



THE Tax Tipper

October 2007

We take your taxes personally!

Volume 8

Inside

What's Happening	2-3
The Top Ten	4
Eye of the Expert	7
Just Asking ... Just Answering	9
Just the Facts, Ma'am	10
Surpluses Too High—Time to Reduce Withholding Taxes	11
Thanksgiving Recipe	12
Exciting Stories	13
It's a Photo Finish	14
Client Corner	14

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Dear Clients and Friends,

Is fall really here? Unless you're in the southern hemisphere (that means below the equator), if the mercury has wandered near the freezing mark and you see Christmas advertising, then you know that summer is history for another year. I trust you had an enjoyable one, both adventurous and relaxing. Between short vacations in this great country of ours, cruising in my muscle cars, and hanging out on the farm with friends, I certainly enjoyed mine. Fall marks a time of change, not only in seasons, but also, in my opinion, in the habits that run our lives.

In my view, Canadians do most of their preparation in the fall, whether it's getting ready for Thanksgiving, pulling out those heavy clothes from the closet, winterizing vehicles for cold starts, stocking up on Neo Citron, or planning the Christmas list and even New Year's resolutions. That's only the beginning of the predictable changes coming. Yet, how prepared is the average Canadian, really? Amazingly enough, many still have fond memories of the summer and don't think about the coming cold, snow, etc.

Preparation is essential, not only for changing weather, but also in tax planning, and that's why I came up with the **Tax Tipper** last year. One of the questions I'm asked all the time is, "How can I lower my tax burden?" The affluent are often asked how they stay on top of the heap. One of the top answers is strategic tax planning. Statistics say that over 80% of Canadians don't retire with financial abundance and in fact depend on government pensions, etc., to survive. That tells me the wealthy must be right!

The *edge* is that slight advantage you have over others that helps you stay ahead of the game. My goal is to help you gain that edge. I'm always asking myself, "How can I improve my service so my clients are always getting the best?" This newsletter has the latest updates, news, guest writers, interesting facts, and more. We've made it easy to read and fun, with our photo features, recipes, client feedback, and trivia. It's not the typical dry lecture-style you might expect. The best part? You got it—it's free, and I plan to keep it that way!

If this is your first **Tax Tipper**, welcome and remember, you can always download [previous editions](#) from our website.

My thanks for all your letters and feedback and for making this possible. Please keep them coming. On that note, enjoy!

Neel Roberts
President and Editor

What's Happening?



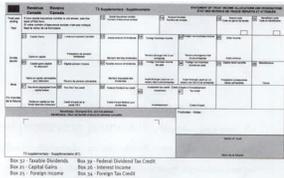
E-File Over for 2006 Personal Returns

E-filing for 2006 personal returns shut down Sunday, September 30, 2007. So, all returns filed from now on will go via paper, which means they will take longer to process. On the other hand, corporate returns are still allowed to go back four years!

Late T3's and T5013's Coming to an End?

How many of you have investment income requiring a T3 or T5013? If you filed your return and then got a T3 or T5013 in the mail, needless to say you had to adjust the original return, costing you money, delay, etc. On July 4, 2007, [draft legislation](#) and [related regulations](#) were published to assist investment dealers and other financial intermediaries in meeting the 90-day deadline for preparing T3 and T5013 slips.

These rules require publicly traded trusts and partnerships to post information on the allocation of income and capital and cash distributions they have made in the year to a public website, to be hosted by a subsidiary of the Canadian Depository for Securities Limited. Generally, such an entity will have 60 days after year-end to post the information, but where the entity itself invests in other similar entities, it will have 67 days!



More Tax Cuts on the Way

Last week, Prime Minister Stephen Harper [announced](#) that tax cuts are on the way in the next budget. The reduction in the 2006/07 federal debt means taxpayers will benefit from personal income tax cuts of approximately \$725 million per year ongoing under the Tax Back Guarantee passed into law earlier this year. Further, our national debt of over \$400 billion is on target to be eliminated by 2021. This is fabulous news no matter how you look at it—Canadians can do nothing but benefit from good news like this!



More Details on Pension Income Splitting

As of January 1, 2007, CRA announced that those receiving eligible pensions can split them for tax purposes with their spouse/common-law partner. This is welcome news for those on fixed incomes and where the spouse has little or no income. Check out the [Q & A](#) section from CRA and Knowledge Bureau's [Breaking Tax and Investment](#) newsletter of July 25, 2007, for details!



New T2200 for Eligible Employment Expenses

For all those entitled to deduct expenses related to employment income, it is important to have the appropriate form for the year of filing. CRA seems to update the [Declaration of Conditions of Employment](#) quite frequently to reflect new laws in place. The latest one for 2007 asks details about an “in-home” office and tools for skilled tradespeople .





New Service Options Guide for Businesses

Are you self-employed or running a small business? Check out CRA's new publication, [Service Options for Businesses](#), for information on electronic services to communicate with the CRA, file returns, make payments or account enquiries, authorize a third-party representative to deal with the CRA on your behalf, and make use of the [My Business Account](#) system. For further information, contact the business line at 1-800-959-5525.

Revamped CRA Website—www.cra-arc.gc.ca

Important changes were made to the [Canada Revenue Agency \(CRA\) website](#) on September 11, 2007, as the CRA implements Common Look and Feel (CLF) 2.0. The CLF standards are issued to keep up with modern Internet practices. They are established by the Treasury Board of Canada Secretariat to promote a uniform and predictable appearance of government sites and their content. Version 2.0 must be implemented by December 31, 2008. In the first phase from September 11 to 30, new visual requirements were applied to the CRA website and the home page format. More than 64,000 web pages have been converted and during this period, you may notice differences in visual appearance from one page to another. The second phase will begin in March 2008 and will consist of restructuring information and reorganizing site navigation.



New Child Tax Credit

As of July 1, 2007, those with eligible dependants 18 and under may be entitled to a \$2,000 non-refundable tax credit. Check out the [details](#) or call 1-800-959-8281 for more information!



Apply for Child Tax Benefits Online

As of July 11, 2007, CRA allows Canadians to apply for benefits and credits online. The new service, called [Apply for child benefits](#) is available through [My Account](#) on the CRA website. If you have any questions, call them at 1-800-387-1193!

CRA Cracking Down on Phony Tax Donation Shelters

I am constantly bombarded by both clients and marketers of these supposed high-return tax donation shelters. Basically, the taxpayer makes a donation with the expectation of a much higher-than-normal return. The offering company appears to have all the credentials, like a charity number, etc., but the majority of them are commission salespeople working for a new start-up corporation with no track record. CRA recently announced a mass audit of practically all these scams, and unfortunately this has left many taxpayers with a huge reassessment bill while the sellers are long gone, leaving the donor with no recourse. Check out the [details](#), but my advice—"If it sounds too good to be true, it probably is"—remains, now and for evermore!





Top Ten Myths About Thanksgiving

Courtesy of History News Network



We at the **Tax Tipper** like to feature the **Top Ten**. We are all used to the top ten on the radio music scene. Our **Top Ten** is designed to help our clients while keeping things interesting. With Thanksgiving almost here, have you ever wondered about the history of this special holiday? Below are some things I'll bet you didn't know. I hope you find them interesting!

MYTH #1

The Pilgrims held the first Thanksgiving

To see what the first Thanksgiving was like, you have to go to Texas. Texans claim the first Thanksgiving in America actually took place in little San Elizario, a community near El Paso, in 1598—23 years before the Pilgrims' festival. For several years, they have staged a re-enactment of the event that culminated in the Thanksgiving celebration: the arrival of Spanish explorer Juan de Onate on the banks of the Rio Grande. De Onate is said to have held a big Thanksgiving festival after leading hundreds of settlers on a grueling 350-mile trek across the Mexican desert.

Then again, you may want to go to Virginia. At the Berkeley Plantation on the James River, they claim the first Thanksgiving in America was held there on December 4, 1619, two years before the Pilgrims' festival—and every year since 1958 they have re-enacted the event. In their view, it's not the *Mayflower* we should remember, it's the *Margaret*, the little ship that brought 38 English settlers to the plantation in 1619. The story is that the settlers had been ordered by the London company that sponsored them to commemorate the ship's arrival with an annual day of thanksgiving. Hardly anybody outside Virginia has ever heard of this Thanksgiving, but in 1963 President Kennedy officially recognized the plantation's claim.

MYTH #2

Thanksgiving was about family

If by Thanksgiving you have in mind the Pilgrim festival, forget about it being a family holiday. Put away your Norman Rockwell paintings. Turn off Bing Crosby. Thanksgiving was a multicultural community event. If it had been about family, the Pilgrims never would have invited the Indians to join them.

MYTH #3

Thanksgiving was about religion

No, it wasn't. Paraphrasing the answer provided above, if Thanksgiving had been about religion, the Pilgrims never would have invited the Indians to join them. Besides, the Pilgrims would never have tolerated festivities at a true religious event. Indeed, what we think of as Thanksgiving was really a harvest festival. Actual "Thanksgivings" were religious affairs; everybody spent the day praying. Incidentally, these Pilgrim Thanksgivings occurred at different times of the year, not just in November.

Continued on page 5

More on the Top Ten

MYTH #4

The Pilgrims ate turkey

What did the Pilgrims eat at their Thanksgiving festival? They didn't have corn on the cob, apples, pears, potatoes, or even cranberries. No one knows if they had turkey, although they were used to eating turkey. The only food we know for sure they had was deer. (And they didn't eat with a fork; they didn't have forks back then.)

So, how did we get the idea that you have turkey and cranberry and such on Thanksgiving? It was because the Victorians prepared Thanksgiving that way. And they're the ones who made Thanksgiving a national holiday, beginning in 1863, when Abe Lincoln issued his presidential Thanksgiving proclamations—two of them: one to celebrate Thanksgiving in August, a second one in November. Before Lincoln, Americans outside New England did not usually celebrate the holiday. (The Pilgrims, incidentally, didn't become part of the holiday until late in the nineteenth century. Until then, Thanksgiving was simply a day of thanks, not a day to remember the Pilgrims.)

MYTH #5

The Pilgrims landed on Plymouth Rock

According to historian George Willison, who devoted his life to the subject, the story about the rock is all malarkey, a public relations stunt pulled off by townsfolk to attract attention. What Willison found out is that the Plymouth Rock legend rests entirely on the dubious testimony of Thomas Faunce, a ninety-five-year-old man who told the story more than a century after the *Mayflower* landed. Unfortunately, not too many people ever heard how we came by the story of Plymouth Rock. Willison's book came out at the end of World War II, and Americans had more on their minds than Pilgrims then. So, we've all just gone merrily along repeating the same old story as if it's true when it's not. And anyway, the Pilgrims didn't land in Plymouth first. They first made landfall at Provincetown. Of course, the people of Plymouth stick by hoary tradition. Tour guides insist that Plymouth Rock is THE rock.

MYTH #6

Pilgrims lived in log cabins

No Pilgrim ever lived in a log cabin. The log cabin did not appear in America until late in the seventeenth century, when it was introduced by Germans and Swedes. The very term "log cabin" cannot be found in print until the 1770s. Log cabins were virtually unknown in England at the time the Pilgrims arrived in America. So, what kind of dwellings did the Pilgrims inhabit? As you can see if you visit Plimoth Plantation in Massachusetts, the Pilgrims lived in wood clapboard houses made from sawed lumber.

MYTH #7

Pilgrims dressed in black

Not only did they not dress in black, they did not wear those funny buckles, weird shoes, or black steeple hats. So, how did we get the idea of the buckles? Plimoth Plantation historian James W. Baker explains that in the nineteenth century, when the popular image of the Pilgrims was formed, buckles served as a kind of emblem of quaintness. That's the reason illustrators gave Santa buckles. Even the blunderbuss, with which Pilgrims are identified, was a symbol of quaintness. The blunderbuss was mainly used to control crowds. It wasn't a hunting rifle. But it looks out of date and fits the Pilgrim stereotype.

Continued on page 6

More on the Top Ten

MYTH #8

Pilgrims, Puritans—same thing

Though even presidents get this wrong—Ronald Reagan once referred to Puritan John Winthrop as a Pilgrim—Pilgrims and Puritans were two different groups. The Pilgrims came over on the *Mayflower* and lived in Plymouth. The Puritans, arriving a decade later, settled in Boston. The Pilgrims welcomed heterogeneousness. Some (so-called “strangers”) came to America in search of riches, others (so-called “saints”) came for religious reasons. The Puritans, in contrast, came over to America strictly in search of religious freedom. Or, to be technically correct, they came over in order to be able to practice *their* religion freely. They did not welcome dissent. That we confuse Pilgrims and Puritans would have horrified both. Puritans considered the Pilgrims incurable utopians. While both shared the belief that the Church of England had become corrupt, only the Pilgrims believed it was beyond redemption. They therefore chose the path of separatism. Puritans held out the hope the church would reform.

MYTH #9

Puritans hated sex

Actually, they welcomed sex as a God-given responsibility. When one member of the First Church of Boston refused to have conjugal relations with his wife two years running, he was expelled. Cotton Mather, the celebrated Puritan minister, condemned a married couple who had abstained from sex in order to achieve a higher spirituality. They were the victims, he wrote, of a “blind zeal.”

MYTH #10

Puritans hated fun

H.L. Mencken defined Puritanism as “the haunting fear that someone, somewhere, may be happy!” Actually, the Puritans welcomed laughter and dressed in bright colours (or, to be precise, the middle and upper classes dressed in bright colours; members of the lower classes were not permitted to indulge themselves—they dressed in dark clothes). As Carl Degler long ago observed, “The Sabbatarian, antiliquour, and antisex attitudes usually attributed to the Puritans are a nineteenth-century addition to the much more moderate and wholesome view of life’s evils held by the early settlers of New England.”

Send us your interesting Top 10 list.

How to Stand Out From the Crowd



Nancy Ball
Real Estate
Entrepreneur

Last time, we featured Calgary tax lawyer Chris Moser. This time, I am delighted to present someone I have only recently had the privilege of meeting, thanks to an [article](#) I received in the summer in [Lesley Scorgie's Rich by Thirty E-zine](#). Let me introduce [Nancy Ball](#), real estate entrepreneur in Calgary. Have you ever wondered how you can stand out from the crowd the right way?

All of us have had to ask a professional for help. Why? Because professionals understand certain things much better than we do. I know this as well as anyone, because I rely on experts to help me get my job (and other things) done so that I can give you the service you deserve. **Eye of the Expert** features professionals to help you get the most on a particular subject. While it is sometimes tax-related, it will be more focused outside the realm of taxes, because that's what these experts are good at.

How I Built a Successful Real Estate Business in Four Years —By Age 27!

Written by Neel Roberts, with contributions from Lesley Scorgie

Are you in a competitive job or industry? It's no secret Calgary has had one of the hottest real estate markets for some time, yet with over 5,000 realtors vying for business, it is by no means collegial. While most agree there is more opportunity than a few years ago, it only makes sense that those with an edge will be ahead of the game. Meet Nancy Ball, who calls herself a Real Estate Entrepreneur!

Born and raised in Calgary, Nancy got a jump start on the real estate game watching her parents flip properties for profit while she was growing up. Westerners remember the sudden downturn that [Pierre Trudeau's National Energy Program](#) brought to the Alberta economy in the early 1980s. One of the last things people were doing was buying real estate. Yet, those "strong hands" who took the risk did very well in less than ten years.

Nancy got excited by this type of venture, and at 21, as a sole investor, she mustered up the courage to buy her first home. In the early 2000s, oil prices were recovering from as low as \$9 per barrel (compared to today's mid-\$70 range), and the Calgary market seemed to be repeating the early 1980s. Nevertheless, Nancy's contrary thinking paid off, and she went on to buy several more properties. She has reaped the rewards many times over, given that house prices in Calgary

average a record half-million dollars plus and continue to climb.

However, in the midst of these purchases and sales, Nancy was disappointed in the service she got from her realtors. Not only did she discover shortcomings in the contracts, but she also found the realtors to be more interested in their commissions than her needs. As a young marketing student at a Calgary college, Nancy learned that relationship-building was the key to successful, long-term business relationships. She studied other realtors who did well and discovered they presented themselves differently from the mainstream. Whether it was unique listings or their persevering style, the point was they got noticed. She concluded that those who developed a system that combined value-added work with 110% commitment were bound to get results. So, she took that leap of faith four years ago and obtained her real estate license.

The day she was licensed to sell, she started to develop her system and build her client list by making 40 cold calls a day. Amazingly, that yielded three prospects each round!

In the meantime, Nancy was looking after her properties as a landlord and building her website, which helped clients make informed decisions before they

Continued on page 8

even called. After four months, she made her first sale. She finished that year with 12 sales, almost twice the average seven an ordinary realtor makes. Her hard work continued to return dividends—the next year, she made 24 sales and the year after 37. Needless to say, her system was working, and it was no surprise she landed Platinum Sales Status in her fourth year with Calgary's CIR Realtors. Almost unheard of for a person in her mid-twenties!

When asked for her secrets, Nancy says it's important not only to understand a person's needs, but also to see yourself as a problem solver. Also, you have to prepare the client well, so when it's time to present the deal it comes across as organized. For example, if a couple is buying a house, one of the first things Nancy insists on is having their finances prepared. A pre-approved mortgage with down payment is critical when presenting an offer; otherwise the vendor may not take you seriously. From the vendor's side, the first impression the property makes is more vital than most vendors realize. Put another way, if the curb appeal and first minute of the walk-in do not astound the potential buyer, it's hard to keep their interest, unless of course it's a fire sale!

Given these facts, Nancy started a "Staging Business" outside her real estate dealings, which helps clients overcome these obstacles. Whether it's a coat of paint or new furniture (rented on a temporary basis), it's amazing the impact a change like this has on viewers. In several of his books, real estate tycoon [Robert G. Allen](#) teaches that potential buyers make most of their buying decisions in the first few minutes and rarely after the entire presentation, as many believe. "Sometimes it's a bit of sweat, but the payoff is more than you think," Nancy stresses. "After all, how many chances do you get to make a first impression?" One of her [clients](#), Trish Carter, says, "She helped me with the purchase of my first home. Nancy Ball is my realtor for life!"—which speaks strongly of Nancy's professionalism.

Nancy measures her success not in her year-end sales dollars but in the number of families she has helped, which is most untypical for a company. She explains that this has helped her stay focused. With an attitude like that, it's no wonder she has lots of business lined up. Nancy is also a natural when it comes to doing

things efficiently. In these days of instant gratification, people have become accustomed to paying for speed, and those who move like a switchblade add to their edge. In *Business at the Speed of Thought*, [Microsoft](#) chairman, [Bill Gates](#), can't emphasize this enough and credits it with making him the wealthiest man in the world and his company the #1 software manufacturer in the world. Above all, it's important to get the right perspective, whatever the situation. While not every deal is for her (or anybody else, for that matter!), it's imperative to continually ask oneself, "What's the real opportunity here, and how can I make a positive difference?"

Nancy's question, "Are you serious about real estate?" is consistent with her "meeting the client halfway" ideology. Without commitment, nothing happens. Investor mogul [Warren Buffett](#) was asked at a recent [Berkshire Hathaway shareholder's meeting](#) what the difference was between watching the market and playing it for real? Without hesitation he answered, "It's like reading a romance novel versus having a relationship!" In other words, there is a big difference between being a spectator and playing the game—especially since nobody remembers a spectator!

In any industry, there are always those who continually do well, those whose performance is average, and those who remain at the bottom of the barrel. Nancy feels nothing but optimism about the future, not only for herself but also for those who are committed to making something of themselves. Many investment experts echo Nancy's zeal for real estate. Lesley Scorgie says in her book, *Rich by Thirty*, that a homeowner is 70 times wealthier than a lifetime renter. Vancouver real estate company [20/20 Properties](#), specializing in adding rental properties to their clients' portfolios, teaches that 7 out of 10 of the world's wealthy used real estate in their holdings to get that way!

"I believe opportunity is just exploding," Nancy says, "but you've got to go after it, as it's not going to come and get you. Despite our booming economy, there are those who aren't doing well."

Nancy summarizes her philosophy and advice this way: "If you don't take a definite stand on something, you have chosen to stand for anything."

Nancy Ball welcomes your calls at 403-510-6000, or email her at nancyball@shaw.ca
www.nancyball.ca

Just Asking? ... Just Answering!

Real People with Real Questions About Real Situations



Claiming In-home Expenses on the Job

Dear Neel,

I work as a client-service representative and have an office provided by my employer. However, I don't stay in the office much, as job requirements need me on-site more and it's just better to work out of my home. Many of my co-workers are in a similar position, and they claim a portion of their home as an office on their tax returns. Should I be doing the same thing?

June R.

Dear June,

It sounds like your employer provides the office merely as an address, but practically it is not as well suited to your job as your home office. If this is the case, then yes, you should have your employer fill out the [T2200-Declaration of Conditions of Employment](#) and check off the appropriate boxes. The CRA [Employment Expenses Guide](#) will help you determine write-offs for this and possibly more.

You did not mention if you were a commission-based employee, which determines if you can write off additional items, such as home insurance and property taxes. A tax professional can clarify this if you don't understand the guide. All the best!



Finding Unclaimed Deductions

Dear Neel,

I have been with the same employer for over five years now, and I've used my car quite often to go between work assignments and not just for commuting back and forth to work. Recently, I started using an accountant rather than doing my own returns, and she mentioned that not only should I start claiming this, but I can also go back and adjust my filed returns for expenses related to this. Is this true?

Dale J.

Dear Dale,

I'm glad you wrote because not only is this true, but I have also handled many cases where taxpayers missed deductions and their rightful entitlement went into the hands of the government. CRA has accumulated billions of dollars over the years in unspoken-for refunds, benefits, and missed deductions, which quietly fall into their coffers like an unclaimed insurance policy. I don't know how much your accountant has charged you, but she has done you a great favour by not only showing you an extra deduction from here on but also finding a previous bonus that you are entitled to. Our handout [10 Ways to Find a Tax Windfall](#) explains this procedure in detail. I also suggest you check out our [Employment and Commission Booklet](#) to see if there is anything else you might have missed, such as office expenses, cell phone, etc. Congratulations on taking that extra step and reaping the rewards!

Continued on page 9



Jumping to Conclusions Too Fast

Dear Neel,

I think I'm about to drop dead of panic attacks. I haven't filed my return in over five years, and CRA doesn't even know about it. I've heard horror stories of how they can come and take your house away, even putting you in jail. I don't have loads of money in the bank but do need to get this taken care of. How do I get started without raising flags?

Luis G.

Dear Luis,

Having been in this specialty (late filers) for over 10 years, I never cease to be amazed at how people in your situation come up with such imaginative ideas. I don't doubt that you heard that someone lost their house and/or landed in jail. I almost believe that actually happened once, and now every paranoid late-filer has magically heard of it!

The first step is to find a tax professional who does this type of work and is willing to hear your case. I rarely recommend doing it yourself, unless you are confident about handling it from start to finish. Second, once you find someone, call CRA at 1-800-959-8281 and have them send any missing T-slips, copy of last filed assessment, carry-forwards, and any outstanding balances, issues, etc. Third, while you're waiting for these to arrive, start gathering other things, like donations, etc. Use our [checklist](#) to help with this.

Lastly, if you do end up owing a lot, there are a variety of programs such as [Voluntary Disclosure](#), [Fairness](#), and most recently [two new initiatives](#), a [Taxpayer Bill of Rights](#) with a [Taxpayers' Ombudsman](#), to ensure CRA gives people in your situation a fair shake.

I have had very good luck bringing my clients' worse nightmares to a successful conclusion, provided they were co-operative and not deliberately trying to be deceitful. A good attitude will help you more than you can imagine. I hope things work out for the best!

Are You Just Asking tax questions?

Neel can Just Answer them.



Just the Facts, Ma'am (or is it Man?)

Did you know that?

1. The average chocolate bar has eight insect legs in it.
2. The average human eats eight spiders in their lifetime at night.
3. A rhinoceros horn is made of compacted hair.
4. Donald Duck comics were banned in Finland because he doesn't wear pants.
5. If you keep a goldfish in a dark room, it will eventually turn white.
6. Women blink nearly twice as much as men.
7. Right-handed people live, on average, nine years longer than left-handed people.
8. A snail can sleep for three years.
9. American Airlines saved \$40,000 in 1987 by eliminating one olive from each salad served in first class.
10. China has more English speakers than the United States.

Got an interesting fact?

Email it to us!



Surpluses Too High: Time to Reduce Withholding Taxes

By Evelyn Jacks



The Canadian Press reported last week that, collectively, Canada's federal and provincial governments had a surplus of \$29 billion in the fiscal year ending March 31, having withdrawn from Canadians a full \$1 billion more than the same time a year ago.

According to Stats Canada, this is apparently only the second time in 20 years that the combined surplus—covering federal, provincial, territorial, and municipal governments and the Canada and Quebec pension plans—has been that high. Two-thirds of the total surplus was on the books of the federal government and the pension plans.

The governments together collected \$603 billion and spent \$575 billion. This requires a full stop for reflection, in light of another important study released by The Canadian Economic Observer, which notes that a sharp decline in the overall participation rate in the labour force will occur over the next 25 years, due to the retirement of baby boomers. This slowdown in labour-force growth will have significant impact on revenue collections, as fewer working Canadian

taxpayers will need to find ways to spur economic growth with increases in productivity ... and pay these enormous sums of tax collections.

That quest for increased productivity could be tougher than we might think in the workforce of the near future. By 2021, one in five workers will be aged 55 or older, compared with one in seven in 2005, according to the study. This clearly presents challenges for employers and governments alike.

With 10 million boomers in Canada, and only 23 million taxpayers, the simple math would suggest that the current rate of revenue collection for all governments is unsustainable. Couple this reality with another one—most Canadians have not prepared adequately financially for their longer life spans in retirement—and it makes sense to conserve resources now while we are still “making hay.”

Governments should immediately stop over-deducting income tax at source in favour of encouraging Canadians to put their money to work for their retirement now. What do you think?

For more information or to interview The Knowledge Bureau, please contact

[The Knowledge Bureau Inc.](#)

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Our readers respond!

The articles in the Tax Tipper contain valuable information.

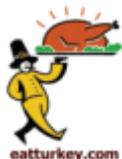
Thanks, Neel.

Sam Sinha, Owner, Cal Tax, Toronto, Ontario



We welcome your comments on The Tax Tipper!

[Send us an email.](#)



Surprise Them with Herb-Roasted Turkey A La Citrus Glaze

Courtesy The National Turkey Federation

Ingredients

- 1 15-pound WHOLE TURKEY, fresh or frozen (thawed)
- 3 large lemons
- 2 large limes
- 1-1/2 teaspoons salt, divided
- 1/2 teaspoon black pepper, coarsely ground
- 1/4 cup dry white wine (see note)
- 1/4 cup packed brown sugar
- Pan gravy
- 1 bunch each fresh sage, marjoram, and thyme, divided



Instructions

1. Preheat oven to 325 degrees F.
2. Remove giblets and neck from turkey; reserve for gravy. Rinse turkey with cold running water and drain well. Blot dry with paper towels.
3. Peel skin from lemons and limes to make rose garnishes. Reserve in refrigerator. Squeeze enough juice from the lemons and limes to equal 2 tablespoons each. Cut the remaining lemons and limes in half and place in the turkey cavity. Sprinkle salt in the cavity.
4. In a small bowl, mix the wine, brown sugar, and citrus juices; reserve for glaze.
5. Gently loosen skin from the turkey breast without totally detaching the skin and carefully place 1 tablespoon each fresh sage and marjoram under the skin. Replace the skin.
6. Fold neck skin and fasten to the back with 1 or 2 skewers.
7. Fold the wings under the back of the turkey. Return legs to tucked position.
8. Place turkey, breast side up, on a rack in a large shallow (about 2-1/2 inches deep) roasting pan.
9. Rub turkey with salt, pepper, and 2-3 tablespoons of salad oil. Insert oven-safe meat thermometer into the thickest part of the thigh, being careful that the pointed end of the thermometer does not touch the bone.
10. Roast the turkey in a preheated 325-degree F. oven about 3-3/4 hours.
11. During the last hour of roasting time, baste with the pan drippings.
12. During the last 30 minutes, baste with the citrus glaze.
13. Loosely cover with lightweight foil to prevent excessive browning.
14. Continue to roast until the thermometer registers 180 degrees F. in the thigh or 170 degrees F. in the breast.
15. Remove turkey from the oven and allow it to rest for 15-20 minutes before carving.
16. Place on a warm large platter and garnish the platter with the remaining fresh herbs and lemon and lime roses.
17. Prepare lemon and lime roses as follows: with a small, sharp knife or vegetable peeler, cut a continuous thin 1-inch strip of peel. Avoid cutting into the white pith. Roll tightly, skin inside out, and secure with toothpicks. Reserve in a bowl filled with ice water until time for service.
18. Provides 22 servings at 6 ounces per portion.
19. Note: Alcohol-free wine may be substituted for the dry white wine.

Send us your scrumptious recipe!



Yes, This Really Happened!

Quite often, I get asked if I run into any extraordinary cases. Like most professionals, my answer is an unqualified “Yes!”

Now, you may be thinking I’m going to spill the beans in this column called *Yes, This Really Happened!* and tell you the goods. Sorry, can’t do that for confidentiality reasons (I can just see you saying, Doh!). All I can say is, my comments range from “That’s incredible!” (like that TV show years ago) to “Am I seeing straight?” And, believe me, even Simon and Schuster couldn’t print some of the stuff I come across!

Now that I’ve brought up the subject, I’m going to do the next best thing and share some stories I run across from time to time. So, hope these make your day, and let’s never forget—it takes more than one person to populate this planet!

Banned from Honking, Shanghai Drivers Switch to Music, Voice Recordings

SHANGHAI, China (AP) - Banned from honking their horns, drivers in China’s commercial hub of Shanghai are switching to music or voice recordings to make themselves heard, a local newspaper reported.

Shanghai banned honking in the downtown area beginning this month, threatening fines for those leaning on the horn. Not even police cars are exempt, with the use of sirens banned in all but emergencies, the rules say. Yet some drivers who still feel the need to express themselves are spending the equivalent of about Can\$100 for customized horns, the Shanghai Daily newspaper said.

It said at least one taxi driver has converted his to a recording of a woman’s voice saying, “Please mind the car, we are making a turn.” Other horns play music, similar to a personalized cell phone ring tone. Police say all forms of honking are banned but have yet to crack down on personalized horns, the paper said.

“The new rule covers any kind of horn blaring, no matter what it sounds like,” it quoted traffic police spokesman Sun Guofu saying.

Street noise is a major issue in Shanghai, where much of the 20-million population is packed into the old downtown of 19th century tenement housing and narrow streets, and a construction boom also pumps up decibel levels.

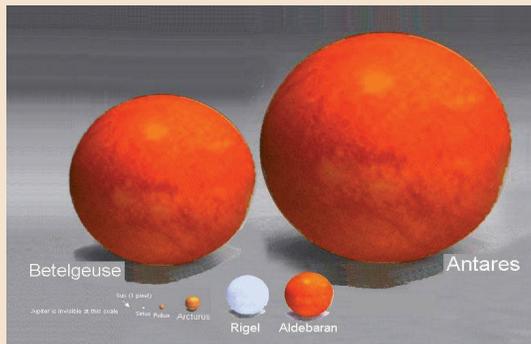
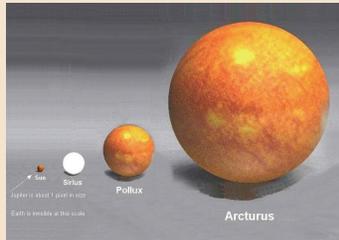
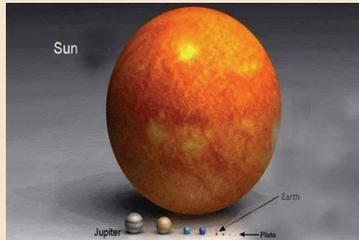
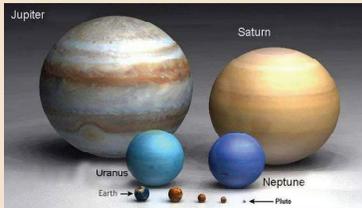
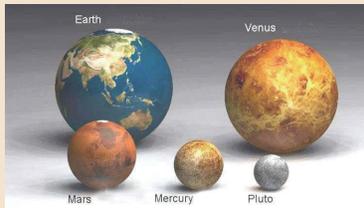


The Canadian Press June 27, 2007



Send us your exciting story!

It's a Photo Finish! What on Earth?



No one knows if the universe is infinitely large or even if ours is the only universe there is. Check out our planet compared to the nearest stars. Although our view of the universe is limited, our imaginations are not. Astronomers have indirect evidence that the universe of galaxies extends far beyond the region we can see. According to leading theories, other parts of the universe may look very different from ours—and may even have different laws of nature. We may never find out for sure. But clues may lie in plain view, just waiting to be discovered!

Courtesy of Patricia Webber of Vulcan, Alberta, and Harvard University

Don't miss Leonids Meteor Shower!

Saturday and Sunday, November 17-18, 2007

Send us your fascinating photo or story.

Client Corner

It's YOUR Say

I started using Neel Roberts from PTC Canada over six years ago to handle the yearly chore of taxes. I had a friend handling this prior to Neel, but as his business expanded he couldn't continue. We haven't looked back since first meeting Neel, as he's such a great guy and does such an exceptional job. Over the years, I've come to realize that PTC Canada prides itself on providing prompt and thorough customer service. The backup detail that Neel provides is fantastic and obviously one of the main reasons why his company has been in such demand. PTC Canada service doesn't stop once the tax preparation has been completed and the package e-filed. Throughout the year, whenever any questions crop up, Neel is always gracious in supplying advice. I've grown to rely on Neel and certainly consider him a friend of the family.

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