

Month-by-Month Personal Finance Checklist

For Business Owners and High-Net-Worth Individuals



January

- Reflect back on 2018:
 - Review prior year's investment portfolio and discuss with your advisor your strategy for the upcoming year.
 - If any significant changes or life events occurred; births or deaths, buying or selling of material assets, make sure to revise your Will and Power of Attorney(s) to reflect current wishes.
- Review balance sheet for all family entities (i.e. trusts, corporations, family members).
 - Effectively redeploy cash balances to reduce debt or to obtain higher returns.
 - Minimize non tax-deductible debt and consolidate where appropriate.
 - Assess short-term liquidity needs; set aside emergency funds covering a minimum 3 months of living expenses.
- Pay interest on prescribed rate loan by **January 30th**. If you don't have a prescribed rate loan, consider it; the CRA's prescribed rate is currently set at 2%.
- Revise pre-authorized corporate tax remittance.
- Establish priorities for charitable giving. Revise pre-authorization of payments for changes in giving.
- If you realized a capital loss on a disposition of securities in 2018, you need to wait 31 days before re-acquiring them.
- Consider converting non-deductible debt to tax deductible debt.
- Consider making a 2019 RRSP contribution early in the year to take advantage of tax-free growth.
- Maximum RRSP contribution limit for 2019 is \$26,500.

February

- Maximize RRSP and TFSA contributions to take advantage of tax-sheltered compound growth.
 - Consider spousal RRSP or RRSPs for kids over the age of 18.
 - 2019 TFSA contribution room is \$6,000. Top up unused contribution room accumulated since 2009 and re-contribute any withdrawals from previous years.
 - Cumulative TFSA contribution room is \$63,500.
 - RRSP contribution deadline is **March 1st**; maximum contribution limit for 2018 is \$26,230.
- Contribute to RESPs early to take advantage of compounding. Review past unused contribution room and take action, only one year's contribution can be carried forward in a given year to receive government grant.
- Collect receipts and other information for tax filings due in March (trusts) and April (personal).

March

- First installment due on **March 15th** for taxpayers remitting quarterly.
- File trust tax and information returns by **March 31st**, extended to the next business day (April 1st).

April

- File personal tax returns for all family members by **April 30th**.
- Pay any outstanding tax liabilities by **April 30th** (April 15th for individuals who have U.S.-source employment income).
- Revise personal tax installments for the balance of the year.
- Review Q1 investment portfolio results.

May

- Review life and disability insurance needs and coverage.
- Discuss income/family expectations for university/college children returning home to set expectations for the summer and September enrollment.
- Review your notice of assessment and take appropriate action.

June	<input type="checkbox"/> Second quarter installment due on June 15th for taxpayers remitting quarterly. <input type="checkbox"/> File personal tax return by June 15th if self-employed or U.S. tax return if you do not have U.S.-source employment income (deadline extended to June 17th). <input type="checkbox"/> Pay out any prior year accrued bonus by June 30th for companies with a calendar year end. <input type="checkbox"/> Consider sprinkling the capital gains exemption on shares in your business to other family members.
July/ August	<input type="checkbox"/> Review Q2 investment portfolio results. <input type="checkbox"/> Consider mid-year reflection on personal, business, family and financial goals, philanthropic/ stewardship objectives etc. and develop action plan for implementation in Q3 and Q4. <input type="checkbox"/> Determine most effective tuition funding strategy for upcoming school year. Also, review student living accommodation and opportunities to buy vs. rent. <input type="checkbox"/> Encourage and support your children in establishing their own savings and investment plans.
September	<input type="checkbox"/> Third quarter installment due on September 15th for taxpayers remitting quarterly. <input type="checkbox"/> Review shareholder's agreement. <input type="checkbox"/> Consider the merits of incorporating and/or an estate freeze. <input type="checkbox"/> Consider transferring property to other family members to minimize current and future tax liability. If you have a child turning 18, there are additional opportunities.
October	<input type="checkbox"/> Review Q3 investment portfolio results. <input type="checkbox"/> Review medical expenses for the past 12 months (including those of dependent parents) to determine if there are tax deduction benefits.
November	<input type="checkbox"/> Begin year-end tax planning: <ul style="list-style-type: none"> • Review status of unrealized capital gains and losses on investment portfolio and take appropriate action to minimize taxes for the current and prior years. • Consider a private or community foundation to shelter large capital gains. • Consider flow through shares or other tax sheltering opportunities. <input type="checkbox"/> Ensure at least minimum RRIF and IPP withdrawals are made prior to year end.
December	<input type="checkbox"/> Last installment due on December 15th for taxpayers remitting quarterly. <input type="checkbox"/> Make all charitable donations, TFSA and RESP contributions by December 31st . <input type="checkbox"/> Ensure IPP contributions are made by December 31st or fiscal year end. <input type="checkbox"/> Determine bonus/dividend policy for your company. <input type="checkbox"/> Ensure amounts paid or payable from trusts to beneficiaries are properly documented. <input type="checkbox"/> Review any existing tax planning strategies given the new Tax on Split Income (TOSI) rules introduced in 2018. <input type="checkbox"/> Any loans from the company to shareholders should be eliminated prior to year-end, otherwise shareholders will be deemed to receive a benefit equal to the value of the loan. <input type="checkbox"/> Final review of tax loss selling opportunities. Remember carryback of losses to shelter gains from prior years. <input type="checkbox"/> If using a company car, advise employer in writing regarding reduced auto benefit (if eligible).
Milestone Birthdays	<input type="checkbox"/> OAS and CPP benefits typically begin at age 65. At age 60, consider receiving CPP benefits early or alternatively, delay OAS and CPP in exchange for the higher monthly amounts. <ul style="list-style-type: none"> • Benefits do not begin automatically; you must apply to receive benefits in the following 11 month period. <input type="checkbox"/> December 31st of the year you turn 71 is the last day you can contribute to your own RRSP. <input type="checkbox"/> If over 40, consider setting up an Individual Pension Plan (IPP) or Retirement Compensation Arrangement (RCA).