Wilson
Vukelich LLP
Lawyers

Wilson Vukelich LLP
60 Columbia Way, 7th Floor
Markham ON Canada L3R 0C9
Tel. 905.940.8700 Fax 905.940.8785
Toll Free 1.866.508.8700
www.wvllp.ca

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Dear Trustees:

It is important to monitor and properly document the activities of the Trust in order to meet Canada Revenue Agency requirements. Accordingly, we have a system which we offer to trustees to assist them to fulfill those requirements.

We invite you to complete the enclosed questionnaire in conjunction with your accountant. If you wish to use our services, please return the completed questionnaire to our office as soon as possible. The questionnaire is intended to highlight activities that are likely to have tax consequences. Even if there has been no activity with the Trust, there may be issues to consider; i.e., Federal government tax changes, or if the 21st anniversary of the Trust is approaching. With planning, we can sometimes mitigate or avoid certain tax consequences. **Note, however, that for any transactions that are to take place before the end of this calendar year, meetings of the Trustees must be held prior to the end of the calendar year. Given the circumstances surrounding Covid-19 and related lockdowns, in most cases, meetings can be held virtually. Further, if there are corporate transactions to be documented as having taken place in 2020, the meetings of shareholders and/or directors should also be held prior to the end of 2020.** If you do return the questionnaire, we will review it and contact you in due course.

Upon your request, a Trust Profile of information that exists on our records with respect to the Trust will be sent to you. Review the information and return the profile with any changes or missing information.

New trust reporting requirements will come into effect for the 2021 taxation year for trusts with a taxation year that ends after December 30, 2021. Under current guidelines set out by the Canada Revenue Agency, a trust that doesn't earn income or make any distributions in a year is not required to file an annual T3 return. Those that do file T3 Returns are not required to report the identities of all of the beneficiaries, settlor, protector etc.

The new rules will require most express trusts that are resident of Canada (and certain non-resident trusts) to file annual T3 returns (with penalties for those who do not comply) and to provide additional information (e.g. the name, address, date of birth, tax information number and jurisdiction of residence of all trustees, beneficiaries, settlor and any other person who has the ability to exert influence over trustee decisions regarding the appointment of income or capital of the trust).

WILSON VUKELICH LLP – The Trust Team

Brian Wilson	(bwilson@wvllp.ca)
Gwen Benjamin	(gbenjamin@wvllp.ca)
Josh Harnett	(jharnett@wvllp.ca)
Robert Martini	(rmartini@wvllp.ca)
Robin MacKnight	(rjmacknight@wvllp.ca)

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2020 TRUST ACTIVITY QUESTIONNAIRE

Your Name: ____________________________ **Name of Trust:** ________________________________

1) Income Distributions and Tax Elections

	YES	NO
INCOME		
a) Has the Trust earned income during the year? If yes, please provide details on a separate page.		
DISTRIBUTIONS/PAYMENTS		
b) Has income been paid or made payable by the Trust during the year? If yes, please provide details on a separate page.		
c) Has any Trust property been used by a Beneficiary or other person during the year? (e.g. staying in cottage property). If yes, please provide details on a separate page.		
d) Have or will any amounts be distributed or made payable to non-residents?		
e) Have there been any distributions of capital during the year?		
DESIGNATIONS AND ELECTIONS		
f) Will the Trust make a preferred beneficiary election with respect to any accumulated income?		
g) Has or will the Trust make any other elections under the *Income Tax Act*?		
h) Has the Trust made any designations in respect of taxable or non-taxable dividends during the year? If yes, please provide details on a separate page.		
i) Has the Trust made any designations in respect of taxable capital gains during the year? If yes, please provide details on a separate page.		

2) Trust Administration and Structural Considerations

	YES	NO
TRUST ADMINISTRATION/TRUSTEES		
a) Have there been any changes in the Trustees during the year? If yes, please provide details on a separate page.		
b) Have any Trustees become non-resident during the year?		
c) Have any loans been repaid during the year?		
d) Has interest on loans been paid? If yes, please provide details on a separate page.		
e) Have any corporations of which the Trust is a shareholder been reorganized during the year?		
CONTRIBUTIONS		
f) Has the Trust acquired any shares of a private company during the year?		
g) Has any person contributed property to the Trust during the year? If yes, please provide details on a separate page.		
BENEFICIARIES		
h) Have any beneficiaries renounced or disclaimed an interest in the Trust?		
i) Are any beneficiaries deceased?		
j) Have any beneficiaries become non-resident during the year?		
k) Has any corporation or trust been acknowledged by the Trustees as a Beneficiary of the Trust? If yes, please provide details on a separate page.		
TERMINATION/WINDUP/DEEMED DISPOSITION		
l) Has the Trust been wound-up this year? If yes, date of windup: ________________________		

E-MAIL the completed QUESTIONNAIRE to our Trust Clerk at: **scarvalho@wvllp.ca**