** Avoid deducting capital losses if a similar position is initiated within 61 days (30 days before and after the sale).

**TIP:** Transfer a capital loss to a spouse by having them purchase the same security within 30 days of the disposition. The loss will be denied to the selling spouse and added to the purchasing spouse's adjusted cost base if held for at least 30 days.

## Tax-deferred Growth Opportunities

### Registered Retirement Savings Plan

Defer up to 18 per cent of your earned income with a limit of $31,560 for 2024 when you make a contribution to your RRSP.

### Registered Education Savings Plan

Investing in an RESP account for your children or grandchildren allows you to defer taxes on up to $50,000 per child. The growth and income are taxed in the beneficiary's hands when they are enrolled in a qualifying educational program. The beneficiary may not even pay any tax on the RESP growth. The federal government will also contribute up to $7,200 in grants to the RESP.

### Index Funds

Index funds do not trigger frequent capital gains, and much of the growth is tax deferred until the index fund units are sold.

### Life Insurance

Accumulating cash value in life insurance can also offer tax-deferred growth and tax-advantaged retirement income.

# Financial Planning

Financial planning is the foundation upon which one's total wealth management strategy is built and defined. The key to financial planning is the ability to take into account all the moving pieces of one's financial situation and unique needs and objectives. Tax plays an important role in financial planning.

## 1. Common Planning Objectives

- Ensure sufficient income for today and retirement.
- Grow assets over time in the most tax efficient manner possible.

## 2. Review Asset Allocation

- Ensure your investments align with your goals and risk tolerance.
- Adjust and rebalance as needed, including company-sponsored retirement accounts.

**TIP:** Consult tax professionals to optimize investments for tax benefits. Some investments may be better suited for particular accounts, such as RRSPs versus TFSAs versus non-registered accounts.

## 3. Trust Income Distribution

- Consider distributing trust income to beneficiaries before December 31, 2024, to avoid high tax rates for inter vivos trusts.
- Consider Alternative Minimum Tax (AMT) implications under new rules in place as of January 1, 2024.

**TIP:** If tax on split income (TOSI) rules don't apply, distribute income to beneficiaries, especially those below the basic personal exemption.

## 4. New Reporting Requirements for Trusts

- Reporting requirements for Canadian trusts greatly expanded, and certain trusts that did not previously require any trust tax filing, were required to file an annual T3 trust tax return for taxation years ending on or after December 30, 2023.
- These included trusts with no income earned or realized in the year, although exceptions for certain trusts apply.
- Reporting includes detailed information on trustees, beneficiaries, settlors, and controllers.

**BARE TRUST UPDATE:** Bare trusts were initially included in the new trust filing requirements; however the Department of Finance has proposed trust filing exemptions for bare trusts for the **2023 and 2024 calendar year ends.** Trust filings will be required for bare trusts for the December 31, 2025 calendar year end (due March 30, 2026).

Speak to your accountant about the application of these new requirements to your trust. Raymond James clients can engage our Tax Preparation Services to prepare annual T3 trust tax returns.

*Asset allocation does not guarantee a profit nor protect against loss.*

# Retirement Planning

## 1. Maximize Retirement Contributions

- **Tax-Deferred Growth:** Take advantage of tax-deferred growth by maximizing retirement contributions.
- **Automatic Employer Contributions:** Arrange automatic contributions each pay period; many companies offer employer matching.
- **Tax Rate Tip:** More advantageous if current marginal tax rates are higher than expected rates in retirement.

## 2. Convert RRSP to RRIF

- **Conversion Deadline:** Convert RRSP to RRIF by the end of the year you turn 71.
- **Contribution Tip:** If turning 71, consider making a 2025 RRSP contribution in December 2024 based on 2024 earned income. This may incur a 1% penalty for one month but provides a deduction for 2025 or future years.
- **Spousal Contributions:** If your spouse is under 71, make tax-deductible contributions to their spousal RRSP.

### Registered Plan Contribution Limits

The RRSP contribution limit for 2024 is 18% of earned income up to a maximum of $31,560.

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The TFSA contribution limit for 2024 is $7,000. The cumulative TFSA limit is $95,000 up to the end of 2024.

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The RESP lifetime contribution limit is $50,000 per beneficiary.

## 3. Withdrawal Strategy

- **Asset Withdrawal:** Plan withdrawals from non-registered investments, TFSA, or RRIF to fund retirement and minimize tax and OAS claw-backs.
- **Advisor Collaboration:** Work with your advisor to project a withdrawal strategy to maximize after-tax wealth.
- **Pension Income Credit:** Convert a portion of RRSP to RRIF at age 65 to take advantage of the $2,000 federal pension income credit.

## 4. CPP Sharing and Pension Income Splitting

- **CPP Sharing:** Spouses aged 60+ can share CPP to split income evenly.
- **Pension Income Splitting:** Couples can split up to 50% of pension income on tax returns to utilize the pension credit.

**TIP:** Discuss the pros and cons of taking CPP early with your advisor.

## 5. Home Accessibility Renovations

- **Federal Tax Credit:** Seniors 65+ can claim a 15% federal tax credit on eligible home renovation expenses (up to $10,000).
- **Recipients of the Disability Tax Credit:** Individuals eligible for the federal disability tax credit can claim renovation expenses at any age.
- **Provincial Credits:** Check for similar provincial tax credits based on your province of residency.

# Education Planning

## 1. Explore Education Funding Options

- **RESP and In Trust for Minor Accounts:** Flexible investment options for saving for a child's education.
- **RESP Contributions:** Contribute at least $5,000 before year-end to receive the maximum federal grant ($1,000).
- **Provincial Grants:** Consider availability of additional grants on top of federal grants.
    - **BC:** $1,200 training and education savings grant for beneficiaries born after 2006, with no matching contributions required.
    - **Quebec:** 10% grant up to $250/year, lifetime maximum $3,600.

## 2. Superfund Your RESP

- **Maximize Growth:** Fully fund the RESP up to the $50,000 lifetime limit for maximum tax-deferred growth, the increasing compounding gains would likely exceed forgone grants.
- **Growth Example:** A $50,000 contribution at age one grows to $121,534 by age 18 at a 5% return. Compare this to annual contributions of $3,125 from age one to 16, which would total $98,333 by age 18 with maximum grants of $7,200.

## 3. Alternative Education Funding

- **In Trust for Minor Accounts:** Use for additional education savings if RESP is maximized.
- **Canada Child Benefit (CCB):** Invest CCB payments in an In Trust for Minor account; income is not attributed back to the parent.

**TIP:** While dividends and interest are subject to minor attribution rules, where the income is taxed in the hands of the contributor parent, capital gains are not subject to these rules. Consider investing in assets that generate growth through capital appreciation rather than dividends and interest to have the gains taxed in the hands of the child.

## 4. Withdraw Educational Assistance Payments (EAPs) from RESP

- **Use Personal Tax Credits:** Withdraw enough EAPs to use up the student's personal tax credits.
- **No Limit on EAPs:** After the first 13 consecutive weeks in a qualifying program.

# Additional Tax Considerations for U.S. Citizens

## 1. U.S. Gift and Transfer Tax Exemption

- **Current Exemption:** $13,610,000 USD (2024), potentially reducing to $5,000,000 (indexed for inflation) in 2026, depending on congressional action. Lock in exemptions now if your estate exceeds the future limit.

**TIP:** Gifts to adult children are not subject to Canadian tax attribution rules but may trigger capital gains.

## 2. Review Asset Valuations

- **U.S. Cost Basis:** Ensure valuations are accurate for U.S. tax purposes.
- **Estate Planning:** Consider gifting assets during your lifetime to minimize U.S. estate tax.

## 3. Gifting Principal Residence

- **Avoid U.S. Capital Gains Tax:** Consider gifting ownership to a non-U.S. spouse, as U.S. citizens can only exclude up to $250,000 USD of capital gains on the sale of principal residence for U.S. purposes.
- **Canadian Principal Residence Exemption:** Canadian tax residents have an unlimited capital gains exemption for a designated principal residence. This provides an opportunity to allow the non-U.S. citizen spouse to avoid all taxation on the gains of a Canadian home.

**TIP:** Use your remaining gift exemption to eliminate any U.S. gift tax on the transaction. U.S. citizens have $13,610,000 USD available in 2024 if they have never made any reportable gifts in the past. Lifetime gifts will reduce your estate tax exemption in effect at the time of your death.

# Estate Planning and Charitable Giving

## 1. Review and Update Estate Plans

- **Life Events:** Update plans for divorce, separation, death, births, or moves.
- **Spousal and Common-Law Partner Rollovers:** Capital properties, such as shares of a private corporation, rental property and principal residence can roll over to a spouse at cost to avoid tax implications at death.
- **TFSA, RRSP, and RRIF:** These accounts can be rolled over to a spouse or common-law partner as well. Designating your spouse as the successor rather than beneficiary eliminates unnecessary filings with the CRA.

## 2. Lifetime Gifts to Adult Children

- **Reduce Estate Size:** Gifts reduce probate fees and capital gains at death.
- **Document Gifts:** Ensure they are not contested.

## 3. Review Beneficiary Designations

- **Current Designations:** Ensure they are up-to-date, and ensure your spouse is designated as the successor annuitant where appropriate, such as your RRIF and TFSAs.
- **Add Contingent Beneficiaries:** In case the designated individual pre-deceases you or the account owner becomes mentally incapacitated and cannot change the beneficiaries.

## 4. Review Legal Titling

- **Reflect Wishes:** Ensure accounts and property titles are current.
- **Reduce Probate Fees:** Consider joint ownership, alter-ego trusts, life insurance, and gifting assets.

## 5. Strategic Charitable Giving

- **Reduce Tax Liability:** Consider donating to the Raymond James Charitable Giving Fund to help you meet your legacy and tax saving objectives.

## 6. Strategic Estate Planning

- **Living Trusts:** Transfer assets to ensure estate distribution aligns with your wishes.
  *Benefits include:*
  - Future appreciation removed from estate.
  - Income shifted to lower tax bracket beneficiaries.
  - Protection from creditors, lawsuits, or divorce.
  - Bypass probate and maintain privacy.
  - Contingent management if incapacitated.

## Estate Planning and Charitable Giving Tips

- Give appreciated securities listed on a designated stock exchange to registered charities instead of donating cash to avoid capital gains to reduce your overall tax liability.
- Establish a charitable giving fund account to claim a current donation tax credit. You can choose the charities at a later date. For more information, visit rjcfoundation.ca.
- Make provisions in your will to direct funds to specific charities to reduce taxes at death. Allow your estate administrator the discretion to donate gifts in-kind to charities rather than only cash to maximize tax benefits.
- Charitable giving can reduce your tax burden and also provide a sense of satisfaction by benefiting your favourite causes.

# Shareholders of Canadian Private Corporations

## 1. Evaluate Impact of Capital Gains Tax Changes

- **New Inclusion Rate:** 2/3 inclusion rate for capital gains realized on or after June 25, 2024.*
- **Investment Decisions:** Assess whether to invest within a corporation or individually.
- **Investing After-Tax Active Business Income:** Likely more advantageous to invest within a corporation due to tax deferral benefits, even with the changes to the capital gains inclusion rate.

## 2. Optimize Salary-Dividend Mix

- **Minimize Taxes:** Balance salary and dividends to reduce personal and corporate tax.
- **Avoid Split Income Rules:** Reasonable salaries to family members working in the business are not affected by split income rules.

**TIP:** Identify shareholders affected by split income rules. Use capital dividends and repay shareholder loans as tax-free cash sources. Pay taxable dividends if your corporation has a refundable dividend tax balance (RDTOH).

## 3. Minimize Passive Investment Income

- **Higher Tax Rates:** Active business income may face higher tax rates if adjusted aggregate investment income exceeds $50,000.
- **Small Business Deduction:** Reduced by $5 for every $1 of investment income over $50,000, eliminated at $150,000.

**TIP:** Consult with a corporate tax accountant. Consider setting up an Individual Pension Plan (IPP) or using corporate-owned life insurance to manage investment income.

## 4. Review Business Succession Plan

- **Tax Impact:** Assess potential tax implications upon death.
- **Shareholder Agreements:** Ensure rights are protected to avoid disputes.
- **Company Freeze:** Consider freezing the company to pass future value to heirs.
- **Lifetime Capital Gains Exemption:** Evaluate ability to claim the $1,250,000 (2024) exemption on qualified small business corporation (QSBC) shares.*

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# Work with Your Financial/Investment Advisor

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|---|---|---|---|
| Make necessary adjustments: Think strategically about what changes need to be made to best enable you to achieve your goals. | Get organized: Collect all important tax and financial documents to prepare for a thorough year-end review. | Be open: Discuss all aspects of your financial life, including any major changes you anticipate. | Take action before year-end. |

Despite what may be happening in the markets and the overall economy, there are several key actions you can take at year-end to help you get a better grasp of where you stand financially. A year-end review with your professional advisors also helps ensure you're on track to meet your goals and helps identify areas in need of adjustment so your plan can evolve as your needs change.

Take the time now to talk about those changing needs, so you and your advisor(s) fully understand where you are and where you want to go.

These important tax and financial planning moves can help prepare you for the upcoming tax season and better align your finances with your short- and long-term goals.

**LIFE WELL PLANNED.**

RAYMOND JAMES®