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7 WAYS TO PREPARE FOR TAX SEASON

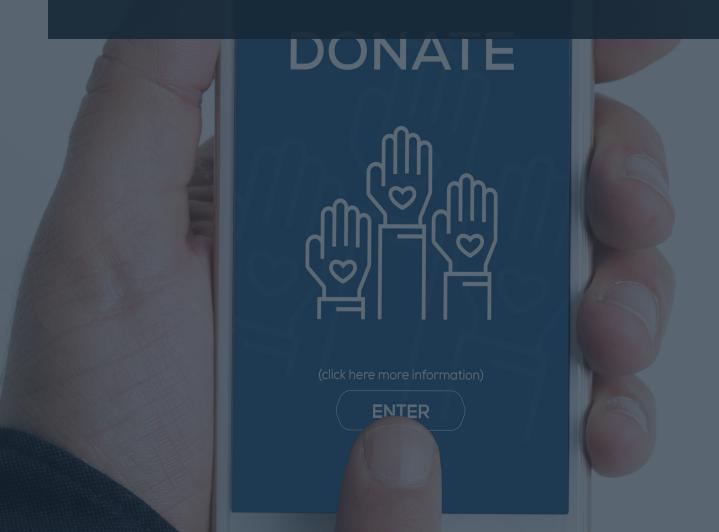
Paying taxes - a rite of passage for anyone entering the workforce. Sadly, many people give in to the inevitability of paying taxes and forget to find areas to save on their tax obligations.

Follow these seven tips to help you save on taxes in the coming tax year.

TAX FREE SAVINGS ACCOUNTS

Tax-free savings accounts offer the opportunity to save without taxation being applied to returns. While these types of accounts do not lower your reportable (taxable) income, they do allow allow capital to grow at a faster rate, given income and realized capital gains are not subject to income tax.

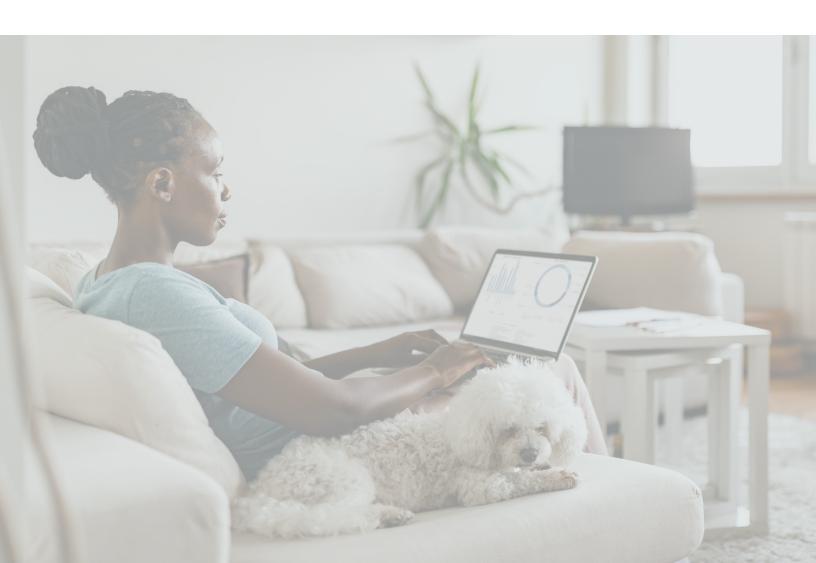
There is a TFSA contribution limit determined annually, any unused contribution room carries forward to the following year, and where a withdrawal has occurred, that amount is added back the following year to the contribution limit.

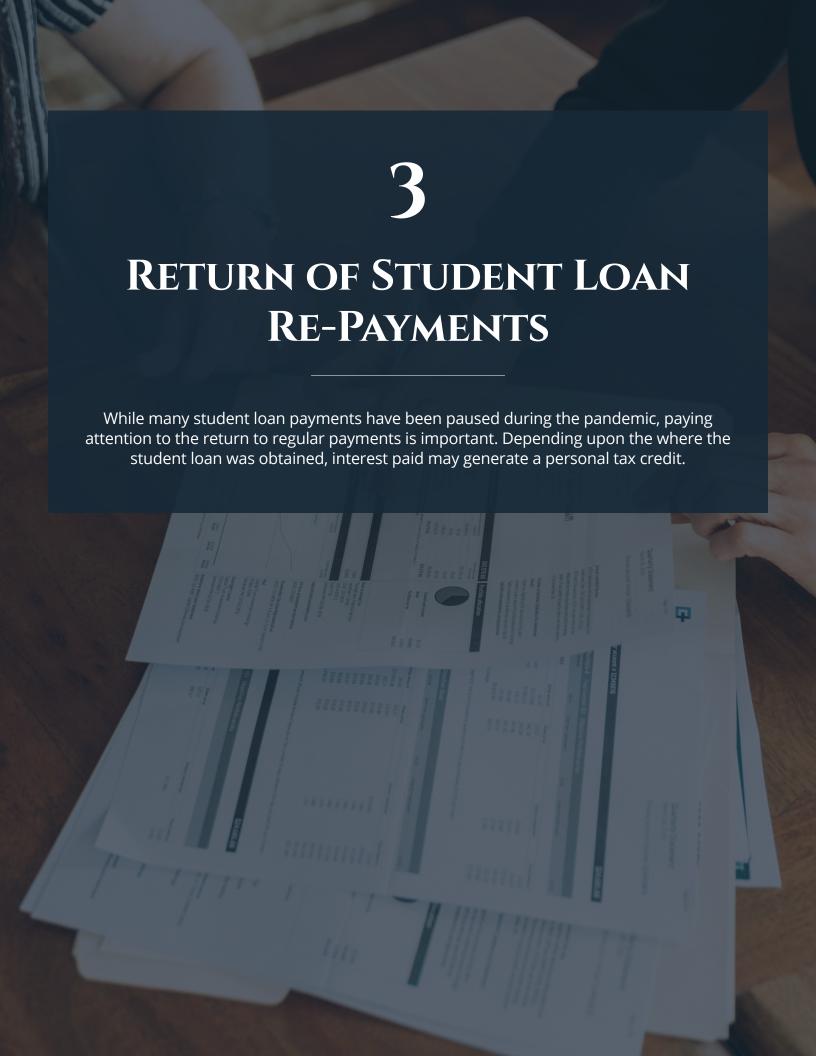


PAY ATTENTION TO HEALTHCARE COSTS

We often ignore one of our highest costs each year, resulting in the loss of tax deductions. Regardless of how small, keeping track of your healthcare costs can pay off when it comes time to report.

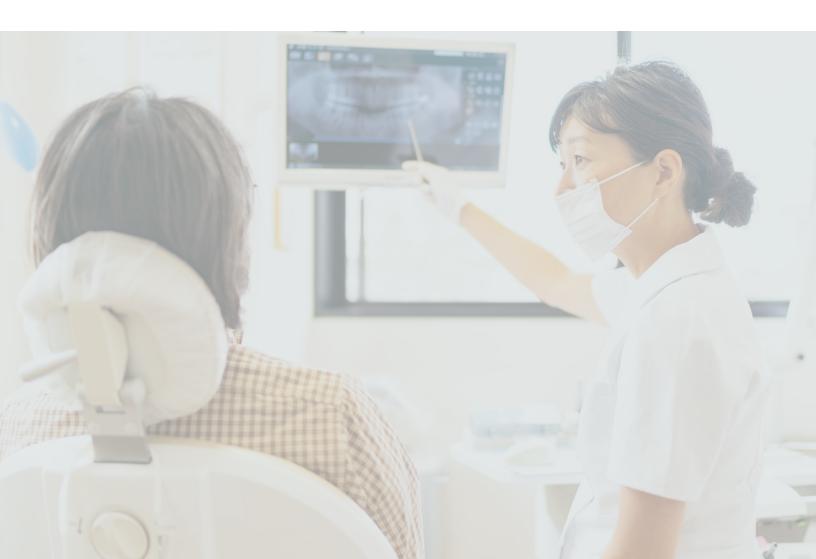
While healthcare costs often represent a low reportable amount each year, every little bit can help when it comes to saving on your tax bill.





TAX-LOSS SELLING

Tax-loss harvesting also referred to as tax-loss selling, can be used by investors with non-registered investments that are trading below their original cost. These investments can be sold, and the subsequent capital loss can be used to offset any capital gains incurred that tax year. It's also possible to carry capital losses back into the previous three tax years and/or carry them forward indefinitely.



SAVE TO TAXES WITH A REGISTERED RETIREMENT SAVINGS PLAN

Take advantage of the built-in tax savings of a registered retirement savings plan (RRSP). RRSPs offer the opportunity to save in a tax-advantaged account with the added benefit of reducing reportable income.



KEEP TRACK OF YOUR DONATIONS

The first step is making charitable donations. Check the official list of eligible recipients and keep track of any donations made to those entities.

Many donations are eligible for tax savings right away and can offer significant tax credits.



USE REGISTERED EDUCATION SAVINGS PLAN

While your schooling may be over, your dependents likely have education costs ahead of them. Saving in tax-advantaged accounts allows post-tax contributions to grow tax-free. When your future student is ready to withdraw from the account, they will not likely be impacted by any taxes imposed at withdrawal.

Reducing your overall tax bill is possible by utilizing the opportunities presented above. While you will not be able to avoid tax collection, you can certainly limit the amount you pay each year.





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