

100+ CANADA-U.S. CROSS BORDER QUESTIONS AND CONSIDERATIONS

This tool is designed to help advisors with deeper and more meaningful discovery sessions with clients who may have U.S. connections. This questionnaire is not meant to serve as a complete tool for in depth interviews and discovery meetings with these clients. The answers you receive may drive the need to involve other professionals who can delve further into the issues and considerations of clients who have U.S. connections.

Prepared for:	
Prepared by:	Date (dd/mmm/yy)

U.S. Citizenship and Residency
Were you born in the U.S.? <input type="radio"/> no <input type="radio"/> yes
Were either of your parents born in the U.S.? <input type="radio"/> no <input type="radio"/> yes If yes, specify how long they lived in the U.S. before moving to Canada:
Have you ever lived in the U.S.? <input type="radio"/> no <input type="radio"/> yes – please specify why and for how long:
Do you hold a U.S. passport? <input type="radio"/> no <input type="radio"/> yes
Where are you registered to vote?

U.S. Person for Tax Purposes
Do you understand who the U.S. Internal Revenue Service (IRS) considers a U.S. Person for income tax purposes? <input type="radio"/> no <input type="radio"/> yes
Do you understand who the IRS and any particular state consider a U.S. resident for gift tax and/or estate tax purposes? <input type="radio"/> no <input type="radio"/> yes
Do you conduct business activities in a location other than Canada? <input type="radio"/> no <input type="radio"/> yes
Do you currently hold a Green Card? <input type="radio"/> no <input type="radio"/> yes If not, have you ever held a Green Card? <input type="radio"/> no <input type="radio"/> yes – did you formally surrender it? <input type="radio"/> no <input type="radio"/> yes If yes, did you get a formal receipt? <input type="radio"/> no <input type="radio"/> yes
Where is/are your driver's license(s) issued?
Where do you conduct your banking?
Do you have bank accounts in the U.S.? <input type="radio"/> no <input type="radio"/> yes
Where is/are your automobile(s) registered?
Where is your boat registered? (if applicable)
Do you have immediate family in Canada? <input type="radio"/> no <input type="radio"/> yes
Do you or have you worked in the U.S.? <input type="radio"/> no <input type="radio"/> yes
Do you have a U.S. social security number or an Individual Taxpayer Identification Number (ITIN)? <input type="radio"/> no <input type="radio"/> yes If yes, please specify the number:

Snowbirds – If you are a Canadian Snowbird:

Please specify how much time you spent in the U.S.:

This year: _____ Last year: _____ The year before last: _____

Do you know how you could become an accidental American for income tax and estate tax purposes? no yes

Do you plan to increase the time you spend in the U.S. in the future? (e.g. retirement, extended vacation time)
 no yes

Where in the U.S. do you spend your time?

What arrangements have you made regarding health care coverage?

Do you know the provincial limits for coverage when you leave the country? no yes

Do you qualify for any type of government sponsored "national" health plan? no yes – for what country?

Do you plan to take up residency in the U.S.? no yes – how long will you have been a resident in Canada after the age of 18, prior to your departure?

Do you own a principal residence in Canada? no yes – if you are moving to the U.S., do you plan to sell your residence before you leave the country? no yes

U.S. Person Filing Obligations – If you are a U.S. Person for income tax purposes:

Do you file regular tax returns? no yes

Are you compliant with all reporting on all investable assets held outside the U.S.? no yes

Specify if you own shares in:

a Canadian controlled private corporation a professional corporation

If applicable specify your ownership percentage: _____ %, your immediate family's ownership percentage: _____ %

Does the corporation earn substantial amounts of passive (investment vs. operating) income? no yes

Are you a signing authority in a Canadian controlled private corporation whether or not you own shares in that business? no yes

Does someone else in your company have such authority? no yes – is that person considered a U.S. person for income tax purposes? no yes

Do you realize that all assets of the company must be reported by that person in annual US income tax and asset filings? no yes

Do you receive income from or are you a member of a U.S. Limited Liability Corporation (LLC)? no yes
If yes, has the LLC elected to be treated as a corporation? no yes

Do you hold shares in a U.S. limited partnership? no yes

Does the enterprise in which you have an ownership interest conduct business in the U.S.? no yes – is the business in total compliance with US filing requirements? no yes

Do you receive dividends, interest income or rental income from U.S. Persons? no yes

Who completes your U.S. and Canadian tax returns?

If completed by different people, do they share information to minimize taxes on both sides of the border and optimize foreign tax credits? no yes

Have you considered getting out of the U.S. Person classification? no yes

If yes:

- specify the reason (besides avoiding income tax and financial reporting):
- specify your average annual U.S. income tax liability before expatriation from the U.S.:
- specify your net worth at the time of expatriation:

If no, specify the reason you are continuing this classification:

U.S. Person Filing Obligations (cont'd) – If you are a U.S. Person for income tax purposes:

Do you anticipate inheriting money or assets? no yes – specify approximately how much in total:

If yes:

- Would it come to you all at once or according to the terms of a trust?
- Would it come to you directly? no yes
- Would it go to an institution to cover tuition, big ticket health care expenses (medically necessary home improvements, home care attendants, health insurance premiums, and/or orthodontia)? no yes
- Would it come to you while the donor is alive? no yes

Do you anticipate passing any assets to U.S. Persons during your lifetime or at death? no yes

Do you intend to lend or gift monies to family members during your lifetime? no yes – would any of them be minors? no yes

Are you aware that you must file an annual gift tax return for gifts made over certain thresholds? no yes

Are you married or living common law with a U.S. Person? no yes – specify how are you filing your tax returns (e.g. individuals, married filing separately, married filing jointly):

Do you intend to gift amounts in excess of \$147,000 U.S.D. to a non-U.S. spouse? no yes

Are you aware that you must file an annual gift tax return for gifts made over certain thresholds? no yes

Are you aware that you must report gifts or inheritances from family members over certain thresholds? no yes

Do you own individual life insurance? no yes – specify if it is:

personally owned – country it was issued in:

corporately owned owned by trust – type of trust:

When was your life insurance last reviewed?

U.S. Real Estate – If you own real estate property in the U.S.:

Where is it located?

How is the title held?

personal joint joint with rights of survivorship or as tenants in common

in a trust in a partnership in a corporation

Is there a mortgage on the property? no yes – is it a non-recourse mortgage? no yes

Is the property rented out at any time? no yes

Do you own a vacation property in the U.S.? no yes – specify how the title is held:

personal joint joint with rights of survivorship or as tenants in common

in a trust in a partnership in a corporation

Do you rent out your U.S. vacation property? no yes – explain how you track and report your rental income:

Do you report gross income or net income?

Do you take depreciation on that property? no yes

Do you intend to sell your U.S. property at some time? no yes

Do you intend to leave your U.S. property to your family? no yes

If you transfer it to your family, would that be during your lifetime or at your passing?

If a trust owns the real estate and you are the settlor of that trust, are you also a beneficiary or trustee? no yes

If a private company owns U.S. real estate, does this represent the majority of its assets? no yes

Canadian Taxable Property

Do you own a home in Canada? no yes – is it your principal residence? no yes

Is the home you consider your principal residence habitable all year round? no yes

How much has your home increased in value since you bought it?

Are you aware that part of the increase in value may be taxable in the U.S. if one or more of the owners are U.S. Persons?
 no yes

Do you own vacation property in Canada? no yes – is it habitable all year round? no yes

If you are a Canadian resident and not a U.S. Person for income tax purposes, specify if you own shares in:
 a Canadian Controlled Private Corporation a Professional Corporation

Specify if you own:

mutual funds investments held in mutual fund corporations investments held in exchange traded funds (ETFs)

Specify if you own:

tax free savings accounts Canadian registered education savings plans registered disability savings plans

If yes to any of the above, are you the beneficiary of any of these plans? no yes

If not, who is?

Are the beneficiaries U.S. Persons or could they be U.S. Persons in the future? (e.g. move to take a job, go to U.S. post-secondary school and wanting to use registered education savings plan) no yes

Other U.S. Investments

Do you own any U.S. investments other than U.S. cash? no yes

Do you directly hold any U.S. assets such as real estate, shares of U.S. corporations or U.S. stock options (other than as part of a Canadian mutual fund or segregated fund)? no yes

How are your U.S. investments held?

Directly in a U.S. fund in a U.S. investment corporation in a U.S. limited partnership

Retirement Plans

Specify if you own:

registered retirement savings plans registered retirement income funds
 deferred profit sharing plans individual pension plans

Do you or have you participated in any U.S. based retirement savings plan? no yes – specify the details:

If you are a U.S. Person for income tax purposes (e.g. citizens, long-term residents, Green Card holders), do you participate in a Canadian company retirement or pension plan? no yes

If yes, does the company contribute money to the plan? no yes

Are you the beneficiary of any plan held by a relative? no yes

Specify if you are eligible for:

Canada Old Age Security U.S. Social Security Canada/Quebec Pension Plan

Powers of Attorney and Estates

Do you have a will? no yes – when was it last reviewed?

Do you have multiple wills for your Canadian assets? no yes

If you have U.S. assets, is your executor aware that he/she must complete U.S. estate filing requirements if the total fair market value of U.S. assets exceeds \$60,000 U.S.D.? no yes

Is your executor aware that he/she must disclose your worldwide assets to U.S. tax authorities, including the IRS?
 no yes

Is your executor aware that he/she is liable for your non compliance in reporting and filings, including any U.S. estate tax owing? no yes

Are you aware that if you are a Canadian resident and not a U.S. domiciliary for U.S. estate tax purposes, that you may not be eligible for the total exemption amount? no yes

Do you have a will that covers U.S. assets only? no yes – when was it last reviewed?

Is it valid in the state where your U.S. assets are located? no yes

Do you have a Power of Attorney for property? no yes – when was it last reviewed?
What is the residency status of the donee/attorney?

Do you have a Power of Attorney for U.S. property? no yes – when was it last reviewed?
Is it valid in the state where that property is situated? no yes
What is the residency status of the donee/attorney?

Do you have a Power of Attorney for Healthcare? no yes
What is the residency status of the donee/attorney?

Do you have a Power of Attorney that is valid for U.S. based health care or emergencies? no yes
If yes, when was it last reviewed?
What is the residency status of the donee/attorney?

Do you have a Health Care Agent for a life threatening or end of life situation that is valid for the U.S. jurisdictions that you normally visit? no yes

Is your executor/estate administrator a U.S. Person for income tax purposes? no yes

Is your attorney/donee under a Power of Attorney a U.S. Person for income tax purposes? no yes

Do you have relatives living in the U.S.? no yes

Trusts

Are you the beneficiary of any trust? no yes – is the trust U.S. based? no yes

Are any of the beneficiaries U.S. Persons (e.g. citizens, long-term residents, Green card holders)? no yes

Are any of the trustees of any such trust U.S. Persons? no yes

Have you set up and funded or transferred capital assets to a trust? no yes

Have you transferred capital assets to another corporation, partnership and/or done this as part of reorganization, estate freeze, merger or windup? no yes

Have you been named an executor of any U.S. Person? no yes

Have you been named an executor of someone who holds U.S. property including real estate or investments? no yes