Canadian Federation of Agriculture Submission
Department of Finance Canada
Tax Planning Using Private Corporations
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Canadian Federation of Agriculture
21 Florence street
Ottawa, Ontario K2P 0W6
Tel: 613-236-3633
cfa-fca.ca

Contents

The Canadian Federation of Agriculture 2

CFA's Perspective 2

The Family Farm Corporation 3

Facilitating Intergenerational Farm Transfers 3

CFA's General Recommendations 4

1. Income Sprinkling and Limitations on the Lifetime Capital Gains Exemption 5

1.1 The Reasonableness Test 5

1.2 Limited Access to the Lifetime Capital Gains Exemption and the 2018 Special Election 7

2. Passive Investment Income 8

3. Converting Income into Capital Gains 10

Conclusion & Summary of Recommendations 11

Recommendations: Income Sprinkling and Limitations on the Lifetime Capital Gains Exemption: 11

Recommendations: Passive Investment Income: 12

Recommendations: Converting Income into Capital Gains: 12

The Canadian Federation of Agriculture

This submission represents the official position of the Canadian Federation of Agriculture (CFA), Canada's largest farmers' organization, through its members representing nearly 200,000 Canadian farmers and farm families from coast to coast. CFA was formed in 1935 to answer the need for a unified voice to speak on behalf of Canadian farmers. It continues today as a farmer-funded, national umbrella organization representing provincial general farm organizations and national commodity groups. CFA's mission is to promote the interests of Canadian agriculture and agri-food producers, including farm families, through leadership at the national level and to ensure the continued development of a viable and vibrant agriculture and agri-food industry in Canada.

CFA works to coordinate the efforts of agricultural producer organizations throughout Canada for the purpose of forming and promoting national agricultural policies to ensure Canadian agriculture remains profitable, competitive, and has the stability needed to innovate and adapt to meet changing domestic and international conditions.

CFA's Perspective

Since the Department of Finance Canada released the consultation document, Tax Planning Using Private Corporations, on July 18th, 2017, with a subsequent 75-day consultation period taking place during many farmers' annual harvest, CFA has heard unprecedented concern from farmers across all regions in Canada. CFA has been pleased to hear from Minister Morneau and other senior governmental officials that the typical, legitimate practices undertaken by family farms are not the intended target of these proposed changes, and is committed to working with the Department of Finance to ensure that adjustments are completed to this end.

However, upon in-depth analysis of the proposed changes, CFA notes that their broad and transformative nature, coupled with their technical complexity leaves considerable potential for unintended consequences that could dramatically affect the financial health of farm operations across Canada. The short period for consultation, taking place during the busiest time of year for Canadian farmers — harvest — further increases the potential for unintended consequences, with many farm operators unable to meet with financial advisors or take the time to properly analyse and assess the impacts on their own businesses.

Prior to these proposals, recent tax reforms have highlighted the need for simplification of Canada's *Income Tax Act*, acknowledging that complexity in the *Income Tax Act* resulted in ambiguity and inconsistency in the Act's application. However, these proposals dramatically increase the complexity of the *Income Tax Act* and associated tax compliance, raising questions as to the appropriateness of introducing such complex, ambiguous proposals and the associated, subsequent compliance regime.

It is also noteworthy that this consultation was first announced in the 2017 Federal Budget, which laid out a clear vision for innovation and growth in Canada's agri-food sector with ambitious targets for growth in agri-food exports[1]. Unless significant amendments are made to these tax proposals to ensure family farms are

[1] Government of Canada. Budget 2017: Building a Strong Middle Class. Available at: http://www.budget.gc.ca/2017/docs/plan/toc-tdm-en.html (Accessed September 25, 2017)

exempt from the changes, they will undermine the agri-food industry's capacity to meet these export targets, grow the sector, and contribute to inclusive economic growth in regions across Canada.

CFA believes that extensive consultation and engagement with the farm sector is essential to ensure that there are no unintended consequences from these tax proposals.

The Family Farm Corporation

First and foremost, it is important to note that these proposals, as currently written, will affect farms of all sizes and structures in one fashion or another. Sole proprietorships, partnerships, family farm corporations and family trusts will all be affected by specific provisions within a number of the proposed changes. Regardless of the proposals' intended target, fairness by any measure is not served by additional tax liabilities that would see business owners and their family members face tax rates up to 70-80% (depending on the Province).

The farm sector requires specific consideration when making revisions to Canada's tax policy regime, reflecting the government's long-standing acceptance that the application of normal taxation rules to the farming industry would cause undue hardship to farmers, due to the unique challenges they face and the broader social benefits the industry provides to Canada.[2]

Unlike other businesses, farm families generally live where they work. As a result, farm work is an inherent part of daily life from an early age. Farm children begin contributing to the farm operation at a young age in countless ways, often building the skills that will be required to take over operational control years down the road. This poses considerable challenges with regard to the proposed new rules in relation to Income Sprinkling, particularly the reasonableness test and new limitations imposed on the Lifetime Capital Gains Exemption (LCGE), which will be laid out in further detail below.

Furthermore, although agriculture has become an increasingly capital-intensive industry, 98% of farm businesses remain farm owned and operated, with nearly 200,000 farm businesses in regions across Canada. As farm operations have become larger and more complex over the past 50 years to remain globally competitive, they have incorporated to a greater extent than ever before. As of 2016, approximately 25% of farm business are now structured as corporations, increasing from just 2% in 1971.[3] Despite the cost and administrative complexity involved in incorporating, farms have incorporated for a variety of reasons that extend well beyond tax planning benefits, such as helping facilitate effective intergenerational farm transfers and retaining earnings for reinvestment in their business.

Facilitating Intergenerational Farm Transfers

The increased capital tied up in agricultural operations poses new challenges to the continuation of family farming in Canada, a model contributing to sustainable growth, environmental stewardship, and spending within local communities. These capital requirements place unprecedented strain on farm transfers for both those

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[2] Government of Canada. Library of Parliament. Prepared by Marc LeBlanc. Federal Taxation of Farmers: Discussion of Issues. Available at http://www.lop.parl.gc.ca/content/lop/researchpublications/prb05102-e.htm (Accessed September 25, 2017).

[3] Statistics Canada. A portrait of a 21st century agricultural operation. Available at: http://www.statcan.gc.ca/pub/95-640-x/2016001/article/14811-eng.htm (Accessed September 25, 2017)

looking to enter the industry, and those looking to exit or retire. In succession planning, the viability of both parties is paramount and, therefore, effective tax planning for succession is essential.

Facilitating intergenerational family farm transfers has been a long-standing tenet of Canada's tax policy regime, most notably seen in the Farm Rollover Provisions already in the *Income Tax Act*[4]. These provisions enable the transfer of certain qualifying farm properties to a child at any amount between the cost of the property and the fair market value of the property. While not addressed in the current proposals, maintenance of these provisions and their efficacy in relation to broader tax policy must be maintained.

However, the tax proposals do not appear to account for this existing, differentiated treatment of farms within the *Income Tax Act.* As a result, CFA's analysis of the proposed changes has identified that they are likely to affect family farm businesses through a number of problematic and unintended consequences.

CFA's General Recommendations

Given the wide range of issues noted by tax practitioners and stakeholders from across the farm sector, CFA thcontinues to believe that the most effective approach to addressing the negative consequences of the proposals would be to reconsider the current proposals following an extensive consultation with Canada's farmers CFA believes the tax proposals must be amended to broadly achieve three goals:

1. Exempt farming income and gains on farm assets from the proposed Income Sprinkling rules, as they cannot be applied fairly in the context of a family farm operation.
2. Exempt qualified farm properties from the proposed changes to capital gains exemption treatment, as the new rules are unduly detrimental to family farm transfers and are inconsistent with the current tax policy relating to farm transfers.
3. Commit to a clear process with farm stakeholders to address the unintended consequences for the farm sector and exempt legitimate farm practices from the proposed changes before final legislation is introduced and to continue this process following the legislation's introduction.

CFA looks forward to working with officials in the Department of Canada to see these recommendations realized. While further analysis is still required to assess all the possible implications of the changes, the remainder of this submission lays out CFA's specific concerns with the proposed changes and subsequent recommendations.

Based on the specific concerns noted with respect to each set of proposals, a more detailed list of CFA's recommendations is available on the final page of the report.

[4] Found in subsections 70(9), 73(3) and 73(4) of Canada's *Income Tax Act*

1. Income Sprinkling and Limitations on the Lifetime Capital Gains Exemption

1.1 The Reasonableness Test

CFA believes that most farm families should not be affected by efforts to address Income Sprinkling, if all appropriate facts could be adequately considered. However, when reviewing the reasonableness test, , we maintain serious reservations around the efficacy of this approach. The proposed test states an intention to assess labour contributions, capital contributions, and any previous returns or remuneration. Notwithstanding the subjectivity that would be inherent in implementation of such a test, as noted previously, farm families live where they work and members contribute to their family businesses in a myriad of ways that are often indirect in nature and impossible to track

This is further complicated by the fact that the current proposals remain vague with respect to how specific situations and contributions will be treated. As a result, the test introduces significant complexity and uncertainty, raising questions as to where the reasonableness test will apply and how it will be enforced. The imposition of a reasonableness test in the future will force farm families to reconsider all their activities in light of this uncertainty, such as spouses staying home to take care of children, working off-farm to support the family business, and even the manner in which farm children are brought into the family business through on-farm work.

If farm income is not exempt from this test, associated uncertainty will create undue tax liabilities and unnecessarily complicate succession planning. Unless it is directly and clearly addressed, disputed cases will likely have to go through the court system to be resolved, drawing out this uncertainty for years and creating considerable additional cost. The following list lays out key concerns farm businesses have noted with the proposed reasonableness test.

Specific concerns:

Unduly restrictive rules for those between 18 and 24: The strict reasonableness test identified, for specified individuals between 18 and 24, holds the potential to create significant, unintended tax liabilities for farm children that maintain active roles in the farm operation and a long-term interest in the future of the farm operation. Specific language noted in the reasonableness test for this age group would likely exclude many of the contributions that farm children make to their family businesses during this time period. By excluding labour contributions that are not "regular, continuous and substantial", the contributions of any farm children attending post-secondary education or working off-farm to build skills and/or diversify revenue would not qualify. These individuals would still be contributing significantly to the farm on an irregular basis, working around other commitments, however their contributions would not be accounted for if the reasonableness test were applied to any dividends they might receive from corporate shares they possess. If they are already a partner or shareholder in the farm, they could face the top marginal tax rate on associated earnings if any split income was thus deemed to exceed a reasonable amount.

In addition, family members in this age group with long-term plans to take on ownership could see this strict reasonableness test applied if they acquire any corporate shares, partnership interests, or other assets during this period, particularly if gifted through the farm rollover provisions.

Limits on total compensation: Total compensation under the proposed new rules is limited to the family member's labour contribution, capital contribution and any business risk he or she has taken on, perhaps in the form of a guarantee on a loan. For a family member who purchased new common shares after a typical "freeze" transaction, enabling the next generation to accrue the associated capital gains, this could limit the dividends on those new common shares to a "reasonable return". Although undefined, this could be a low percentage of the issue price of those shares, with any dividends to the second generation in excess of that amount taxed at the top marginal rate. While problematic for succession planning more generally, this raises particular concerns for those farms already in the process of transferring the farm.

Farms are often times organized as partnerships. Those farms cannot mitigate the potential impact of the reasonableness test by paying their partners a wage, unlike other businesses who are more often incorporated and can do so.

Treatment of Intergenerational Transfers: While noted above in regard to 18 to 24 year olds, the reasonableness test also creates considerable uncertainty for any farm family looking to transfer farm assets to the next generation. This treatment appears contrary to the intent of the rollover provisions and to broader tax policy regarding treatment of intergenerational farm transfers. Beyond affecting just farm corporations, the reasonableness test and income sprinkling proposals also potentially affect transfers of partnership interests and farmland. In instances where the farm rollover provisions are utilized, avoiding a capital gain, transfer of partnership interest to a child could still see the reasonableness test applied when they receive income, potentially creating undue and unmanageable tax liabilities.

There is also a concern for those parents who have frozen their common shares into preferred shares on the assumption their deemed dividends in retirement would be taxed at marginal rates. They are now faced with an uncertain and most likely higher tax burden in their most vulnerable years without the ability to obtain additional funds from the farm given the value of their interest is frozen. They also face the very real possibility that, in effect, because they both own preferred shares in a 50:50 split, which is common that one spouse's dividend could be deemed unreasonable and taxed at the highest rate. This income splitting in a freeze transaction would be in effect denied, even though the benefit of income splitting between spouses is allowed on pension income from RRSPs. They will also not be able to undo the ownership of the shares to mitigate this issue because of the spousal attribution rules.

Often times non-farming children receive shares of the family farm corporation as part of their inheritance. In order to help the farm make the cash requirements on the farm more manageable, these shares are often repurchased over time. This also allows the non-farm children to be taxed at their marginal rates. While they may have had little involvement with the farm, the payments they now receive make up part of their inheritance in an effort to provide equitable treatment during an intergenerational transfer. However, if they will now face being taxed at the top marginal tax rate, additional funds from the business will be required to meet the terms of an equitable succession plan.

Recommendation(s)

Based on the aforementioned concerns, **CFA recommends that farming income be exempted from the reasonableness test and proposed income sprinkling rules**.

This exemption is required as the current proposals cannot be applied fairly in the context of a family farm operation, where family contributions are difficult, if not impossible to track, and contributions can come in a variety of formats and situations that will, in some instances, undoubtedly fail to be considered within a reasonableness test.

1.2 Limited Access to the Lifetime Capital Gains Exemption and the 2018 Special Election

New limitations proposed regarding access to the lifetime capital gains exemption for gains that accrue, or are realized, before an individual is 18 will make the already difficult succession process even more complex and uncertain for Canada's family farms. Estimates suggest that Canada will see more than $50 billion in farm assets change hands over the next decade, as the average age of farmers has now risen beyond 55 years of age. This proposal could disrupt that transfer and undermine the future financial health of the sector, contrary to the government's plans for agri-food growth. While not exhaustive, the following list lays out key concerns farm businesses have noted with respect to proposed limitations on access to the LCGE and the 2018 special election.

Specific concerns:

Requires unreasonable foresight and planning: Any individuals looking to take advantage of their LCGE for gains accrued or realized before the age of 18, to aid with a future intergenerational farm transfers, would also be required to make a special election in 2018. This requires an unreasonable level of certainty as to future succession plans, which could be decades away at that point. Requiring this decision immediately, within such a limited time frame, is not conducive to financially sound planning given the uncertainty that would inherently exist at that age. This is further exacerbated by the fact that any gains on corporate shares accruing before the age of 18 would require children to sell those shares in order to access their LCGE.

Additional costs: Any family farms considering an intergenerational transfer in the next few years have likely already started a long-term succession planning process. These new limitations on access to the LCGE could see plans thrown out and significant increases in the overall tax burden, while resulting in lost access to other income-tested benefits in the year of the election. Furthermore, compliance with these limitations will impose additional costs for appraisals of the property based on the prospective owner's 18th birthday, which could involve retrospective appraisals potentially looking back multiple decades.

Family Trusts lose access to exemption: Family trusts are a frequently used tool for succession planning amongst family farms. With all capital gains allocated from a family trust no longer eligible for the capital gains exemption, farm families will lose access to the capital gains exemption if they wish to leverage any of the other advantages associated with family trust, such as estate planning, creditor proofing, confidentiality, discretionary inheritance for young children, and the protection of minors. As a result, this limitation further complicates succession planning.

Alternative Minimum Taxation (AMT): Any farm children using the full breadth of their LCGE in 2018 will likely pay AMT, creating a significant tax liability (likely in excess of $50,000) at a time when income is generally insufficient to cover it. While refundable, this requires sufficient taxable income over the next 7 years. This is particularly unlikely for those going to school, particularly given the reasonableness test mentioned above.

Tax Trap with the Rollover Provisions: If the 2018 special election is made by a child, any farmland, partnership interests or shares they received since December 31, 2015, through the farm rollover provisions could trigger an anti-avoidance provision[5] that would see the gains transferred back to the parent. This not only complicates succession planning, but could threaten the financial viability of the retiring party by placing an undue, untenable tax liability upon them at a time in their life where expected future income would be limited.

Recommendation(s)

Based on the aforementioned concerns, **CFA recommends that qualified farm properties be exempt from the proposed limitations on the LCGE** with regard to:

- gains accruing or realized before the age of 18;
- gains accrued within a family trust; and
- the reasonableness test.

Without such an exemption, the proposed limitations will unduly complicate family farm transfers. They will create additional costs to undertake succession planning and introduce unreasonable appraisal requirements that would require business owners to look back decades for details based on limited reliable information on associated valuations. This introduces further uncertainty and costs that are inconsistent with the current tax policy relating to farm transfers.

2. Passive Investment Income

Under the current proposed draft, the overall tax rate (corporate and personal) on the sale of corporate-held investments, land or corporate-held quota may more than double, depending on the original tax treatment on the funds invested. This is on top of the additional tax burden facing corporate-held quota because of the repeal of the Eligible Capital Property regime effective January 1, 2017. As these proposals remain conceptual, the specific implications remain unclear.

Farm corporations can maintain passive investments in their corporations for a variety of reasons. One common rationale for maintaining investments is risk management, where passive investments are held to ensure financial viability is maintained during future income declines that could arise due to weather or market-related volatility. Similarly, passive investments are often held in farm corporations in anticipation of future availability of adjacent or nearby farmland. Given the limited supply of farmland, farm businesses looking to expand must often wait for extended periods of time before an opportunity becomes available to purchase appropriate land

[5] 69(11) of the *Income Tax Act*

and expand their operations. They are also maintained to assist in the payout of the older generation's shares over time.

Specific Concerns:

Double taxation and inappropriate tax liabilities: There is considerable potential for effective double taxation if proposed changes to passive investment income do not account for the source of the invested funds, the purpose of the investments (i.e. savings for future investments in productive assets), or consider the business rationale behind maintaining passive investments for a rainy day. CFA recommends that any considerations regarding a future proposal on this front should not see additional tax liabilities imposed if future income declines are not realized or opportunities do not arise to invest in productive assets. This principle should be maintained for income derived from passive investments held for these, or any other, legitimate business purpose.

Applicability to rented land: The ability to rent farmland to other farm businesses represents an important risk management tool for family farm businesses looking to optimize capital and manage the volatility inherent in agricultural production. Although proposals regarding taxation of passive investment income remain conceptual at this stage, the potential for additional tax liabilities on this income will reduce the flexibility currently available to farm businesses in managing risks. For this reason, farmland rental incomes should be treated as active business income under any future proposals relating to taxation of passive investment income.

AgriInvest Fund Treatment: The AgriInvest program was designed to manage small income declines and provide support for investments to mitigate risks or improve market income. AgriInvest accounts are funded through annual deposits based on a percentage of Allowable Net Sales and they receive matching contributions from federal, provincial, and territorial governments up to prescribed annual limits. Within this program, many farm businesses leave funds within their AgriInvest accounts for years, pending potential future income declines or future opportunities to invest in risk mitigation. Given the policy objectives of the AgriInvest program, additional tax liabilities imposed upon income derived from accumulation of these funds would undermine the program's contributions to risk management. Therefore, similar to rented farmland, income derived from AgriInvest funds must be treated as active business income under any future proposals.

Recommendation(s)

Based on the aforementioned concerns, CFA **recommends caution** in approaching further reforms to the taxation of passive investment incomes, **ensuring they recognize and accommodate the range of legitimate business uses for passive investment income without creating additional, punitive tax liabilities.**

In addition, **CFA recommends that AgriInvest funds and farmland rental income received by an active farming business be considered active business income under any future proposals to reform taxation of passive investment income**. It is critical that unrealized capital gains on existing assets (passive or business, e.g. quota, farm land, equipment, barns, etc.) be grandfathered from any new rules, that future realized gains on the sale of farm assets be afforded status quo treatment and that passive assets acquired with the proceeds of those assets should continue to receive today's tax treatment.

3. Converting Income into Capital Gains

Section 84.1 of the *Income Tax* Act already prevents family farm transfers from accessing the LCGE in certain transactions involving holding companies, where a non-family member faces no such barrier**.** CFA has long noted that this creates an uneven playing field, incentivizing farm transfers to those outside of the family. These proposals would expand that section to cover additional capital gains that were not previously affected, further reinforcing this inequity.

In addition, the proposed introduction of Section 246.1 is overbroad, potentially affecting any and all sales of corporate assets. It is also punitive, as it treats the receipt as a taxable dividend but does not explicitly deem a corporation to be its payer – an omission that most likely makes it problematic to elect eligible dividend treatment or to claim a dividend refund in the corporation. Section 246.1 also eliminates, forever, any capital dividend account purportedly used in the series. Finally, it also contains a number of structural elements that make it hard to interpret, creating additional uncertainty as to when and how it would apply.

Specific Concerns:

Exacerbates inequitable access to the LCGE: CFA has long advocated for changes to Section 84.1 of the *Income Tax Act*. This section re-characterizes a capital gain as a deemed dividend when an individual disposes of shares of a Canadian company for a cash consideration to another company with which he does not deal at arm's length, when the company whose shares were sold is connected to the purchaser after the transaction. This leaves many farm families unable to access their LCGE and unable to receive capital gains treatment on farm shares in general if they wish to take advantage of a holding company in an intergenerational farm transfer, which can provide critical flexibility when trying to accommodate the financial needs of both generations. This exemption is critical to Canadian farmers, who build farm equity as their primary savings tool and rely largely on the capital generated from their farm sales for retirement purposes. As a result, Section 84.1, alongside the potential application of TOSI on capital gains, creates an incentive to sell corporate shares to individuals outside of one's family, thus creating a disincentive to maintain family farm corporations.

New Complications in Incorporating: Under the existing legislation, if a farmer sells personally owned qualified farm property to their corporation, they can use their LCGE to shield taxes on the gain (subject to AMT) and create a promissory note owing from the company back to the previous owner of partnership interests, quota, and/or farmland. This promissory note could be repaid to the individual without triggering income tax. Under the newly proposed legislation, particularly Section 246.1, this promissory note could be deemed to be a dividend, potentially taxable at the highest marginal rate. This is a common approach to incorporating farms and would create additional tax liabilities for any farmers looking to incorporate their business**.** Given the increased scale and complexity of agricultural operations, placing additional barriers to incorporation, such as additional tax liabilities, would limit the availability of this operating structure to farms attempting to maintain their global competitiveness as they expand. Section 246.1 also creates uncertainty surrounding the tax treatment of existing promissory notes given the wording of the proposed legislation appears to be retroactive.

If the scope of 246.1 is not narrowed for farms to maintain the historical treatment of farm incorporations, it will restrict the ability of farms to incorporate all of their other assets like other businesses, limiting the ability to

access the small business deduction to the same degree as other businesses or forcing farms to choose between the small business deduction and capital gains exemption.

Estate Planning Complicated by Preventing 'Pipeline' Arrangements: Extremely high tax liabilities could result if a shareholder of a farm corporation died when the company did not meet the criteria of Qualified Farm Property ("QFP") or died owning QFP shares but did not have a surviving spouse or child. If the shares are not QFP at the time of death, they cannot be transferred to the next generation in a tax deferred manner and under the new rules potentially limiting the post-mortem tax planning strategies currently allowable, the tax on the death of the shareholder could reach as high as 82% of the value of the shares (in Alberta). The same rates would apply to any gain in excess of the remaining $1.0 million LCGE. While this appears to be the intended target of these provisions, a clear exemption is required for real intergenerational transfers to ensure that legitimate transactions are not affected.

Recommendation(s)

Based on the aforementioned concerns, CFA **recommends that the Department of Finance Canada commit to working with CFA and its advisors to determine a test capable of differentiating bona fide intergenerational farm corporation transfers** from those that are not. The provisions Quebec recently introduced to differentiate real intergenerational business transfers for companies from surplus stripping transactions represents an alternative solution that should be closely considered.

In the interim, CFA believes the only way to ensure that Canada's tax policy remains conducive to intergenerational farm transfers is through **an interim exemption on qualified farm properties from the proposed changes related to converting income to capital gains.**

Conclusion & Summary of Recommendations

Given the wide range of issues noted by advisors and stakeholders from across the broader small business community, CFA continues to believe that the most effective approach to addressing these potential consequences would be to reconsider the current proposals following an extensive consultation with Canada's small business community. A clear process must be laid out to address the specific concerns of the farm sector in advance of any final legislation being introduced, with this process maintained following implementation to address any unforeseen, unintended consequences facing Canada's farm sector.

However, in the absence of a new approach, CFA believes the proposals contained within the aforementioned consultation document must be amended in the following manner.

Recommendations: Income Sprinkling and Limitations on the Lifetime Capital Gains Exemption:

1. Exempt farming income from the reasonableness test and proposed income sprinkling rules.
2. Exempt qualified farm properties from the proposed limitations on the LCGE with regard to:
    a. gains accruing or realized before the age of 18
    b. gains accrued within a family trust; and
    c. the reasonableness test.

Recommendations: Passive Investment Income:

3. Ensure that future proposals regarding treatment of passive investment income recognize and accommodate the range of legitimate business uses for passive investment income without creating additional, punitive tax liabilities.
4. AgriInvest funds and farmland rental income be considered active business income under any future proposals to reform taxation of passive investment income.

Recommendations: Converting Income into Capital Gains:

5. The Department of Finance Canada commit to working with CFA and advisors to determine a test capable of differentiating real intergenerational farm transfers.
6. Establish an exemption on qualified farm properties from the proposed changes related to converting income to capital gains.

CFA looks forward to working with officials in the Department of Canada to further refine these recommendations, identify further consequences of the proposed reforms, and identify further workable solutions. While a series of concerns have been noted with respect to each of the proposals contained within the consultation document on Tax Planning Using Private Corporations, this list is far from exhaustive and there is significant potential for further unintended consequences to arise through more comprehensive, fulsome analysis of the proposed changes. If you have any questions regarding the contents of this submission, please contact Scott Ross, Director of Business Risk Management and Farm Policy for the Canadian Federation of Agriculture, at scott@canadian-farmers.ca or 613-236-3633 ext. 2324.