Taxes at Death Scenario A

• Mary, no rollover eligibility

	Value @ Death	
Registered Retirement Income Fund	\$150,000	\$150,000 income inclusion
Non-Reg. Mutual Funds	\$150,000	No cap. gains, No income inclusions
Principal Residence	\$500,000	Principal Residence Exemption
Misc. Assets (purchase price \$100k)	\$200,000	\$100,000 capital gain
VALUE OF ESTATE/ASSETS AT DEATH	\$1,000,000	\$1,000,000 probate eligible

Income Tax Owing on RRIF	\$75,000	
Tax on Capital Gain	\$25,000	
Probate Fees	\$13,500	
NET TAX OWING	\$113,500	

Taxes at Death Scenario B

• Mary, no rollover eligibility

	Value @ Death	1
Registered Retirement Income Fund	\$150,000	\$150,000 income inclusion
Non-Reg. Segregated Funds	\$150,000	Bypass will, no probate fees
Principal Residence	\$500,000	Principal Residence Exemption
Permanent Life Insurance w/charity	\$100,000	Donation tax credit, bypass will
Misc. Assets (purchase price \$50k)	\$100,000	\$50,000 capital gain
VALUE OF ESTATE/ASSETS AT DEATH	\$1,000,000	\$750,000 probate eligible
		Income Tax Owing on RRIF \$75,000
		Tax on Capital Gain \$12,500

Probate Fees

LESS: Donation Tax Credit

NET TAX OWING

\$9,950

(\$43,650)

\$53,800

Taxes at Death - Summary & Comparison

Scenario "A":

Assets	\$1,000,000
Net Tax Owing	(\$113,500)
Received by Beneficiaries	\$886,500

Scenario "B":

Assets	\$1,000,000
Net Tax Owing	(\$53,800)
Received by Beneficiaries	\$946,200

Nearly \$60,000 additional dollars will be received by Mary's beneficiaries in the Scenario "B" example.