



IS YOUR FAMILY COTTAGE A LIABILITY?

Individuals that intend to succeed a family cottage to the next generation are often unaware of the challenges that they could potentially encounter. Ensuring that an asset of sentimental value can withstand these challenges requires careful planning and consideration. By utilizing the right tools and knowledge, loss of a family cottage due to family discord or excessive taxation can be prevented. With the assistance of a qualified expert, proactively planning your estate will secure you and your family's peace of mind and harmony for the future.

Sheri MacMillan, a senior Trust and Estate Practitioner, has implemented estate plans for families over the past decade. "Families that are the most successful in life plan ahead and seek professional advice," states MacMillan. "When it comes to succeeding an asset, there are numerous tools available. A trust used in conjunction with an estate freeze can effectively protect an asset from undo risk."

A trust is a legal relationship that holds ownership of an asset on behalf of a beneficiary. Placing a family cottage into trust may protect it from being jeopardized in our children's hands should they experience a divorce, a lawsuit or liability issues. Rules pertaining to sharing the property or other instances that may cause conflict amongst family members can also be accounted for within a trust.

In addition to family dynamics, taxation liabilities may also hinder the smooth succession of a family cottage. However, by using an estate freeze alongside a

trust, taxable capital gains can be strategically deferred. Once a cottage is put into an estate freeze, any future growth on the asset's value is transferred automatically to the next generation. As a result, a family cottage will be succeeded to your heirs in the most tax efficient manner available.

Want to know more? For further information regarding the concepts discussed, please do not hesitate to register for a complimentary estate planning seminar. At this time, senior Trust and Estate Practitioner, Sheri MacMillan, will share her in-depth knowledge and offer insight into all your estate planning needs.

Should you have more specific questions pertaining to your estate, MacMillan Estate Planning offers all families a complimentary consultation with an experienced Trust and Estate Practitioner. For more information, please inquire online at

www.yourestateplan.ca
or call (403) 266-6464.



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