

Estate Planning – Current Distribution Analysis

How your estate is distributed on death is impacted by a variety of factors. Some of the more significant aspects include:

- How asset ownership is structured (single vs. joint)
- If particular assets have a named beneficiary
- Beneficiary designations on life insurance benefits payable
- How your Last Will and Testament distributes any assets that are not directly transferred through joint ownership or through beneficiary designations.

Another issue that can have a significant impact for couples, is the timing of each spouse's death. For this reason, on the following pages we have identified the distribution of the estate and an estimate of final expenses using two assumptions. In the first analysis we assume that Mark dies first with Maria dying second. In the second analysis we assume that Maria dies first and Mark dies second. This allows you to see the impact that timing may have on your situation.

Detailed Analysis of Mark's Estate (Mark Dies First)

Assets	Estate	Maria	Children	Charity	Other	Total
Joint Open Account		49,943				49,943
Personal Holdings		125,000				125,000
RESP with RBC		750				750
XYZ Manufacturing	2,000,000					2,000,000
Brokerage Account	25,000					25,000
Mark's RRSP		61,324				61,324
Total Assets	2,025,000	237,017	0	0	0	2,262,017
Liabilities						
Personal Holdings		62,500				62,500
Total Liabilities	0	62,500	0	0	0	62,500
Death Benefits						
CPP Death Benefits	2,500					2,500
Total Death Benefits	2,500	0	0	0	0	2,500
Total Estate	2,027,500	174,517	0	0	0	2,202,017
Final Expenses						
Assumed Burial Costs	20,000					20,000
Probate and Other Fees	5% 101,250					101,250
Taxes on Registered Investments	46%					
Taxes on Investment Assets	46% 2,300					2,300
Taxes on Personal Use Assets	46%					
Taxes on Business Use Assets	46% 241,500					241,500
Total Expenses	365,050	0	0	0	0	365,050
Total Estate Minus Total Expenses	1,662,450	174,517	0	0	0	1,836,967
Estate Distribution	1,662,450	- 1,652,450	0	10,000	0	0
Total Distribution	0	1,826,967	0	10,000	0	1,836,967

Detailed Analysis of Maria's Estate (Maria Dies Second)

Assets	Estate	Children	Charity	Other	Total
Mark's RRSP	61,324				61,324
Joint Open Account	99,886				99,886
Maria's RRSP	30,000				30,000
Personal Holdings	250,000				250,000
RESP with RBC	1,500				1,500
Mark's Residual Estate	1,652,450				1,652,450
Total Assets	2,095,160	0	0	0	2,095,160
Liabilities					
Personal Holdings	125,000				125,000
Total Liabilities	125,000	0	0	0	125,000
Death Benefits					
CPP Death Benefits	2,500				2,500
Total Death Benefits	2,500	0	0	0	2,500
Total Estate	1,972,660	0	0	0	1,972,660
Final Expenses					
Assumed Burial Costs	20,000				20,000
Probate and Other Fees	5% 104,758				104,758
Taxes on Registered Investments	46% 42,009				42,009
Taxes on Investment Assets	46% 2,504				2,504
Taxes on Personal Use Assets	46%				
Total Expenses	169,271	0	0	0	169,271
Total Estate Minus Total Expenses	1,803,389	0	0	0	1,803,389
Estate Distribution	-15,000	0	15,000	0	0
Total Distribution	1,788,389	0	15,000	0	1,803,389

Detailed Analysis of Maria's Estate (Maria Dies First)

Assets	Estate	Mark	Children	Charity	Other	Total
Joint Open Account		49,943				49,943
Maria's RRSP		30,000				30,000
Personal Holdings		125,000				125,000
RESP with RBC		750				750
Total Assets	0	205,693	0	0	0	205,693
Liabilities						
Personal Holdings		62,500				62,500
Total Liabilities	0	62,500	0	0	0	62,500
Death Benefits						
CPP Death Benefits		2,500				2,500
Total Death Benefits	2,500	0	0	0	0	2,500
Total Estate	2,500	143,193	0	0	0	145,693
Final Expenses						
Assumed Burial Costs		20,000				20,000
Probate and Other Fees	5%					
Taxes on Registered Investments	46%					
Taxes on Investment Assets	46%					
Taxes on Personal Use Assets	46%					
Total Expenses		20,000	0	0	0	20,000
Total Estate Minus Total Expenses	-17,500	143,193	0	0	0	125,693
Estate Distribution	17,500	-17,500	0	0	0	0
Total Distribution	0	125,693	0	0	0	125,693

Detailed Analysis of Mark's Estate (Mark Dies Second)

Assets	Estate	Children	Charity	Other	Total
Joint Open Account	99,886				99,886
Personal Holdings	250,000				250,000
RESP with RBC	1,500				1,500
XYZ Manufacturing	2,000,000				2,000,000
Brokerage Account	25,000				25,000
Mark's RRSP	61,324				61,324
Maria's RRSP	30,000				30,000
Maria's Residual Estate	-17,500				-17,500
Total Assets	2,450,210	0	0	0	2,450,210
Liabilities					
Personal Holdings	125,000				125,000
Total Liabilities	125,000	0	0	0	125,000
Death Benefits					
CPP Death Benefits	2,500				2,500
Total Death Benefits	2,500	0	0	0	2,500
Total Estate	2,327,710	0	0	0	2,327,710
Final Expenses					
Assumed Burial Costs	20,000				20,000
Probate and Other Fees	5% 122,511				122,511
Taxes on Registered Investments	46% 42,009				42,009
Taxes on Investment Assets	46% 4,804				4,804
Taxes on Personal Use Assets	46%				
Taxes on Business Use Assets	46% 241,500				241,500
Total Expenses	430,823	0	0	0	430,823
Total Estate Minus Total Expenses	1,896,887	0	0	0	1,896,887
Estate Distribution	-10,000	0	10,000	0	0
Total Distribution	1,886,887	0	10,000	0	1,896,887